

**MIDAS FINANCING LIMITED  
& ITS SUBSIDIARY  
MIDAS CENTRE, House # 05, Road # 16 (new)/ 27 (old)  
Dhanmondi R/A, Dhaka-1209**

**AUDITOR'S REPORT  
AND  
FINANCIAL STATEMENTS  
As at and for the year ended December 31, 2018**

**MAHFEL HUQ & CO.  
CHARTERED ACCOUNTANTS  
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## **Independent Auditor's Report To the Shareholders of MIDAS Financing Limited**

### **Report on the Audit of the Consolidated and Separate Financial Statements**

#### **Opinion**

We have audited the accompanying consolidated financial statements of MIDAS Financing Limited (the 'Group') and its subsidiary as well as the separate financial statements of MIDAS Financing Limited (the 'Company'), which comprise the consolidated and separate balance sheet as at December 31, 2018 and consolidated and separate profit and loss accounts, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements of the Group and the separate financial statements of the Company give a true and fair view, in all material respects, of the consolidated balance sheet of the Group and the separate balance sheet of the Company as at December 31, 2018 and of consolidated and separate profit and loss account and cash flows of the Company, Statement of changes in equity and notes to consolidated and separate financial statement for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the applicable sections of the Financial Institutions Act 1993, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated and separate Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as whole, and in forming our opinion thereon, and we do not express a separate opinion on these matters.

#### **Going Concern**

The Company's financial statements have been prepared using the going concern basis of accounting. The use of this basis of accounting is appropriate unless management either intends to liquidate the Company or to cease operation, or has no realistic alternative but to do so. As part of our audit of the financial statements, we have conducted that management's use of the going concern basis of accounting in the preparation of the Company's financial statements is appropriate.

Management has not identified a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern, and accordingly none is disclosed in the financial statements. Based on our audit of the financial statements, we also have not identified such a material uncertainty. However, neither management nor the auditor can guarantee the Company's ability to continue as a going concern.



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## **Information Other than the Consolidated and separate Financial Statements and Auditor's Report Thereon**

Management is responsible for the other information. The other information comprises all the information in the Annual report other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated and separate Financial Statements and internal controls**

Management is responsible for the preparation and fair presentation of the Consolidated and separate financial statements in accordance with IFRSs applicable sections of the Financial Institutions Act 1993, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 requires the Management to ensure effective internal audit, internal control and risk management functions of the Company.

In preparing the Consolidated and separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of the audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities to express an opinion on the consolidated and separate financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the company's consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules 1987, the Financial Institutions Act, 1993 and the rules and regulations issued by Bangladesh Bank, we also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) financial statements of a subsidiary company, MIDAS Investment Limited, have been audited by HUDA HOSSAIN & CO., Chartered Accountants and have been properly reflected in the consolidated financial statements and issued unqualified reports;



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- c) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examinations of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- d) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns;
- e) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and profit and loss account of the Company together with annexed note from 1 to 41 dealt with by the report are in agreement with the books of account and returns, so far as it appeared from our examination on a test basis;
- f) the expenditure incurred during the year were for the purpose of the business of the Company;
- g) the consolidated financial statements of the Group and the separate financial statements of the Company have been drawn up in conformity with the Financial Institutions Act 1993 prevailing rules, regulations and accounting standards as well as with related guidance issued by Bangladesh Bank to the extent applicable to the Company;
- h) adequate provision have been made for loans, advances, leases, investment and other assets which are, in our opinion, doubtful of recovery and Bangladesh Bank's instructions in this regard have been followed properly;
- i) the financial statements of the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;
- j) the records and statements submitted by the branches have been properly maintained and recorded in the financial statements;
- k) statements sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;
- l) taxes and other duties were collected and deposited in the Government treasury by the Company as per Government instructions found satisfactory based on test checking;
- m) nothing has come to our attention that the Company has adopted any unethical means i.e. 'window dressing' to inflate the profit and mismatch between the maturity of assets and liabilities;
- n) proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;
- o) based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;
- p) the Company has complied with relevant laws pertaining to capital, reserve and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/leases found satisfactory;
- q) we have reviewed over 80% of the risk weighted assets of the Company and we have spent around 1453 person hours for the audit of the books and accounts of the Company;



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- r) the Company has complied with the relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;
- s) the Company has complied with the 'DFIM Circular No. 11, Dated 23 December 2009' in preparing these financial statements;
- t) All other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.

Place: Dhaka

Dated: 22 MAY 2019

**Mahfel Huq & Co.**  
**Chartered Accountants**



**MIDAS Financing Limited and its subsidiary**  
**Consolidated Balance Sheet**  
As at December 31, 2018



Particulars		Notes	Amount in Taka	
			December 31, 2018	December 31, 2017
<b>PROPERTY AND ASSETS</b>				
Cash			189,417,493	195,587,763
Cash in hand (Including foreign currency)	3(a)		14,154,758	14,749,782
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	3(b)		175,262,735	180,837,981
<b>Balance with other banks and financial institutions</b>			<b>337,916,190</b>	<b>314,624,699</b>
Inside Bangladesh	4(a)		337,916,190	314,624,699
Outside Bangladesh			-	-
<b>Money at call and short notice</b>	5		-	-
<b>Investments</b>			<b>415,632,466</b>	<b>346,801,198</b>
Government			-	-
Others	6(a)		415,632,466	346,801,198
<b>Lease, loans and advances</b>	7(a)		<b>10,052,745,342</b>	<b>10,099,435,603</b>
<b>Fixed assets including land, building, furniture and fixtures</b>	8(a)		<b>483,984,362</b>	<b>499,654,700</b>
<b>Other assets</b>	9(a)		<b>290,689,747</b>	<b>281,069,208</b>
<b>Non-banking assets</b>	10		<b>80,765,467</b>	<b>80,765,467</b>
<b>TOTAL ASSETS</b>			<b>11,851,151,067</b>	<b>11,817,938,638</b>
<b>LIABILITIES AND CAPITAL</b>				
<b>Liabilities</b>				
<b>Borrowings from other banks, financial institutions and agents</b>	11(a)		<b>1,709,739,099</b>	<b>1,394,821,193</b>
<b>Deposits and other accounts</b>			<b>7,263,640,563</b>	<b>7,742,485,146</b>
Term deposits	12(a)		7,243,261,829	7,725,037,322
Other deposits	12(b)		20,378,734	17,447,824
<b>Other liabilities</b>	13(a)		<b>1,425,678,535</b>	<b>1,240,111,777</b>
<b>Total Liabilities</b>			<b>10,399,058,197</b>	<b>10,377,418,116</b>
<b>Capital/Shareholders' equity</b>			<b>1,452,090,773</b>	<b>1,440,518,429</b>
Paid-up capital	14.2		1,322,955,430	1,202,686,760
General reserve	15		-	-
Statutory reserve	16		82,460,027	80,227,958
Retained earnings	17(a)		46,675,316	157,603,711
<b>Non-controlling interest</b>			<b>2,097</b>	<b>2,093</b>
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>			<b>11,851,151,067</b>	<b>11,817,938,638</b>
<b>CONSOLIDATED OFF - BALANCE SHEET ITEMS</b>				
<b>Contingent liabilities</b>				
Acceptances and endorsements	18.1		-	-
Letters of guarantee			200,000,000	200,000,000
Irrevocable letters of credit			-	-
Bills for collection			-	-
			<b>200,000,000</b>	<b>200,000,000</b>
<b>Other commitments</b>				
Documentary credits and short term trade related transactions	18.2		-	-
Forward assets purchased and forward deposits placed			-	-
Undrawn note issuance and revolving underwriting facilities			-	-
Undrawn formal standby facilities, credit lines and other commitments			236,595,318	1,364,618,248
Claims against the bank not acknowledged as debts			-	-
<b>Total</b>			<b>236,595,318</b>	<b>1,364,618,248</b>
<b>TOTAL OFF BALANCE SHEET ITEMS INCLUDING CONTINGENT LIABILITIES</b>			<b>436,595,318</b>	<b>1,564,618,248</b>
<b>Net assets value (NAV) per share (2017:restated)</b>	35(a)		<b>10.98</b>	<b>10.89</b>

The annexed notes 1 to 41 form an integral part of these consolidated financial statements.

Director

Director

Managing Director

Chief Financial Officer

Company Secretary

This is the consolidated balance sheet referred to in our separate report of even date.

Place: Dhaka

Dated: 22 MAY 2019

Mahfel Huq & Co.  
Chartered Accountants




**MIDAS Financing Limited and its subsidiary**  
**Consolidated Profit and Loss Account**  
For the year ended December 31, 2018



Particulars	Notes	Amount in Taka	
		2018	2017
Interest income	20(a)	1,087,241,771	1,072,106,375
Interest on deposits & borrowings, etc.	21(a)	913,533,757	772,373,827
<b>Net interest income</b>		<b>173,708,014</b>	<b>299,732,548</b>
Income from investment	22(a)	48,582,683	79,251,782
Commission, exchange and brokerage		1,200,000	1,000,000
Other operating income	23(a)	82,378,093	82,682,327
<b>Total operating income</b>		<b>305,868,790</b>	<b>462,666,657</b>
Salary and allowances	24(a)	119,096,576	109,045,336
Rent, taxes, insurances, electricity, etc.	25(a)	8,591,462	12,504,238
Legal expenses	26(a)	9,505,954	7,989,702
Postage, stamp, telecommunication, etc.	27(a)	2,660,385	2,968,414
Stationery, printing, advertisements, etc.	28(a)	3,715,346	3,272,981
Managing Director's salary and benefits	29	6,344,000	6,343,996
Directors' fees and expenses	30(a)	1,990,405	1,920,550
Auditors' fees		196,000	162,278
Depreciation and repair of Company's assets	31(a)	20,510,529	19,844,926
Other expenses	32(a)	9,244,363	8,392,513
<b>Total operating expenses</b>		<b>181,855,020</b>	<b>172,444,934</b>
<b>Profit before provision</b>		<b>124,013,770</b>	<b>290,221,723</b>
General provisions	33(a)	(10,409,138)	22,751,405
Specific provisions	33(b)	55,429,738	32,731,579
Diminution in value of investments	33(c)	40,831,353	8,391,559
Other provisions	33(f)	-	(28,452,369)
<b>Total provision</b>		<b>85,851,953</b>	<b>35,422,174</b>
<b>Total profit before tax</b>		<b>38,161,817</b>	<b>254,799,549</b>
Current tax	33(d)	28,911,959	40,808,125
Deferred tax	33(e)	(2,322,690)	(3,962,690)
		<b>26,589,269</b>	<b>36,845,435</b>
<b>Net profit after tax</b>		<b>11,572,548</b>	<b>217,954,114</b>
<b>Attributable to</b>			
Shareholders of the Company		11,572,344	217,953,968
Non-controlling interest		204	146
		<b>11,572,548</b>	<b>217,954,114</b>
<b>Appropriations to</b>			
General reserve	15	-	-
Statutory reserve	16	2,232,069	45,450,766
		<b>2,232,069</b>	<b>45,450,766</b>
<b>Retained surplus</b>		<b>9,340,275</b>	<b>172,503,201</b>
<b>Earnings per Share (EPS) (2017:restated)</b>	34(a)	<b>0.09</b>	<b>1.65</b>

The annexed notes 1 to 41 from an integral part of these consolidated financial statements.

    
Director Director Managing Director

   
Chief Financial Officer Company Secretary

This is the consolidated profit and loss account referred to in our separate report of even date.

Place: Dhaka  
Dated: 22 MAY 2019

  
Mahfel Huq & Co.  
Chartered Accountants



**MIDAS Financing Limited and its subsidiary**  
**Consolidated Statement of Cash Flows**  
For the year ended December 31, 2018



Particulars	Notes	Amount in Taka	
		2018	2017
<b>A) Cash flow from operating activities</b>			
Interest received		1,084,294,189	1,035,084,327
Interest paid		(829,021,917)	(694,372,488)
Dividend received		7,455,233	7,706,502
Fees & commission received		1,200,000	1,000,000
Recoveries of loans previously written off		28,893,425	10,696,999
Cash payments to employees		(125,440,576)	(115,389,332)
Cash payments to suppliers		(3,715,346)	(3,272,981)
Income tax paid		(28,662,487)	(50,521,917)
Received from other operating activities		119,853,763	153,734,107
Payments for other operating activities		(34,487,283)	(36,187,866)
<b>Operating profit before changes in operating assets &amp; liabilities</b>		<b>220,369,000</b>	<b>308,477,351</b>
<b>Changes in operating assets and liabilities</b>			
Purchases/sale of trading securities		(68,831,267)	(80,736,223)
Loans and lease finance to customers		(28,119,078)	(1,444,825,398)
Other assets		14,530,528	20,267,622
Deposits from banks & individuals		(478,844,583)	1,086,274,272
Other liabilities		45,490,190	(57,878,317)
<b>Sub Total</b>		<b>(515,774,210)</b>	<b>(476,898,044)</b>
<b>Net cash from operating activities</b>		<b>(295,405,210)</b>	<b>(168,420,693)</b>
<b>B) Cash flow from investing activities</b>			
Sales proceeds of fixed assets		41,000	493,400
Purchases of fixed assets		(2,432,475)	(4,663,155)
<b>Net cash from investing activities</b>		<b>(2,391,475)</b>	<b>(4,169,755)</b>
<b>C) Cash flow from financing activities</b>			
Increase/(decrease) of borrowings		314,917,906	57,936,434
<b>Net cash from financing activities</b>		<b>314,917,906</b>	<b>57,936,434</b>
<b>D) Net increase/(decrease) in cash &amp; cash equivalents (A+B+C)</b>		<b>17,121,221</b>	<b>(114,654,015)</b>
<b>E) Effects of exchange rate changes on cash &amp; cash equivalents</b>		<b>-</b>	<b>-</b>
<b>F) Cash and cash equivalents at the beginning of the year</b>		<b>510,212,462</b>	<b>624,866,477</b>
<b>G) Cash and cash equivalents at the end of the year (D+E+F)*</b>		<b>527,333,683</b>	<b>510,212,462</b>
<b>* Cash and cash equivalents at the end of the year:</b>			
Cash in hand (including foreign currency)	3(a)	14,154,758	14,749,782
Balance with Bangladesh Bank and its agent bank (s) (including foreign currency)	3(b)	175,262,735	180,837,981
Balance with other banks and financial institutions	4(a)	337,916,190	314,624,699
<b>Total</b>		<b>527,333,683</b>	<b>510,212,462</b>
<b>Net operating cash flow per share (NOCFPS) (2017:restated)</b>	36(a)	<b>(2.23)</b>	<b>(1.27)</b>

The accounting policies and explanatory notes form an integral part of these consolidated financial statements.

Director

Director

Managing Director

Chief Financial Officer

Company Secretary

This is the consolidated cash flow statement referred to in our separate report of even date.

Place: Dhaka

Dated: 22 MAY 2019

**MIDAS Financing Limited and its subsidiary**  
**Consolidated Statement of Changes in Equity**  
For the year ended December 31, 2018



Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total	Non-Controlling Interest	Total Equity
Balance as at January 1, 2018	1,202,686,760	80,227,958	157,603,711	1,440,518,429	2,093	1,440,520,522
Items involves in changes in equity Profit/(loss) for the period	-	-	11,572,344	11,572,344	204	11,572,548
Transfer to statutory reserve	-	2,232,069	(2,232,069)	-	-	-
Stock dividend for 2017	120,268,670	-	(120,268,670)	-	(200)	(200)
Balance as at December 31, 2018	1,322,955,430	82,460,027	46,675,316	1,452,090,773	2,097	1,452,092,870
Balance as at December 31, 2017	1,202,686,760	80,227,958	157,603,711	1,440,518,429	2,093	1,440,520,522

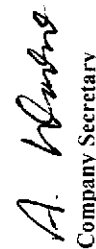
The accounting policies and explanatory notes form an integral part of these consolidated financial statements.

  
Director

  
Director

  
Managing Director

  
Chief Financial Officer

  
Company Secretary

This is the consolidated statement of changes in equity referred to in our separate report of even date.

Place: Dhaka

Dated: 22 MAY 2019





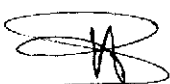
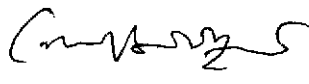

## MIDAS Financing Limited

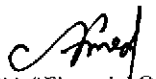

### Balance Sheet

As at December 31, 2018

Particulars	Notes	Amount in Taka	
		December 31, 2018	December 31, 2017
<b>PROPERTY AND ASSETS</b>			
Cash		189,410,743	195,582,326
Cash in hand (Including foreign currency)	3.1	14,148,008	14,744,345
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	3.2	175,262,735	180,837,981
Balance with other banks and financial institutions		323,006,997	303,631,994
Inside Bangladesh	4.1	323,006,997	303,631,994
Outside Bangladesh		-	-
Money at call and short notice	5	-	-
Investments		288,117,557	273,725,149
Government		-	-
Others	6	288,117,557	273,725,149
Lease, loans and advances	7	10,287,318,648	10,315,899,131
Fixed assets including land, building, furniture and fixtures	8	292,696,313	303,926,690
Other assets	9	471,768,651	473,240,221
Non-banking assets	10	80,765,467	80,765,467
<b>TOTAL ASSETS</b>		<b>11,933,084,376</b>	<b>11,946,770,978</b>
<b>LIABILITIES AND CAPITAL</b>			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	1,709,739,099	1,394,821,193
Deposits and other accounts		7,468,640,563	7,947,485,146
Term deposits	12.1	7,448,261,829	7,930,037,322
Other deposits		20,378,734	17,447,824
Other liabilities	13	1,311,358,789	1,172,279,060
Total Liabilities		10,489,738,451	10,514,585,399
Capital/Shareholders' equity		1,443,345,925	1,432,185,579
Paid-up capital	14.2	1,322,955,430	1,202,686,760
General reserve	15	-	-
Statutory reserve	16	82,460,027	80,227,958
Retained earnings	17	37,930,468	149,270,861
<b>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</b>		<b>11,933,084,376</b>	<b>11,946,770,978</b>
<b>OFF - BALANCE SHEET ITEMS</b>			
Contingent liabilities	18.1		
Acceptances and endorsements		-	-
Letters of guarantee		200,000,000	200,000,000
Irrevocable letters of credit		-	-
Bills for collection		-	-
		200,000,000	200,000,000
Other commitments	18.2		
Documentary credits and short term trade related transactions		-	-
Forward assets purchased and forward deposits placed		-	-
Undrawn, note issuance and revolving underwriting facilities		-	-
Undrawn formal standby facilities, credit lines and other commitments		236,595,318	1,364,618,248
Claims against the Bank not acknowledged as debts		-	-
		236,595,318	1,364,618,248
<b>TOTAL OFF BALANCE SHEET ITEMS INCLUDING CONTINGENT LIABILITIES</b>		<b>436,595,318</b>	<b>1,564,618,248</b>
Net assets value (NAV) per share (2017:restated)	35	10.91	10.83

The annexed notes 1 to 41 form an integral part of these financial statements.

 Director  
 Director  
 Managing Director

 Chief Financial Officer  
 Company Secretary

This is the balance sheet referred to in our separate report of even date.

Place: Dhaka  
 Dated: 22 MAY 2019

  
 Mahfel Huq & Co.  
 Chartered Accountants



**MIDAS Financing Limited**  
**Profit and Loss Account**  
For the year ended December 31, 2018

Particulars	Notes	Amount in Taka	
		2018	2017
Interest income	20	1,111,373,843	1,097,907,498
Interest on deposits & borrowings, etc.	21	932,225,878	791,915,607
<b>Net interest income</b>		<b>179,147,965</b>	<b>305,991,891</b>
Income from investment	22	39,304,871	92,560,500
Commission, exchange and brokerage		1,200,000	1,000,000
Other operating income	23	47,525,200	53,093,140
<b>Total operating income</b>		<b>267,178,036</b>	<b>452,645,531</b>
Salary and allowances	24	114,637,256	106,126,368
Rent, taxes, insurances, electricity, etc.	25	8,070,941	9,786,946
Legal expenses	26	9,448,254	7,917,252
Postage, stamp, telecommunication, etc.	27	2,468,606	2,932,541
Stationery, printing, advertisements, etc.	28	3,676,411	3,050,971
Managing Director's salary and benefits	29	6,344,000	6,343,996
Directors' fees and expenses	30	1,885,568	1,765,005
Auditors' fees		150,000	127,778
Depreciation and repair of company's assets	31	14,544,530	14,311,392
Other expenses	32	7,971,189	7,557,752
<b>Total operating expenses</b>		<b>169,196,755</b>	<b>159,920,002</b>
<b>Profit before provision</b>		<b>97,981,281</b>	<b>292,725,529</b>
General provisions	33	(10,409,138)	22,751,405
Specific provisions	33	55,429,738	32,731,579
Diminution in value of investments	33	20,443,884	3,926,204
Other provisions	33	-	(28,452,369)
<b>Total provision</b>		<b>65,464,484</b>	<b>30,956,819</b>
<b>Profit before tax</b>		<b>32,516,797</b>	<b>261,768,710</b>
Current tax		22,428,779	38,455,551
Deferred tax		(1,072,328)	(3,940,671)
		<b>21,356,451</b>	<b>34,514,880</b>
<b>Net profit after taxation</b>		<b>11,160,346</b>	<b>227,253,830</b>
<b>Appropriations to</b>			
General reserve	15	-	-
Statutory reserve	16	2,232,069	45,450,766
		2,232,069	45,450,766
<b>Retained surplus</b>		<b>8,928,277</b>	<b>181,803,064</b>
<b>Earnings per Share (EPS) (2017:restated)</b>	34	<b>0.08</b>	<b>1.72</b>

The annexed notes 1 to 41 form an integral part of this financial statements

 Director
  Director
  Managing Director
  Chief Financial Officer
  Company Secretary

This is the profit & loss referred to in our separate report of even date.

Place: Dhaka  
Dated: 22 MAY 2019

  
 Mahfel Huq & Co.  
Chartered Accountants



**MIDAS Financing Limited**  
**Statement of Cash Flows**  
For the year ended December 31, 2018



Particulars	Notes	Amount in Taka	
		2018	2017
<b>A) Cash flow from operating activities</b>			
Interest received		1,108,426,257	1,060,885,450
Interest paid		(846,635,382)	(713,914,268)
Dividend received		5,401,098	19,575,497
Fees & commission received		1,200,000	1,000,000
Recoveries of loans previously written off		28,893,425	10,696,999
Cash payments to employees		(120,981,256)	(112,470,364)
Cash payments to suppliers		(3,676,411)	(3,050,971)
Income tax paid		(21,183,461)	(36,096,751)
Received from other operating activities		56,429,173	110,584,863
Payments for other operating activities		(31,954,933)	(32,128,025)
<b>Operating profit before changes in operating assets &amp; liabilities</b>		<b>175,918,510</b>	<b>305,082,430</b>
<b>Changes in operating assets and liabilities</b>			
Purchases/sale of trading securities		(14,392,407)	(46,552,120)
Loans and lease finance to customers		(46,228,856)	(1,473,463,074)
Other assets		14,491,832	24,407,750
Deposits from banks & individuals		(478,844,583)	1,073,197,887
Other liabilities		48,544,796	(62,328,946)
<b>Sub total</b>		<b>(476,429,218)</b>	<b>(484,738,503)</b>
<b>Net cash from operating activities</b>		<b>(300,510,708)</b>	<b>(179,656,073)</b>
<b>B) Cash flow from investing activities</b>			
Sales proceeds of fixed assets		41,000	493,400
Purchases of fixed assets		(1,244,778)	(4,016,083)
<b>Net cash from investing activities</b>		<b>(1,203,778)</b>	<b>(3,522,683)</b>
<b>C) Cash flow from financing activities</b>			
Increase/(decrease) of borrowings		314,917,906	57,936,434
<b>Net cash from financing activities</b>		<b>314,917,906</b>	<b>57,936,434</b>
<b>D) Net increase/(decrease) in cash &amp; cash equivalents (A+B+C)</b>		<b>13,203,420</b>	<b>(125,242,321)</b>
<b>E) Effects of exchange rate changes on cash &amp; cash equivalents</b>		-	-
<b>F) Cash and cash equivalents at the beginning of the year</b>		<b>499,214,320</b>	<b>624,456,641</b>
<b>G) Cash and cash equivalents at the end of the year (D+E+F)*</b>		<b>512,417,740</b>	<b>499,214,320</b>
<b>* Cash and cash equivalents at the end of the year</b>			
Cash in hand (including foreign currency)	3.1	14,148,008	14,744,345
Balance with Bangladesh Bank and its agent bank (s) (including foreign currency)	3.2	175,262,735	180,837,981
Balance with other banks and financial institutions	4	323,006,997	303,631,994
<b>Total</b>		<b>512,417,740</b>	<b>499,214,320</b>
<b>Net operating cash flow per share (NOCFPS) (2017:restated)</b>	36	<b>(2.27)</b>	<b>(1.36)</b>

The accounting policies and explanatory notes form an integral part of these financial statements

Director

Director

Managing Director

Chief Financial Officer

Company Secretary

This is the cash flow statement referred to in our separate report of even date.

Place: Dhaka

Dated: 22 MAY 2019

**MIDAS Financing Limited**  
**Statement of Changes in Equity**  
**For the year ended December 31, 2018**



Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total equity
Balance as at January 1, 2018	1,202,686,760	80,227,958	149,270,861	1,432,185,579
Items involves in changes in equity (Profit/(loss) for the period	-	-	11,160,346	11,160,346
Transfer to statutory reserve	-	2,232,069	(2,232,069)	-
Stock dividend for 2017	120,268,670	-	(120,268,670)	-
<b>Balance as at December 31, 2018</b>	<b>1,322,955,430</b>	<b>82,460,027</b>	<b>37,930,468</b>	<b>1,443,345,925</b>
<b>Balance as at December 31, 2017</b>	<b>1,202,686,760</b>	<b>80,227,958</b>	<b>149,270,861</b>	<b>1,432,185,579</b>

The accounting policies and explanatory notes form an integral part of these financial statements

  
Director

  
Director

  
Managing Director

  
Chief Financial Officer

  
Company Secretary

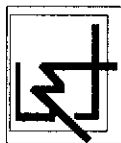
This is the statement of changes in equity referred to in our separate report of even date.

Place: Dhaka

Dated: 22 MAY 2019



**MIDAS Financing Limited**  
**Liquidity Statements**  
As at December 31, 2018



Amount in Taka					
Particulars	Not more than 1 month term	01-03 Months term	03-12 Months term	01-05 Years term	Above 05 years term
Assets					
Cash in hand (Including foreign currency)	14,148,008	-	-	-	-
Balance with Bangladesh Bank and its agent bank(s)	175,262,735	-	-	-	-
Balance with other banks and financial institutions	93,006,997	65,000,000	165,000,000	-	-
Money at call and short notice	-	-	-	-	-
Investments	13,277,405	58,420,583	92,941,837	100,908,282	22,569,450
Lease, loans and advances	711,273,815	611,433,439	3,006,384,129	3,628,378,259	2,329,849,006
Fixed assets including land, building, furniture and fixtures	1,014,514	2,029,028	9,130,625	63,914,378	216,607,768
Other assets	91,459,038	6,302,469	5,285,051	101,000,943	267,721,149
Non-banking assets	-	-	80,765,467	-	-
<b>Total Assets (i)</b>	<b>1,099,442,512</b>	<b>743,185,520</b>	<b>3,359,507,110</b>	<b>3,894,201,861</b>	<b>2,836,747,373</b>
<b>11,933,084,376</b>					
Liabilities					
Borrowings from other banks, financial institutions and agents	146,881,806	159,975,562	852,458,961	539,912,737	10,510,033
Deposits and other accounts	671,128,777	435,659,609	2,063,468,522	2,973,984,837	1,324,398,818
Provision and other liabilities	232,107,193	78,691,991	396,670,106	342,763,247	261,126,252
<b>Total Liabilities (ii)</b>	<b>1,050,117,776</b>	<b>674,327,162</b>	<b>3,312,597,589</b>	<b>3,856,660,821</b>	<b>1,596,035,103</b>
<b>10,489,738,451</b>					
<b>Net Liquidity Gap (i-ii)</b>	<b>49,324,736</b>	<b>68,858,358</b>	<b>46,909,521</b>	<b>37,541,040</b>	<b>1,240,712,270</b>
					<b>1,443,345,925</b>

4002

**MIDAS Financing Limited and its subsidiary**  
**Notes to the Consolidated and separate financial statements**  
**As at and for the year ended December 31, 2018**

**1. Legal status and nature of the company**

**1.1 Domicile, legal form and country of incorporation**

MIDAS Financing Limited (MFL) is a Public Company Limited by shares incorporated on May 16, 1995 under the Companies Act, 1994 and authorized to commence its business operation in Bangladesh as per certificate of commencement of business. The Company obtained license from Bangladesh Bank on October 11, 1999 to operate as a Non Bank Financial Institution under the Financial Institutions Act, 1993. The Company has been listed with Dhaka Stock Exchange Ltd. since October 26, 2002 and Chittagong Stock Exchange Ltd. since July 27, 2004. The registered office of the Company is situated at its own premises at MIDAS CENTRE, House # 05, Road # 16 (new)/ 27 (old), Dhanmondi R/A, Dhaka-1209. MIDAS Financing Limited has a subsidiary company named MIDAS Investment Limited (MIL) and MFL holds 99.9992% shares of MIL. MIL was incorporated on 9th April 2012 under the companies Act, 1994 bearing registration number C-100772/12 and operating Merchant Banking Business.

**1.2 Principal activities and nature of operation**

The main activities of the Company include the following:

- Small and Medium Enterprise (SME) Finance
- Lease Finance
- Auto Finance
- Term Finance
- Micro Industries Finance
- Consumers Finance
- Housing Finance
- Loan against Lien of Securities
- Work Order Finance
- Term Deposit Collection
- Treasury Operation

**1.3 Subsidiary Company**

**MIDAS Investment Limited (MIL)**

MIDAS Financing Limited is the owner of 99.9992% of shares (2,49,99,800 nos. of shares of Tk. 10 each) of MIDAS Investment Limited (MIL). MIDAS Investment Limited is a Private Limited Company and incorporated under the Companies Act, 1994 on 09 April, 2012 bearing Registration No C-100772/12 with the Registrar of Joint Stock Companies and Firms. The registered office of the Company is MIDAS Centre (6th floor), House # 05, Road # 16 (new)/27 (old), Dhanmondi R/A, Dhaka-1209. The core business of the Company is Merchant Banking. The paid up capital of the Company is Tk. 25 crore.

**2. Significant accounting policies**

**2.1 Basis of preparation of the financial statements**

These Statements have been prepared on a going concern basis and accrual method under the historical cost convention and in accordance with the Financial Institution Act, 1993 and Bangladesh Bank DFIM Circular No. 11 dated 23 December 2009 in conformity with International Accounting Standard (IAS) and International Financial Reporting Standards (IFRS), the Companies Act, 1994, the Securities & Exchange Rules 1987, the listing of DSE & CSE regulations and other laws & regulations applicable in Bangladesh.

**2.2 Use of estimates and judgments**

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

**2.3 Consolidation of operation of subsidiary**

The financial statements of the company and its subsidiary, as mentioned in note. 1.3 have been consolidated in accordance with International Financial Reporting Standard 10 "Consolidated Financial Statements". The consolidation of the financial statements have been made after elimination of all material inter-company transactions.

The total profits of the company and its subsidiary are shown in the consolidated profit and loss account with the proportion of profit after tax pertaining to minority shareholders being deducted as "Non-controlling interest".

All assets and liabilities of the Company and its subsidiary are shown in the consolidated balance sheet. The interest of minority shareholders of the subsidiary are shown in the consolidated balance sheet under the heading "Non-controlling interest".

#### 2.4 Risk and uncertainty for use of estimates (Provisions)

The preparation of financial statements in conformity with Bangladesh Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, assets and liabilities, and requires disclosure for contingent assets and liabilities during the reporting period and on the dates of the financial statements. Due to inherent uncertainty involved in making estimates, actual results reported could differ from those estimates.

In accordance with the guidelines as prescribed by Accounting Standards (IAS) 37: Provisions, contingent liabilities and contingent assets, provisions are recognized in the following situations:

- When the Company has an obligation as a result of past events;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimate can be made of the amount of the obligation.

#### 2.5 Reporting period

These financial statements have been prepared for the period from January 01, 2018 to December 31, 2018.

#### 2.6 Comparative information

As guided in paragraph 36 and 38 of IAS 1 Presentation of Financial Statements, comparative information in respect of the previous year have been presented in all numerical information in the financial statements and the narrative and descriptive information where, it is relevant for understanding of the current year's financial statements.

##### Prior year adjustment in 2017

During the year 2017, a prior year adjustment was made to retained earnings, tax provision and statutory reserve to accurately reflect the calculation of prior year over due interest receivable, in line with the requirement of International Accounting Standards (IAS-8): Accounting Policies, Changes in Accounting Estimates and Errors.

#### 2.7 Functional and presentation currency

These financial statements are presented in Taka, which is the company's functional currency. Figures appearing in these financial statements and notes have been rounded off to the nearest Taka.

#### 2.8 Statement of cash flows

Cash flow statement can be prepared using either direct method or the indirect method as per IAS 7 "Statement of Cash Flows". The presentation should be selected to present these cash flows in a manner that is appropriate for the business or industry. The method selected should be applied consistently. However, As per DFIM Circular No. 11 dated 23 December 2009, cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.

#### 2.9 Accounting for leases

Lease transactions are accounted for as per IAS 17, "Leases". Products leased to customer under agreements that transfer substantially all the risk and rewards associated with ownership, other than legal title, to the customer is regarded as Finance Lease.

#### 2.10 Fixed assets (property, plant and equipments) and depreciation

2.10.1 Property, plant and equipments are stated at cost less accumulated depreciation. The cost of the assets is the cost of acquisition or construction together with purchase price and other directly attributable costs for bringing the assets to working conditions for their intended use as per International Accounting Standard (IAS) 16: "Property, Plant and Equipment".

2.10.2 Fixed Assets are depreciated based on Reducing Balance and Straight Line Method and rate of depreciation are charged from 2.5% to 30%. Addition to fixed assets are depreciated from the month of acquisition for full month irrespective of the date of acquisition of the month of the assets at the applicable rate while no depreciation is charged on any item in the month of disposal.

I. Free holds assets	Method	Rate of Depreciation
Land		
Building	Straight Line	2.5%
Office Equipment	Reducing Balance	18%
Computer Equipment	Reducing Balance	18%
Furniture & Fixtures	Reducing Balance	10%
Motor Vehicle	Reducing Balance	20%
II. Intangible assets	Method	Rate of
System & software	Reducing Balance	30%

2.10.3 On disposal of fixed assets, the written down value are eliminated from sale proceeds and gain or loss on such disposal is reflected in the profit and loss account as per requirement of IAS-16.

#### 2.11 Cash & cash equivalents

Cash and cash equivalents consist of notes and coins in hand, bank balances, and short term investments that are readily convertible to known amount of cash which are unlikely to be affected by any insignificant risk of changes in value.

#### 2.12 Investments in securities

Investment in securities has been shown at cost or market price, whichever is lower, on an aggregate portfolio basis. Full provision for diminution in value of shares as on closing of the year on aggregate portfolio basis have been made in accordance with Bangladesh Bank Instructions. Cost includes acquisition charges if any with the investments.

#### 2.13 Statutory reserve

NBFIs are required to transfer 20% of the profit to statutory reserve before declaration of dividend as per Financial Institutions Regulations, 1994. MIDAS Financing Limited (MFL) transfers 20% on post tax profit in compliance with the regulation.

## 2.14 Employees benefit obligation

### (a) Defined contribution plan

The Company operates a contributory provident fund scheme for its permanent employees. Provident fund is administered by a Board of Trustees and is funded with equal contributions both by the employees and the Company at a predetermined rate of 10% of basic salary. The contributions are invested separately from the Company's assets.

### (b) Gratuity

The Company operates a gratuity scheme to retain and motivates its employees for long term retention. Employees entitlement to gratuity is calculated on the last basic pay and is payable at the rate of one month's basic pay for each completed year of service after completion of five years of service, 50% of one month basic pay for each completed years for three years service with MFL and 75% of one month basic pay for each completed years for four years service.

## 2.15 Provision for loans and advances

Provision for investments and advances is an estimate of the losses that may be sustained in the investment portfolio. The provision is based on Bangladesh Bank guidelines.

MFL's methodology for measuring the appropriate level of the provision relies on several key elements, which include both quantitative and qualitative factors as set forth in the Bangladesh Bank guidelines. Provision for loans and advances is made on the basis of periodical review by the management and of instructions of Bangladesh Bank. The Classification rates are given below:

Particulars	Rate
<b>General provision on:</b>	
Unclassified loans and advances (SME)	0.25%
Unclassified loans and advances	1%
Special mention account	5%
<b>Specific provision on:</b>	
Substandard loans and advances	20%
Doubtful loans and advances	50%
Bad/loss loans and advances	100%

## 2.16 Income Tax

### 2.16.1 Current tax

Provision for current income tax has been made in accordance with the Income Tax ordinance 1984 and amendment made there to from time to time.

### 2.16.2 Deferred tax

Pursuant to International Accounting Standard (IAS) 12: "Income Taxes", deferred tax is provided for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purposes.

## 2.17 Revenue recognition

### 2.17.1 Lease income

The excess of aggregate rental receivable over the cost of lease constitutes the total unearned interest income at the commencement of the contract. This income is allocated over the period of lease that reflect a constant periodic return on net investment.

### 2.17.2 Income from term finance

Interest income on term finance is recognized on accrual basis. Interest portion of the installments due credited to the profit and loss account.

### 2.17.3 Fees base income, penal interest etc.

Fees base incomes are taken to income on cash basis.

### 2.17.4 Dividend income

Dividend income from shares is recognized when the shareholders' legal rights to receive payments have been established i.e. after approval of dividend in the annual general meeting by the Shareholders.

### 2.17.5 Rental income

Rental Income is recognized on accrual basis. In case of advance rent, it is adjusted with the monthly rent received from the tenant. Rental income is shown in the accounts after netting off building repair and maintenance and city corporation tax to facilitate proper tax presentation.

### 2.17.6 Gain/(Loss) on sale of securities

Capital gain/(loss) on sale of securities listed in the stock exchanges is recognized only when the securities are sold in the market.

## 2.18 Borrowing costs

Borrowing costs are interest and other costs that an entity incurs in connection with the borrowing of fund.

The Company capitalized borrowing costs that is directly attributable to the acquisition, construction or production of qualifying asset form part of the cost of that asset. Other borrowing costs are recognized as an expense as per IAS "Borrowing

## 2.19 Interest suspense account

Accrued interest on lease, term finance, real estate finance, consumer credit duly classified as per relevant Bangladesh Bank BRPD Circular are not recognized as income rather transferred to interest suspense accounts as complied with Bangladesh Bank guidelines.

## 2.20 Litigation

The Company has no party to any lawsuits except those arising in the normal course of business, which were filed against the default clients for non-performance in loan/lease repayment. The Company, however, provides adequate provision against such doubtful finance.

## 2.21 Earnings per share (EPS)

The Company calculates Earnings Per Share (EPS) in accordance with IAS 33: Earnings Per Share, which has been shown on the face of profit and loss account, and the computation of EPS is stated in Note 34. The company issued 12,026,867 nos shares during the year against the stock dividend declared for the year 2017. As a result, total number of share outstanding as of 31 December 2018 was 132,295,543 nos. Therefore, the EPS of 2017 has been restated to conform current year's presentation.

## 2.22 Related party disclosure

Parties are considered to be related, if one party has the ability to control the other party or exercise significant influence over the other party, in making financial and operational decisions and include associated companies with or without common directors and key management positions. The company has entered into transactions with other entities in the normal course of business that fall within the definition of related party as per International Accounting Standard -24 'Related Party Disclosure'. Transactions with related parties are executed on the same terms, including interest rate and collateral, as those prevailing at the time of comparable transactions with other customers of similar credential and do not involve more than normal risk. Details of related party/(ies) transactions have been given in Note 39

## 2.23 Events after the reporting period

Events after the reporting period are those events that occur between the end of the reporting period and the date when the financial statements are authorised for issue. These events are of two types : (1) Adjusting Events and (2) Non-adjusting Events. Adjusting events are those that provide evidence of conditions that existed at the end of the reporting period. Non-adjusting events are those events that are the indicative of conditions that arose after the reporting period. There is no adjusting events after the reporting period in case of MFL.

## 2.24 Contingent liabilities and contingent assets

IFRS : There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank : As per requirement of DFIM Circular No. 11, Dated December 23, 2009 off-balance sheet items (e.g. Letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.

## 2.25 Liquidity statement

The liquidity statement has been prepared in accordance with remaining maturity grouping of assets and liabilities as of the close of the year as per following basis:

- Balance with other banks and financial institutions are on the basis of their maturity terms.
- Investment are on the basis of their residual maturity terms.
- Lease loans and advances are on the basis of their repayment/maturity schedule.
- Fixed assets are on the basis of their useful lives.
- Other assets are on the basis of their adjustment terms.
- Borrowings from other banks and financial institutions as per their maturity/repayment terms.
- Deposits and other accounts are on the basis of their maturity terms and past behaviour trends.
- Other liabilities are on the basis of their settlement of terms.

## 2.26 BASEL II and its implementation

To cope with the international best practice and to make the capital more risk sensitive as well as shock resilient, guidelines on "BASEL Accord for Financial Institutions (BAFI)" have been introduced from January 01, 2011 on test basis by Bangladesh Bank. At the end of the test run period, BASEL Accord regime has started and the guidelines namely "Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions (CAMD)" have come fully into force from January 01, 2012 with its subsequent supplements/revisions. Instructions regarding Minimum Capital Requirement (MCR), Adequate Capital and disclosure requirement as stated in these guidelines have to be followed by all Financial Institutions for the purpose of statutory compliance. As per CAMD guidelines, Financial Institutions should maintain a Capital Adequacy Ratio (CAR) of minimum 10% which is complied by the company.

**2.27 Status of Compliance of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS)**

IAS Title	IAS No.	Status
Presentation of Financial Statements	1	Applied*
Inventories	2	N/A
Statement of Cash Flows	7	Applied*
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Income Taxes	12	Applied*
Property, Plant & Equipment	16	Applied
Leases	17	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	N/A
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit plans	26	N/A
Separate Financial Statements	27	Applied
Investments in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyperinflationary Economies	29	N/A
Financial Instruments: Presentation	32	Applied*
Earnings per Share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied*
Investment Property	40	Applied*
Agriculture	41	N/A

IFRS Title	IFRS No.	Status
First-time Adoption of International Financial Reporting Standards	1	N/A
Share-based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-Current Assets Held for Sale and Discontinued Operations	5	Applied*
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied*
Operating Segments	8	Applied
Financial Instruments	9	Applied*
Consolidated Financial Statements	10	Applied
Joint Arrangements	11	N/A
Disclosure of Interests in other Entities	12	Applied
Fair Value Measurement	13	Applied
Regulatory Deferral Accounts	14	N/A
Revenue from Contracts with Customers	15	Applied*

N/A=Not Applicable

\*As the regulatory requirement differ with the standards, relevant disclosure and presentations are made in accordance with Bangladesh Bank's requirements.

**2.28 Disclosure of deviations from few requirements of IAS/IFRS due to mandatory compliance with Bangladesh Bank's requirements:**

Bangladesh Bank (the local Central Bank) is the prime regulatory body for Financial Institutions (FIs) in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations differ with the requirements of IAS/IFRS. As such the Company has departed from those contradictory requirements of IAS/IFRS in order to comply with the rules and regulations of Bangladesh Bank which are disclosed below along with financial impact where applicable:

SL.	Nature of departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment adopted as per Bangladesh Bank	Financial or presentation effect of the departure
1	Complete set of financial statements	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" complete set of financial statements are i) statement of financial position, ii) statement of profit or loss and other comprehensive income, iii) statement of changes in equity, iv) statement of cash flows, v) notes, comprising significant accounting policies and other vi) statement of financial position at the beginning of preceding period for retrospective restatement	As per DFIM Circular-11, Date-23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) statement of cash flows, iv) statement of changes in equity, v) statement of liquidity, vi) notes, comprising significant accounting policies and other explanatory information	Presentation of financial statements is not aligned with requirements of the IAS 1. There is no financial impact for this departure in the financial statements.
2	Current / Non-current distinction	IAS 1 "Presentation of Financial Statements"	As per Para 60 of IAS-1 "Presentation of Financial statement" An entity shall present current and non-current assets and current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular-11, Date-23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In this templates there is no current and non-current segmentation of assets and liabilities.	Presentation of financial statements is not fully aligned with all requirements of the IAS. Moreover, the liquidity statement shows the aging profile of all financial assets and liabilities from where current/non-current portion of assets and liabilities can be
3	Intangible asset	IAS 1 "Presentation of Financial Statements"	As per IAS 1 "Presentation of Financial Statements" para 54 the statement of financial position shall include separate line item for intangible assets.	As per DFIM Circular-11, Date-23 December 2009, there is no option for separate line item for intangible asset in the balance sheet. We present intangible asset in the balance sheet as part of fixed assets and provide details in annexure- A as separate line item.	Presentation of financial statements is not aligned with requirements of the IAS 1. There is no financial impact for this departure in the financial statements.
4	Off-balance sheet items	IAS 1 "Presentation of Financial Statements"	There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.	As per DFIM Circular-11, Date-23 December 2009, off balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Presentation of financial statements is not aligned with requirements of the IAS 1. There is no financial impact for this departure in the financial statements.
5	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM Circular-11, Date-23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.	Presentation of financial statements is not fully aligned with all requirements of the IAS. Financial Statements for 2018 and corresponding year 2017 have been prepared as per guideline (DFIM Circular-11, Date-23 December 2009)
6	Presentation of cash and cash equivalent	IAS 7 "Statement of Cash Flows"	Cash equivalent are short term, highly liquid investments that are readily convertible to known amounts of cash and only include those investments which are for a short tenure like: 3 months or less period. In the light of above, balance with Bangladesh Bank and fixed term deposits should be treated as investment asset rather than cash equivalent as it is illiquid asset and not available for use in day to day operations.	"Bangladesh Bank has issued templates for financial statements vide DFIM Circular# 11 dated December 23, 2009 which will strictly be followed by all NBFIs. The templates of financial statements provided detail of presentation of statement cash flows."	Presentation of financial statements is not fully aligned with the requirements of IAS. Thus items which should be presented as "investment activities-Balance with Bangladesh Bank (BB)" as per IAS is shown as cash & cash equivalent.

7	Presentation and disclosure of Financial Statements and Financial Instruments	IAS 1 "Presentation of Financial Statements"	Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular# 11 dated December 23, 2009 which will strictly be followed by all NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor the elements of Other Comprehensive Income are allowed to include in a Single Comprehensive Income Statement.	Presentation of financial statements is not fully aligned with all requirements of IAS.
8	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 "Financial Instruments"	IFRS: As per IFRS 9 an entity shall recognise an impairment allowance on loans and advances based on expected credit losses. At each reporting date, an entity shall measure the impairment allowance for loans and advances at an amount equal to the lifetime expected credit losses if the credit risk on these loans and advances has increased significantly since initial recognition whether assessed on an individual or collective basis considering all reasonable information, including that which is forward-looking. For those loans and advances for which the credit risk has not increased significantly since initial recognition, at each reporting date, an entity shall measure the impairment allowance at an amount equal to 12 month expected credit losses.	As per FID circular No. 08 dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2013, a general provision at 0.25% to 5% under different categories of unclassified loan (good/standard loans) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances. Also provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue."	In Financial Statements, provision has been kept for 2018 equivalent to BDT 4.50 crore as per Bangladesh Bank guidelines among which BDT (1.04) crore is general provision on good loan. Also, as at 31 December 2018, accumulated provision for lease, loan and advances stand at BDT 39.89 crore.
9	Valuation of Investment in quoted and unquoted share	IFRS 9 "Financial Instruments"	As per requirements of IFRS 9 classification and measurement of investment in shares and securities will depend on how these are managed (the entity's business model) and their contractual cash flow characteristics. Based on these factors it would generally fall either under "at fair value through profit and loss account" or under "at fair value through other comprehensive income" where any change in the fair value (as measured in accordance with IFRS 13) at the year-end is taken to profit and loss account or other comprehensive income respectively.	As per FID circular No. 08 dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value respectively. Provision should be made for any loss arising from diminution in value of investment.	During this year, total market value of all shares of MIDAS Financing Ltd and its subsidiary is less than the cost price. During the year the company made provision of BDT 4.08 crore for consolidated investment and BDT 2.04 crore for separate investment.
10	Recognition of interest income for SMA and classified lease, loans and advances.	IFRS 9 "Financial Instruments"	Income from financial assets measured at amortized cost is recognized through effective interest rate method over the term of the investment. Once a financial assets is impaired, investment income is recognized in profit and loss account on the same basis based on revised carrying amount.	As per FID circular No. 03, dated 03 May 2006, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments are not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	At year end, interest suspense account has increased to BDT 22.11 crore from 17.99 crore resulting increase of BDT 4.12 crore of interest suspense. This amount has been shown as other liabilities in note 13.6
11	Measurement of deferred tax asset	IAS 12 "Income Tax"	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized	As per DFIM circular No. 7 dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against the provision for lease, loans and advances.	During the year there is no impact in the financial statements due to this departure as the company did not consider any deductible temporary difference against the provision for lease, loans and advances.

Notes	Particulars	Ref. Notes	Amount in Taka	
			December 31, 2018	December 31, 2017
<b>3</b>	<b>Cash</b>			
	Cash in hand (including foreign currency)	3.1	14,148,008	14,744,345
	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	175,262,735	180,837,981
	<b>Total</b>		<b>189,410,743</b>	<b>195,582,326</b>
<b>3.1</b>	<b>Cash in hand (including foreign currency)</b>			
	In local currency		14,148,008	14,744,345
	In foreign currency		-	-
	<b>Total</b>		<b>14,148,008</b>	<b>14,744,345</b>
<b>3.2</b>	<b>Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)</b>			
	In local currency		175,262,735	180,837,981
	In foreign currency		-	-
	<b>Total</b>		<b>175,262,735</b>	<b>180,837,981</b>
<b>3.3</b>	<b>Cash reserve requirement (CRR) and Statutory liquidity reserve (SLR)</b>			
	Cash Reserve requirement (CRR) and Statutory Liquidity Reserve (SLR) have been calculated and maintained in accordance with the Financial Institutions Act, 1993 and subsequent FID Circular # 06, dated November 06, 2003, FID Circular # 02 dated November 10, 2004.			
	The minimum Cash Reserve Requirement on the Company's total term deposits and other deposits (except banks & financial institutions) at the rate of 2.50% has been calculated and maintained with Bangladesh Bank in current account and 5% Statutory Liquidity Reserve, including CRR, on total liabilities has also been maintained in the form of Cash in hand, balance with Bangladesh Bank and other banks and financial institutions, treasury bills, bonds and debentures etc. Both the reserves maintained by the Company are in excess of the statutory requirements as shown below:			
<b>3.4</b>	<b>Cash reserve requirement (CRR)</b>			
	Required reserve		172,899,658	177,857,559
	Actual reserve maintained	3.2	175,262,735	180,837,981
	<b>Surplus</b>		<b>2,363,077</b>	<b>2,980,422</b>
<b>3.5</b>	<b>Statutory liquidity reserve (SLR)</b>			
	Required reserve (including CRR)		369,930,050	376,998,687
	Actual reserve held (including CRR)	3.6	512,417,740	499,214,320
	<b>Surplus</b>		<b>142,487,690</b>	<b>122,215,633</b>
<b>3.6</b>	<b>Actual reserve held (including CRR)</b>			
	Cash in hand (including foreign currency)	3.1	14,148,008	14,744,345
	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	175,262,735	180,837,981
	Balance with other banks and financial institutions	4	323,006,997	303,631,994
	<b>Total</b>		<b>512,417,740</b>	<b>499,214,320</b>
<b>3(a)</b>	<b>Consolidated cash</b>			
	<b>Consolidated cash in hand (including foreign currency)</b>			
	MIDAS Financing Ltd.	3.1	14,148,008	14,744,345
	MIDAS Investment Ltd.		6,750	5,437
	<b>Total</b>		<b>14,154,758</b>	<b>14,749,782</b>
<b>3(b)</b>	<b>Consolidated Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)</b>			
	MIDAS Financing Ltd.	3.2	175,262,735	180,837,981
	MIDAS Investment Ltd.		-	-
	<b>Total</b>		<b>175,262,735</b>	<b>180,837,981</b>
<b>4</b>	<b>Balance with other banks and financial institutions</b>			
	Inside Bangladesh	4.1	323,006,997	303,631,994
	Outside Bangladesh		-	-
	<b>Total</b>		<b>323,006,997</b>	<b>303,631,994</b>

Notes	Particulars	Ref. Notes	Amount in Taka	
			December 31, 2018	December 31, 2017
4.1	<b>Inside Bangladesh</b>			
	<b>A. STD accounts</b>			
	Standard Bank Ltd.		39,927,387	31,767,185
	United Commercial Bank Ltd.		17,684,081	737,801
	IFIC Bank Ltd.		111,490	64,177
	Janata Bank Ltd.		4,186	6,210
	Mercantile Bank Ltd.		4,122,127	26,731
	Uttara Bank Ltd.		5,275	46,069
	Agrani Bank Ltd.		960	117,110
	AB Bank Ltd.		127,216	972,483
	Dutch Bangla Bank Ltd.		775,499	1,178,839
	Prime Bank Ltd.		-	1
	One Bank Ltd.		533,626	900,258
	The Premier Bank Ltd.		761,908	1,700,126
	Pubali Bank Ltd.		3,034,203	2,228,096
	Bangladesh Development Bank Ltd.		8,987	-
	Jamuna Bank Ltd.		1,736,886	3,199,058
	Shahjalal Islami Bank Ltd.		-	1,763
	Mutual Trust Bank Ltd.		21,593	22,059
	National Credit and Commerce Bank Ltd.		32	-
	<b>Total A</b>		<b>68,855,456</b>	<b>42,967,967</b>
	<b>B. Current accounts</b>			
	United Commercial Bank Ltd.		2,288,022	582,386
	Agrani Bank Ltd.		-	81,641
	<b>Total B</b>		<b>2,288,022</b>	<b>664,027</b>
	<b>C. Term deposits</b>			
	United Commercial Bank Ltd.		55,000,000	55,000,000
	Jamuna Bank Ltd.		50,000,000	50,000,000
	Mercantile Bank Ltd.		30,000,000	-
	Premier Leasing & Finance Ltd.		-	40,000,000
	Bangladesh Industrial Finance and Investment Company Ltd.		21,863,519	20,000,000
	Dutch Bangla Bank Ltd.		45,000,000	45,000,000
	The City Bank Ltd.		50,000,000	50,000,000
	<b>Total C</b>		<b>251,863,519</b>	<b>260,000,000</b>
	<b>Total (A+B+C)</b>		<b>323,006,997</b>	<b>303,631,994</b>
4.2	<b>Maturity grouping of balance with other banks and financial institutions</b>			
	On demand		93,006,997	43,631,994
	Not more than 3 months		65,000,000	95,000,000
	More than 3 months but less than 1 year		165,000,000	165,000,000
	More than 1 year but less than 5 years		-	-
	More than 5 years		-	-
	<b>Total</b>		<b>323,006,997</b>	<b>303,631,994</b>
4(a)	<b>Consolidated balance with other banks and financial institutions</b>			
	<b>Inside Bangladesh</b>			
	MIDAS Financing Ltd.	4.1	323,006,997	303,631,994
	MIDAS Investment Ltd.		219,909,193	215,992,705
	Adjustment for consolidation		(205,000,000)	(205,000,000)
			<b>337,916,190</b>	<b>314,624,699</b>
	<b>Outside Bangladesh</b>			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
	<b>Total</b>		<b>337,916,190</b>	<b>314,624,699</b>
5	<b>Money at call and short notice</b>		-	-
6	<b>Investment</b>			
	<b>a) Government securities</b>		-	-
	<b>b) Other investments</b>			
	Investment in listed securities	6.1	265,548,107	251,155,699
	Investment in unlisted securities	6.2	22,569,450	22,569,450
	<b>Total</b>		<b>288,117,557</b>	<b>273,725,149</b>

Notes	Particulars	Ref. Notes	Amount in Taka	
			December 31, 2018	December 31, 2017
6.1	<b>Investment in listed securities</b>			
	Details of listed securities (sector wise) are given below			
		No. of Share	Market Price	Cost Price
	Bank	210,092	3,781,656	5,028,282
	Tannery Industries	110,000	15,147,000	16,775,512
	Mutual Fund	300,000	2,100,000	3,062,640
	Textile	1,175,737	70,152,685	80,682,073
	Pharmaceutical and Chemicals	1,051,923	93,228,180	127,354,195
	Fuel and Power	161,810	16,051,552	17,440,980
	Cements	-	-	1,798,116
	Engineering	16,000	3,539,200	3,302,951
	Information Technology	-	-	1,863,186
	Paper	21,613	1,811,169	1,729,040
	Telecommunication	25,150	9,237,595	10,131,515
	Miscellaneous	4,488	251,160	40,919
	<b>Total</b>		<b>215,300,197</b>	<b>265,548,107</b>
6.2	<b>Investment in unlisted securities</b>	No. of Share		
	Central Depository Bangladesh Ltd.	571,181	4,569,450	4,569,450
	Financial Excellence Ltd.	300,000	3,000,000	3,000,000
	Lankabangla Securities Ltd.	97,828	5,000,000	5,000,000
	Bangladesh Ventures Ltd.	1,100,000	10,000,000	10,000,000
	<b>Total</b>		<b>22,569,450</b>	<b>22,569,450</b>
6.3	<b>Maturity grouping of investment</b>			
	On demand		13,277,405	12,557,785
	Not more than 3 months		58,420,583	55,254,254
	More than 3 months but less than 1 year		92,941,837	87,904,495
	More than 1 year but less than 5 years		100,908,282	95,439,165
	More than 5 years		22,569,450	22,569,450
	<b>Total</b>		<b>288,117,557</b>	<b>273,725,149</b>
6(a)	<b>Consolidated investment</b>			
	<b>a) Government securities</b>			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
	<b>b) Other investment</b>			
	<b>MIDAS Financing Ltd.</b>			
	Investment in listed securities	6.1	265,548,107	251,155,699
	Investment in unlisted securities	6.2	22,569,450	22,569,450
			<b>288,117,557</b>	<b>273,725,149</b>
	<b>MIDAS Investment Ltd.</b>			
	Investment in listed securities		113,880,239	58,362,569
	Investment in unlisted securities		13,634,670	14,713,480
			<b>127,514,909</b>	<b>73,076,049</b>
	<b>Total</b>		<b>415,632,466</b>	<b>346,801,198</b>
7	<b>Lease, loans and advances</b>			
a)	<b>Inside Bangladesh</b>			
	Lease receivable	7.a.i	801,311,517	882,777,345
	Term finance	7.a.ii	7,751,391,409	7,703,692,856
	Housing finance	7.a.iii	1,350,262,507	1,404,378,728
	Staff loan	7.a.iv	31,555,030	27,367,094
	Consumer credit	7.a.v	3,401,459	2,816,361
	Interest receivable	7.a.vi	349,396,726	294,866,747
			<b>10,287,318,648</b>	<b>10,315,899,131</b>
	<b>b) Outside Bangladesh</b>		-	-
	<b>Total (a+b)</b>		<b>10,287,318,648</b>	<b>10,315,899,131</b>
7.a.i	<b>Lease receivable</b>			
	Opening balance		882,777,345	895,918,615
	Add: Addition during the year		164,950,000	317,900,000
			<b>1,047,727,345</b>	<b>1,213,818,615</b>
	Less: Realization during the year		246,415,828	323,671,786
	Less: Write off		-	7,369,484
	<b>Closing balance</b>		<b>801,311,517</b>	<b>882,777,345</b>

Notes	Particulars	Ref. Notes	Amount in Taka	
			December 31, 2018	December 31, 2017
	<b>Lease receivable</b>			
	Gross lease receivable		947,133,766	1,043,693,244
	Less: Unearned lease income		145,822,249	160,915,899
			<b>801,311,517</b>	<b>882,777,345</b>
<b>7.a.ii</b>	<b>Term finance</b>			
	Opening balance		7,703,692,856	6,453,357,896
	Add: Addition during the year		4,373,851,291	4,399,451,603
			<b>12,077,544,147</b>	<b>10,852,809,499</b>
	Less: Realization during the year		4,251,343,399	3,040,003,546
	Less: Write off		74,809,339	109,113,097
	<b>Closing balance</b>		<b>7,751,391,409</b>	<b>7,703,692,856</b>
<b>7.a.iii</b>	<b>Housing finance</b>			
	Opening balance		1,404,378,728	1,298,418,636
	Add: Addition during the year		167,530,000	402,776,336
			<b>1,571,908,728</b>	<b>1,701,194,972</b>
	Less: Realization during the year		221,646,221	296,816,244
	<b>Closing balance</b>		<b>1,350,262,507</b>	<b>1,404,378,728</b>
<b>7.a.iv</b>	<b>Staff loan</b>			
	Opening balance		27,367,094	21,424,185
	Add: Addition during the year		11,765,800	12,147,709
			<b>39,132,894</b>	<b>33,571,894</b>
	Less: Realization during the year		7,577,864	6,204,800
	<b>Closing balance</b>		<b>31,555,030</b>	<b>27,367,094</b>
<b>7.a.v</b>	<b>Consumer credit</b>			
	Opening balance		2,816,361	3,150,733
	Add: Addition during the year		1,330,000	885,000
			<b>4,146,361</b>	<b>4,035,733</b>
	Less: Realization during the year		744,902	1,219,372
	<b>Closing balance</b>		<b>3,401,459</b>	<b>2,816,361</b>
<b>7.a.vi</b>	<b>Interest receivable</b>			
	Lease finance		75,789,150	69,171,433
	Term finance		221,997,435	182,849,233
	Housing finance		43,663,828	36,625,317
	Consumer credit		309,680	309,680
	Staff loan		7,636,633	5,911,084
	<b>Total</b>		<b>349,396,726</b>	<b>294,866,747</b>
	During the year Tk. 11,607,580.00 against term finance interest receivable have been written off. The company also wrote off Tk. 1,933,439.00 against lease finance interest receivable and Tk. 36,598,613.00 against term finance interest receivable during the year 2017.			
<b>7.1</b>	<b>Residual maturity grouping of lease, loans and advances</b>			
	Receivable on demand		711,273,815	900,951,346
	Not more than 3 months		611,433,439	648,085,461
	Over 3 months but not more than 1 year		3,006,384,129	1,804,194,519
	Over 1 year but not more than 5 years		3,628,378,259	4,720,218,556
	Over 5 years		2,329,849,006	2,242,449,249
	<b>Total</b>		<b>10,287,318,648</b>	<b>10,315,899,131</b>
<b>7.2</b>	<b>Investments on the basis of significant concentration</b>			
	Lease, loans and advances to the institutions in which Directors have interest		426,356	2,813,630
	Lease, loans and advances to chief executives and other senior executives		39,191,662	33,278,178
	Lease, loans and advances to customer groups		10,247,700,630	10,279,807,323
	<b>Total</b>		<b>10,287,318,648</b>	<b>10,315,899,131</b>
<b>7.3</b>	<b>Investments allowed to group exceeding 15% of NBFI's total capital</b>			
	Total capital of the company		1,443,345,925	1,432,185,579
	15% of company's total capital		216,501,889	214,827,837
	Total outstanding amount to such customers at end of the year		2,064,187,313	1,681,422,572
	Number of such types of customers		7	6
	Amount of classified lease, loans and advances thereon			

Notes	Particulars	Ref. Notes	Amount in Taka	
			December 31, 2018	December 31, 2017
7.4	Sector-wise classification of lease, loans and advances	Composition		
		Dec 31, 2018      Dec 31, 2017		
	Agriculture	1.29%      1.29%	132,329,381	133,382,187
	Cement and Allied Industry	0.21%      0.00%	21,886,951	-
	Food Production / Processing Industries	7.78%      4.15%	800,254,638	428,597,235
	Garments and Knitwear	1.24%      4.01%	127,824,659	413,792,055
	Iron, Steel & Engineering	10.69%      6.32%	1,099,779,758	651,643,025
	In-house Employees' Loan	0.38%      0.32%	39,191,662	33,278,178
	Jute & Jute Products	0.06%      0.06%	5,949,779	6,376,025
	Leather & Leather Goods	0.33%      0.35%	33,695,877	35,968,920
	Merchant Banking / LLS	3.13%      2.84%	322,352,503	292,867,598
	Others	19.67%      27.93%	2,023,908,048	2,880,750,283
	Pharmaceuticals and Chemicals	1.59%      1.40%	163,466,750	144,869,017
	Paper, Printing and Packaging	1.73%      1.07%	178,261,345	109,940,638
	Plastic Industries	0.93%      0.00%	95,258,011	-
	Real Estate & Housing	13.55%      13.97%	1,393,926,335	1,441,004,045
	Ship Manufacturing Industry	2.38%      2.35%	245,346,149	242,543,527
	Trade and Commerce	24.19%      24.59%	2,489,002,959	2,536,501,729
	Textile	10.83%      8.87%	1,114,060,274	914,693,458
	Telecommunication/Information Technology	0.01%      0.07%	823,570	7,356,290
	Transport & Communication	0.00%      0.41%	-	42,334,921
	<b>Total</b>	<b>100.00%      100.00%</b>	<b>10,287,318,648</b>	<b>10,315,899,131</b>
7.5	Geographical location-wise lease, loans and advances	Composition		
		Dec 31, 2018      Dec 31, 2017		
	Chattogram	27.02%      25.65%	2,779,194,864	2,645,563,135
	Dhaka	63.11%      64.33%	6,492,066,215	6,636,328,814
	Khulna	4.41%      4.86%	453,384,739	501,384,634
	Rajshahi	5.47%      5.16%	562,672,830	532,622,548
	<b>Total</b>	<b>100.00%      100.00%</b>	<b>10,287,318,648</b>	<b>10,315,899,131</b>
7.6	Grouping of lease, loans and advances as per classification rules of Bangladesh Bank	Composition		
		Dec 31, 2018      Dec 31, 2017		
	Unclassified	84.90%      83.32%	8,734,193,871	8,801,117,597
	Special mention account (SMA)	2.61%      4.76%	268,582,994	491,314,928
	Substandard	3.43%      1.32%	352,862,589	136,142,293
	Doubtful	1.68%      1.77%	172,887,293	183,095,217
	Bad or loss	7.38%      6.83%	758,791,901	704,229,096
	<b>Total</b>	<b>100.00%      100.00%</b>	<b>10,287,318,648</b>	<b>10,315,899,131</b>
7.7	Particulars of provision for lease, loans and advances	Basis for Provision      Rate		
	Unclassified	4,495,697,761      1.00%	44,956,979	43,643,728
	Unclassified (SME)	4,238,496,110      0.25%	10,596,241	11,091,862
	Special mention account	256,629,364      5.00%	12,831,469	24,058,238
			<b>68,384,689</b>	<b>78,793,827</b>
	Substandard	251,048,220      20.00%	50,209,643	14,252,658
	Doubtful	106,991,226      50.00%	53,495,612	22,874,865
	Bad or loss	226,839,698      100.00%	226,839,697	285,748,975
			<b>330,544,952</b>	<b>322,876,497</b>
	Required provision for lease, loans and advances		<b>398,929,641</b>	<b>401,670,325</b>
	Required provision for diminution in value of investment		<b>39,064,993</b>	<b>18,621,109</b>
	<b>Total provision required</b>		<b>437,994,634</b>	<b>420,291,434</b>
	<b>Total provision maintained</b>		<b>437,994,634</b>	<b>420,291,434</b>
	<b>Excess/(short) provision</b>		<b>-</b>	<b>-</b>
7.8	Particulars of lease, loans and advances			
(i)	Debts considered good in respect of which the MFL is fully secured		1,774,068,684	1,826,334,433
(ii)	Debts considered good for which the MFL holds no other security other than the debtor's personal guarantee;		39,191,662	257,602,134
(iii)	Debts considered good and secured by personal security of one or more parties in addition to the personal security of the debtors;		8,474,058,302	8,231,962,564
			<b>10,287,318,648</b>	<b>10,315,899,131</b>

Notes	Particulars	Ref. Notes	Amount in Taka	
			December 31, 2018	December 31, 2017
(iv)	Amount of classified loan in which no provision has been maintained;		-	-
(v)	Debts due by directors or officers of the MFL or any of them either severally or jointly with any other person;		39,191,663	33,278,178
(vi)	Debts due by companies or firms in which the directors of the MFL are interested as directors, partners or managing agents or in the case of private companies as members (Note 39.4);		426,356	2,813,630
(vii)	Maximum total amount of investments, including temporary investments made at any time during the period to directors or managers or officers of the MFL or any of them either severally or jointly with any other persons;		1,600,000	3,000,000
(viii)	Maximum total amount of advances including temporary advances granted during the period to the companies or firms in which the directors of the MFL are interested as directors, partners or managing agents or in the case of private companies as members;		-	-
(ix)	Receivable from other NBFTs;		-	-
(x)	Total amount of advance on which profit is not credited;		758,791,901	704,229,096
(xi)	<b>Cumulative amount of written off loans and advances:</b>			
	Opening Balance		453,266,974	308,949,340
	Add: Amount written off during the year		86,416,919	155,014,633
	Less: Amount received of during the year		28,893,425	10,696,999
	Balance of written off loans and advances yet to be recovered		<b>510,790,468</b>	<b>453,266,974</b>
7(a)	<b>Consolidated lease, loans and advances</b>			
	<b>Inside Bangladesh</b>			
	MIDAS Financing Ltd.		10,287,318,648	10,315,899,131
	MIDAS Investment Ltd.		14,813,074	5,376,679
	Adjustment for consolidation		(249,386,380)	(221,840,207)
			<b>10,052,745,342</b>	<b>10,099,435,603</b>
	<b>Outside Bangladesh</b>			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
			-	-
	<b>Total</b>		<b>10,052,745,342</b>	<b>10,099,435,603</b>
8	<b>Fixed assets including land, building, furniture and fixtures</b>			
	Free hold assets		292,300,386	303,361,080
	Intangible assets		395,927	565,610
	<b>Total</b>		<b>292,696,313</b>	<b>303,926,690</b>
	A schedule of fixed assets including land, building, furniture and fixtures is given in Annexure-A			
8(a)	<b>Consolidated fixed assets including land, building, furniture and fixtures</b>			
	MIDAS Financing Ltd.	8.	292,696,313	303,926,690
	MIDAS Investment Ltd.		191,288,049	195,728,010
	<b>Total</b>		<b>483,984,362</b>	<b>499,654,700</b>
	A schedule of consolidated fixed assets including land, building, furniture and fixtures is given in Annexure-B			
9	<b>Others assets</b>			
	Interest receivable on FDR		4,418,008	3,315,793
	Investment in MIDAS Investment Ltd.		249,998,000	249,998,000
	Advance against purchase of shares		4,172,352	6,949,271
	Advance income tax	9.1	56,965,498	70,047,252
	Advance against expenditure		382,100	36,500
	Advance office rent		5,285,051	6,307,580
	Security deposit	9.2	633,500	633,500
	Receivable against legal expenses		-	1,869,591
	Stamp, stationery etc, in hand		31,067	445,054
	Asset held for sale		11,250,246	11,250,246
	Receivable from rental income & others		49,874,849	9,679,226
	Dividend receivable		24,999,800	14,999,880
	Over due interest receivable		63,758,180	97,708,328
	<b>Total</b>		<b>471,768,651</b>	<b>473,240,221</b>
9.1	<b>Advance income tax</b>			
	Opening Balance		70,047,252	33,950,500
	Add: Addition during the year		21,183,461	36,096,752
			91,230,713	70,047,252
	Less: Adjustment during the year		(34,265,215)	-
			<b>56,965,498</b>	<b>70,047,252</b>

Notes	Particulars	Ref. Notes	Amount in Taka	
			December 31, 2018	December 31, 2017
9.2	<b>Security deposit</b>			
	Deposits with BTCL		9,000	9,000
	Deposits with Grameen Phone		11,000	11,000
	PUNARBHABA Security Service		45,000	45,000
	DPDC-Security Deposit-MIDAS Centre		558,000	558,000
	Solar Panel-Iithajari		5,000	5,000
	Electricity Meter-Feni		5,500	5,500
	<b>Total</b>		<b>633,500</b>	<b>633,500</b>
9.3	<b>Maturity grouping of other assets</b>			
	Receivable on demand		91,459,038	115,932,192
	Not more than 3 months		6,302,469	7,522,633
	Over 3 months but not more than 1 year		5,285,051	8,177,171
	Over 1 year but not more than 5 years		101,000,943	69,962,549
	Over 5 years		267,721,149	271,645,676
	<b>Total</b>		<b>471,768,651</b>	<b>473,240,221</b>
9(a)	<b>Consolidated others assets</b>			
	MIDAS Financing Ltd.	9	471,768,651	473,240,221
	MIDAS Investment Ltd.		68,919,096	57,826,987
	Adjustment for consolidation		(249,998,000)	(249,998,000)
	<b>Total</b>		<b>290,689,747</b>	<b>281,069,208</b>
10	<b>Non-banking assets</b>			
	Habib Vegetable Product Ltd.		52,700,000	52,700,000
	Biswas Febrics Ltd.		28,065,467	28,065,467
	<b>Total</b>		<b>80,765,467</b>	<b>80,765,467</b>
	MIDAS Financing limited was awarded absolute ownership of the mortgaged properties of the above mentioned clients, by the competent court against default loans.			
11	<b>Borrowings from other banks, financial institutions and agents</b>			
	Secured		1,285,083,467	891,700,679
	Unsecured		424,655,632	503,120,514
			<b>1,709,739,099</b>	<b>1,394,821,193</b>
	Inside Bangladesh		1,709,739,099	1,394,821,193
	Outside Bangladesh		-	-
	<b>Total</b>		<b>1,709,739,099</b>	<b>1,394,821,193</b>
11.1	<b>In Bangladesh</b>			
	Term loan from other Banks & FIs	11.2	1,220,234,090	820,127,784
	Refinance against SME loan from Bangladesh Bank		64,179,367	57,925,601
	Refinance against housing loan from Bangladesh Bank		10,510,033	12,105,264
	Refinance against SMEPD loan from Bangladesh Bank		73,808,898	-
	Loan from SME foundation		18,450,000	25,500,000
	Loan from BYEA		-	126,820
	Short term loan from Banks & FIs	11.3	212,556,711	259,035,724
	Call loan	11.4	110,000,000	220,000,000
	<b>Total</b>		<b>1,709,739,099</b>	<b>1,394,821,193</b>
11.2	<b>Term loan from other Banks &amp; FIs</b>			
	Agrani Bank Ltd.		468,621,182	-
	One Bank Ltd.		77,727,600	103,330,772
	Midland Bank Ltd.		97,056,125	123,963,233
	The UAE Bangladesh Investment Company Ltd.		87,553,638	50,000,000
	Madhumoti Bank Ltd.		119,270,902	144,006,603
	National Housing Finance & Investment Ltd.		105,528,375	150,000,000
	Shahjalal Islami Bank Ltd.		264,476,268	248,827,176
	<b>Total</b>		<b>1,220,234,090</b>	<b>820,127,784</b>
11.3	<b>Short term loan from Banks &amp; FIs</b>			
	Standard Bank Ltd.		12,224,085	54,150,952
	Pubali Bank Ltd.		34,837,775	32,070,837
	United Commercial Bank Ltd.		(1,291,525)	24,985,154
	Jamuna Bank Ltd.		535,438	61,842,406
	The City Bank Ltd.		45,242,660	45,671,122
	Dutch Bangla Bank Ltd.		20,349,268	40,238,847
	Modhumoti Bank Ltd.		25,589	76,406
	Agrani Bank Ltd.		100,619,885	-
	Mercantile Bank Ltd.		13,536	-
	<b>Total</b>		<b>212,556,711</b>	<b>259,035,724</b>

Notes	Particulars	Ref. Notes	Amount in Taka	
			December 31, 2018	December 31, 2017
11.4	<b>Call loan</b>			
	Standard Bank Ltd.		-	50,000,000
	Sonali Bank Ltd.		110,000,000	170,000,000
	<b>Total</b>		<b>110,000,000</b>	<b>220,000,000</b>
11.5	<b>Maturity grouping of borrowings from other banks, financial institutions and agents</b>			
	Repayable on demand		110,000,000	220,126,820
	Within 1 month		36,881,806	17,798,530
	Over 1 months but not more than 6 months		799,877,812	96,372,179
	Over 6 months but not more than 1 year		212,556,711	117,108,558
	Over 1 year but not more than 5 years		539,912,737	943,415,106
	Over 5 years		10,510,033	-
	<b>Total</b>		<b>1,709,739,099</b>	<b>1,394,821,193</b>
11(a)	<b>Consolidated borrowings from other banks, financial institutions and agents</b>			
	<b>Inside Bangladesh</b>			
	MIDAS Financing Ltd.	11	1,709,739,099	1,394,821,193
	MIDAS Investment Ltd.		249,386,380	221,840,207
	Adjustment for consolidation		(249,386,380)	(221,840,207)
			<b>1,709,739,099</b>	<b>1,394,821,193</b>
	<b>Outside Bangladesh</b>			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
	<b>Total</b>		<b>1,709,739,099</b>	<b>1,394,821,193</b>
12	<b>Deposits and other accounts</b>			
	Term deposits	12.1	7,448,261,829	7,930,037,322
	<b>Other Deposits</b>			
	Security deposits		4,870,077	4,844,268
	Advance lease rental		15,508,657	12,603,556
	<b>Total</b>		<b>7,468,640,563</b>	<b>7,947,485,146</b>
12.1	<b>Term deposits</b>			
	General deposits		6,808,261,829	6,870,037,322
	Deposit from other Banks and Financial institutions	12.2	640,000,000	1,060,000,000
	<b>Total</b>		<b>7,448,261,829</b>	<b>7,930,037,322</b>
12.2	<b>Deposits from other banks and financial institutions</b>			
	Shahjalal Islami Bank Ltd.		-	300,000,000
	Modhumoti Bank Ltd.		-	200,000,000
	Agrani Bank Ltd.		200,000,000	200,000,000
	South Bangla Agriculture & Commercial Bank Ltd.		-	100,000,000
	National Housing Finance and Investment Ltd.		100,000,000	100,000,000
	National Finance Ltd.		-	60,000,000
	LankaBangla Finance Ltd.		260,000,000	100,000,000
	National Credit and Commerce Bank Ltd.		80,000,000	-
	<b>Total</b>		<b>640,000,000</b>	<b>1,060,000,000</b>
12.3	<b>Maturity analysis of deposits and other accounts</b>			
	Repayable on demand		21,346,340	19,089,786
	Within 1 month		649,782,437	526,540,395
	Over 1 months but not more than 6 months		726,099,348	401,633,096
	Over 6 months but not more than 1 year		1,773,028,783	1,726,468,144
	Over 1 year but not more than 5 years		2,973,984,837	3,884,978,749
	Over 5 years		1,324,398,818	1,388,774,976
	<b>Total</b>		<b>7,468,640,563</b>	<b>7,947,485,146</b>
12(a)	<b>Consolidated deposits and other accounts</b>			
	<b>Term deposits</b>			
	MIDAS Financing Ltd.	12.1	7,448,261,829	7,930,037,322
	MIDAS Investment Ltd.		-	-
	Adjustment for consolidation		(205,000,000)	(205,000,000)
			<b>7,243,261,829</b>	<b>7,725,037,322</b>



Notes	Particulars	Ref. Notes	Amount in Taka	
			December 31, 2018	December 31, 2017
12(b)	<b>Other deposits</b>			
	MIDAS Financing Ltd.		20,378,734	17,447,824
	MIDAS Investment Ltd.		-	-
	<b>Total</b>		<b>20,378,734</b>	<b>17,447,824</b>
			<b>7,263,640,563</b>	<b>7,742,485,146</b>
13	<b>Other liabilities</b>			
	Provision for lease, loans & advances	13.1	398,929,641	401,670,324
	Provision for investment in securities	13.2	39,064,993	18,621,109
	Provision for tax	13.3	94,646,109	106,482,545
	Deferred tax liability	13.4	18,791,021	19,863,349
	Interest payable on borrowings		24,948,695	18,914,279
	Interest payable on deposits		433,267,009	353,710,929
	Advance against installment		38,367,477	43,615,104
	Advance rent from MIDAS Centre & NGS		22,084,233	7,264,950
	Payable & provision against expenditure	13.5	7,408,835	9,560,827
	Interest suspense	13.6	221,188,781	179,922,818
	Provision for rental income & others		12,652,826	12,652,826
	Dividend payable		9,169	-
	<b>Total</b>		<b>1,311,358,789</b>	<b>1,172,279,060</b>
13.1	<b>Provision for lease, loans &amp; advances</b>			
	(a) General provision on unclassified lease, loans and advances			
	Provision held at the beginning of the year		78,793,827	56,042,422
	Required provision during the year	33	(10,409,138)	22,751,405
	<b>Balance at the end of the year</b>		<b>68,384,689</b>	<b>78,793,827</b>
	(b) Specific provision on classified lease, loans and advances			
	Provision held at the beginning of the year		322,876,497	406,627,499
	Required provision during the year	33	82,477,794	32,731,579
	Less: Write off during the year		(74,809,339)	(116,482,581)
	<b>Balance at the end of the year</b>		<b>330,544,952</b>	<b>322,876,497</b>
	<b>Total provision</b>		<b>398,929,641</b>	<b>401,670,324</b>
	During the year 2018, the company recovered Tk. 27,048,056 from written off loans which was adjusted against current year's required provision of Tk. 82,477,794. Therefore, Tk. 55,429,738 was charged in profit and loss account for the year 2018.			
13.2	<b>Provision for investment in securities</b>			
	Provision held at the beginning of the year		18,621,109	14,694,904
	Required provision during the year		20,443,884	3,926,205
	<b>Balance at the end of the year</b>		<b>39,064,993</b>	<b>18,621,109</b>
13.3	<b>Provision for tax</b>			
	Balance at the beginning of the year		106,482,545	68,026,994
	Provision made during the year		22,428,779	38,455,551
	Adjustment during the year		(34,265,215)	-
	<b>Balance at the end of the year</b>		<b>94,646,109</b>	<b>106,482,545</b>
13.4	<b>Deferred tax liability</b>			
	Balance at the beginning of the year		19,863,349	23,804,019
	Deferred tax (income)/expenses during the year		(1,072,328)	(3,940,670)
	<b>Balance at the end of the year</b>		<b>18,791,021</b>	<b>19,863,349</b>
	Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS) 12.			
	<b>Computation of deferred tax</b>			
	Accounting written down value		292,696,313	303,926,690
	Tax base written down value		242,586,925	254,268,319
	<b>Net taxable temporary differences</b>		<b>50,109,388</b>	<b>49,658,371</b>
	Applicable tax rate		37.50%	40.00%
	<b>Deferred tax liability</b>		<b>18,791,021</b>	<b>19,863,349</b>
	<b>Deferred tax (income)/expenses during the year</b>		<b>(1,072,328)</b>	<b>(3,940,670)</b>
13.5	<b>Payable &amp; provision against expenditure</b>			
	Payable to CDBL		9,856	25,151
	Payable against utilities		6,080,084	5,404,000
	Liability for others		460	731,018
	Audit fees		150,000	127,778
	Withholding VAT, Tax & Excise duty		(405,959)	4,922
	CIB fees		1,574,394	1,398,366
	Provision against legal & other charges		-	1,869,592
	<b>Total</b>		<b>7,408,835</b>	<b>9,560,827</b>

Notes	Particulars	Ref. Notes	Amount in Taka		
			December 31, 2018	December 31, 2017	
13.6	<b>Interest suspense</b>				
	Lease finance		59,372,360	58,005,106	
	Term finance		145,890,114	103,048,050	
	Consumer credit		309,680	309,680	
	Housing finance		15,616,627	18,559,982	
	<b>Total</b>		<b>221,188,781</b>	<b>179,922,818</b>	
13.7	<b>Movement of interest suspense account</b>				
	Balance at the beginning of the year		179,922,818	198,064,717	
	Add: Net charge during the year		52,873,543	20,390,153	
	Less: Realized during the year		-	-	
	Less: Write off during the year		(11,607,580)	(38,532,052)	
	<b>Total</b>		<b>221,188,781</b>	<b>179,922,818</b>	
13.8	<b>Maturity grouping of other liabilities</b>				
	Repayable on demand		138,649,412	363,271,756	
	Within 1 month		93,457,781	65,330,224	
	Over 1 month but not more than 6 months		131,153,319	132,212,694	
	Over 6 months but not more than 1 year		344,208,778	213,308,771	
	Over 1 year but not more than 5 years		342,763,247	210,967,847	
	Over 5 years		261,126,252	187,187,768	
	<b>Total</b>		<b>1,311,358,789</b>	<b>1,172,279,060</b>	
13(a)	<b>Consolidated other liabilities</b>				
	MIDAS Financing Ltd.	13	1,311,358,789	1,172,279,060	
	MIDAS Investment Ltd.		114,319,746	67,832,717	
	Adjustment for consolidation		-	-	
	<b>Total</b>		<b>1,425,678,535</b>	<b>1,240,111,777</b>	
14	<b>Share Capital</b>				
14.1	<b>Authorized Capital</b>				
	200,000,000 ordinary shares of Tk. 10 each		<b>2,000,000,000</b>	<b>2,000,000,000</b>	
14.2	<b>Issued, Subscribed and Paid up Capital</b>				
	120,268,676 fully paid ordinary shares of Tk. 10 each subscribed and paid up at the beginning of the year		1,202,686,760	1,202,686,760	
	Add: Bonus share issued (12,026,867 ordinary shares of Tk. 10.00 each)		120,268,670	-	
	<b>Total at the end of the year</b>		<b>1,322,955,430</b>	<b>1,202,686,760</b>	
14.3	<b>Shareholding position</b>				
	Sponsor shareholders group		419,751,720	394,585,940	
	General shareholders group	14.3.1	903,203,710	808,100,820	
	<b>Total</b>		<b>1,322,955,430</b>	<b>1,202,686,760</b>	
14.3.1	<b>General shareholders group</b>				
	Non resident		27,487,020	25,864,780	
	Companies & institutions		450,709,920	412,052,580	
	General public		425,006,770	370,183,460	
	<b>Total</b>		<b>903,203,710</b>	<b>808,100,820</b>	
14.4	<b>Classification of shareholders by holding</b>				
		No. of Shareholders	Percentage of holding shares	No. of shares	No. of shares
	Less than 500 shares	1654	0.20%	265,547	193,958
	501 to 5,000 shares	2004	3.09%	4,093,948	2,648,606
	5,001 to 10,000 shares	371	2.07%	2,733,920	1,641,518
	10,001 to 20,000 shares	223	2.43%	3,214,990	2,209,796
	20,001 to 30,000 shares	85	1.61%	2,123,464	1,497,462
	30,001 to 40,000 shares	40	1.05%	1,383,516	1,329,056
	40,001 to 50,000 shares	24	0.84%	1,106,111	924,807
	50,001 to 1,00,000 shares	40	2.07%	2,740,858	3,554,251
	1,00,001 & above shares	83	86.65%	114,633,189	106,269,222
	<b>Total</b>	<b>4524</b>	<b>100.00%</b>	<b>132,295,543</b>	<b>120,268,676</b>

Notes	Particulars	Ref. Notes	Amount in Taka	
			December 31, 2018	December 31, 2017
14.5	Year wise details break up of raising paid up capital			
Year	Declaration	No of shares	Value of shares Per share @ Tk. 10	Paid up capital (Cumulative)
May 16, 1995	1st Allotment share	10,000	100,000	100,000
1996-1997	Allotment share	5,021,000	50,210,000	50,310,000
1999-2000	Allotment share	509,000	5,090,000	55,400,000
2002-2003	IPO	4,460,000	44,600,000	100,000,000
2003-2004	Bonus share	689,200	6,892,000	106,892,000
2004-2005	Bonus share	1,068,920	10,689,200	117,581,200
2004-2005	Right share	11,758,120	117,581,200	235,162,400
2005-2006	Bonus share	2,351,620	23,516,200	258,678,600
2006-2007	Bonus share	2,586,790	25,867,900	284,546,500
2007-2008	Bonus share	2,845,460	28,454,600	313,001,100
2008-2009	Bonus share	3,912,510	39,125,100	352,126,200
2009-2010	Bonus share	5,281,890	52,818,900	404,945,100
2010-2011	Bonus share	14,173,070	141,730,700	546,675,800
2011-2012	Bonus share	5,466,758	54,667,580	601,343,380
2014-2015	Right share	60,134,338	601,343,380	1,202,686,760
2018	Bonus share	12,026,867	120,268,670	1,322,955,430
14.6	Capital adequacy - As per BASEL-II			
a) Core Capital (Tier-I)				
Paid-up capital		14.2	1,322,955,430	1,202,686,760
Statutory reserve		16	82,460,027	80,227,958
Retained earnings		17	37,930,468	149,270,861
			<b>1,443,345,925</b>	<b>1,432,185,579</b>
b) Supplementary Capital (Tier-II)				
General provision		13.1 (a)	68,384,689	78,793,827
c) Total eligible capital (a + b)				
			<b>1,511,730,613</b>	<b>1,510,979,406</b>
Total assets including off-balance sheet exposures				
			<b>12,369,679,694</b>	<b>13,511,389,225</b>
d) Total risk weighted assets (RWA)				
			<b>9,214,331,131</b>	<b>9,071,042,207</b>
e) Required capital based on risk weighted assets (10% of d)				
			<b>921,433,113</b>	<b>907,104,221</b>
f) Capital surplus/(shortfall) (c-e)				
			<b>590,297,500</b>	<b>603,875,185</b>
Capital Adequacy Ratio (%)				
			<b>16.41</b>	<b>16.66</b>
14.7	Consolidated Capital adequacy - As per BASEL-II			
a) Core Capital (Tier-I)				
Paid-up capital		14.2	1,322,955,430	1,202,686,760
Statutory reserve		16	82,460,027	80,227,958
Retained earnings		17(a)	46,675,316	157,603,711
			<b>1,452,090,773</b>	<b>1,440,518,429</b>
b) Supplementary Capital (Tier-II)				
General provision		13.1 (a)	68,384,689	78,793,827
c) Total eligible capital (a + b)				
			<b>1,520,475,461</b>	<b>1,519,312,256</b>
Total assets including off-balance sheet exposures				
			<b>12,287,746,385</b>	<b>13,382,556,886</b>
d) Total risk weighted assets (RWA)				
			<b>9,421,879,919</b>	<b>9,227,945,081</b>
e) Required capital based on risk weighted assets (10% of d)				
			<b>942,187,992</b>	<b>922,794,508</b>
f) Capital surplus/(shortfall) (c-e)				
			<b>578,287,470</b>	<b>596,517,748</b>
Capital Adequacy Ratio (%)				
			<b>16.14</b>	<b>16.46</b>
15	General reserve			
Opening balance			-	-
Add: Addition during the year			-	-
			<b>-</b>	<b>-</b>
16	Statutory reserve			
Opening balance			80,227,958	61,072,846
Add: Prior year adjustment			-	13,704,346
Add: Addition during the year			2,232,069	45,450,766
Less: Transfer to retained earnings			-	(40,000,000)
Closing balance			<b>82,460,027</b>	<b>80,227,958</b>
NBFI's are required to transfer 20% of the profit to statutory reserve before declaration of dividend as per Financial Institutions Regulations, 1994. MIDAS Financing Limited (MFL) transfer 20% on post tax profit in compliance with the regulation.				

Notes	Particulars	Ref. Notes	Amount in Taka	
			December 31, 2018	December 31, 2017
<b>17</b>	<b>Retained earnings</b>			
	Opening balance		149,270,861	(127,349,584)
	Add: Prior year adjustment		-	54,817,381
	Add: Profit after tax		11,160,346	227,253,830
	Less: Transfer to statutory reserve		(2,232,069)	(45,450,766)
	Add: Transfer from statutory reserve		-	40,000,000
	Less: Issuance of bonus share		(120,268,670)	-
	<b>Closing balance</b>		<b>37,930,468</b>	<b>149,270,861</b>
<b>17(a)</b>	<b>Consolidated retained earnings</b>			
	Opening balance		157,603,711	(109,716,871)
	Add: Prior year adjustment		-	54,817,381
	Add: Profit after tax		11,572,344	217,953,967
	Less: Transfer to statutory reserve		(2,232,069)	(45,450,766)
	Add: Transfer from statutory reserve		-	40,000,000
	Less: Issuance of bonus share		(120,268,670)	-
	<b>Closing balance</b>		<b>46,675,316</b>	<b>157,603,711</b>
<b>18</b>	<b>Business commitments and contingencies</b>			
	In the normal course of business, the Company makes various commitments and incurs certain contingent liabilities. No material losses are anticipated as a result of these transactions. These contingent liabilities and business commitments are quantified are below:			
<b>18.1</b>	<b>Contingent liabilities</b>			
	Acceptances and endorsements		-	-
	Letters of guarantee		200,000,000	200,000,000
	Irrevocable letters of credit		-	-
	Bills for collection		-	-
	<b>Total</b>		<b>200,000,000</b>	<b>200,000,000</b>
	MIDAS Financing Limited provided guarantee to Dhaka Stock Exchange Limited in favor of Vision Capital Management Limited for an amount of Tk. 20.00 (Twenty) Crore. The said guarantee renewed on January 16, 2019 for an amount of Tk. 10.00 (Ten) Crore by reducing Tk. 10.00 (Ten) Crore from existing Tk. 20.00 (Twenty) Crore.			
<b>18.2</b>	<b>Other commitments</b>			
	Documentary credits and short term trade related transactions		-	-
	Forward assets purchased and forward deposits placed		-	-
	Undrawn note issuance and revolving underwriting facilities		-	-
	Undrawn formal standby facilities, credit lines and other commitments		236,595,318	1,364,618,248
	Claims against the bank not acknowledged as debts		-	-
	<b>Total</b>		<b>236,595,318</b>	<b>1,364,618,248</b>

Notes	Particulars	Ref. Notes	Amount in Taka	
			2018	2017
<b>19</b>	<b>Profit and loss account</b>			
	<b>Income</b>			
	Interest income	20	1,111,373,843	1,097,907,498
	Dividend income	22	30,400,898	34,575,377
	Commission, exchange and brokerage		1,200,000	1,000,000
	Gains less losses arising from investment securities	22	8,903,973	57,985,123
	Other operating income	23	47,525,200	53,093,140
			<b>1,199,403,914</b>	<b>1,244,561,138</b>
	<b>Expenses</b>			
	Interest on deposits & borrowings, etc.	21	932,225,878	791,915,607
	Administrative expenses		149,051,399	140,091,609
	Other operating expenses	32	7,971,189	7,557,752
	Depreciation on fixed assets	31(a)	12,174,167	12,270,641
			<b>1,101,422,632</b>	<b>951,835,609</b>
	<b>Profit before provision</b>		<b>97,981,282</b>	<b>292,725,529</b>
<b>20</b>	<b>Interest income</b>			
	Interest on lease, loans & advances	20.1	1,094,312,197	1,069,424,802
	Interest on placement with other Banks & FIs	20.2	17,061,645	28,482,696
	<b>Total</b>		<b>1,111,373,843</b>	<b>1,097,907,498</b>
<b>20.1</b>	<b>Interest on lease, loans &amp; advances</b>			
	Interest income on lease finance		24,552,124	108,912,655
	Interest income on term finance		883,060,420	772,989,977
	Interest on housing finance		183,588,716	185,632,898
	Interest on consumer credit		211,282	200,683
	Interest on staff loan		2,899,655	1,688,589
	<b>Total</b>		<b>1,094,312,197</b>	<b>1,069,424,802</b>
<b>20.2</b>	<b>Interest on placement with other Banks &amp; FIs</b>			
	Interest on FDR		15,927,385	22,398,685
	Interest on STD accounts		933,010	865,149
	Interest Income-Short term lending		201,250	5,218,863
	<b>Total</b>		<b>17,061,645</b>	<b>28,482,696</b>
<b>20(a)</b>	<b>Consolidated interest income</b>			
	<b>Interest on lease, loans &amp; advances</b>			
	MIDAS Financing Ltd.	20.1	1,094,312,197	1,069,424,802
	MIDAS Investment Ltd.		3,416,100	233,795
	Adjustment for consolidation		(27,548,172)	(26,034,918)
			<b>1,070,180,125</b>	<b>1,043,623,679</b>
	<b>Interest on placement with other Banks &amp; FIs</b>			
	MIDAS Financing Ltd.	20.2	17,061,645	28,482,696
	MIDAS Investment Ltd.		18,914,581	19,565,710
	Adjustment for consolidation		(18,914,581)	(19,565,710)
			<b>17,061,645</b>	<b>28,482,696</b>
	<b>Total</b>		<b>1,087,241,771</b>	<b>1,072,106,375</b>
<b>21</b>	<b>Interest on deposits &amp; borrowings, etc.</b>			
	Interest paid on deposits		782,296,460	681,635,074
	Interest paid on borrowings	21.1	149,929,418	110,280,533
	<b>Total</b>		<b>932,225,878</b>	<b>791,915,607</b>
<b>21.1</b>	<b>Interest paid on borrowings</b>			
	Interest expenses on bank loan		129,569,305	93,367,179
	Interest expenses on call loan		7,203,264	10,283,750
	Interest expenses on re-financing loan		5,400,555	3,750,780
	Interest Expenses- BD Bank SMEDP		1,416,182	-
	Other financing cost		6,340,112	2,878,824
	<b>Total</b>		<b>149,929,418</b>	<b>110,280,533</b>

Notes	Particulars	Ref. Notes	Amount in Taka	
			2018	2017
<b>21(a)</b>	<b>Consolidated interest on deposits and borrowings, etc.</b>			
	<b>Interest paid on deposits</b>			
	MIDAS Financing Ltd.		782,296,460	681,635,074
	MIDAS Investment Ltd.		222,460	23,930
	Adjustment for consolidation		(18,914,581)	(19,565,710)
			<b>763,604,339</b>	<b>662,093,294</b>
	<b>Interest paid on borrowings</b>			
	MIDAS Financing Ltd.		149,929,418	110,280,533
	MIDAS Investment Ltd.		27,548,172	26,034,918
	Adjustment for consolidation		(27,548,172)	(26,034,918)
			<b>149,929,418</b>	<b>110,280,533</b>
	<b>Total</b>		<b>913,533,757</b>	<b>772,373,827</b>
<b>22</b>	<b>Income from investment</b>			
	Income from investment in shares		8,903,973	57,985,123
	Dividend income		30,400,898	34,575,377
	<b>Total</b>		<b>39,304,871</b>	<b>92,560,500</b>
<b>22(a)</b>	<b>Consolidated income from investment</b>			
	<b>Income from investment in shares</b>			
	MIDAS Financing Ltd.	22	8,903,973	57,985,123
	MIDAS Investment Ltd.		32,223,477	13,560,057
			<b>41,127,450</b>	<b>71,545,180</b>
	<b>Dividend income</b>			
	MIDAS Financing Ltd.		30,400,898	34,575,377
	MIDAS Investment Ltd.		2,054,135	631,005
			<b>32,455,033</b>	<b>35,206,382</b>
	Less: Dividend from subsidiary		(24,999,800)	(27,499,780)
	<b>Total</b>		<b>48,582,683</b>	<b>79,251,782</b>
<b>23</b>	<b>Other operating income</b>			
	Transfer price for leased asset		99,455	342,977
	Processing and other fees		5,255,466	10,418,010
	Sale of application form		298,850	953,775
	Rental income-MIDAS Centre & Nahar green		41,529,679	40,451,687
	Other income	23.1	341,750	492,578
	Gain on sale of fixed assets		-	434,113
	<b>Total</b>		<b>47,525,200</b>	<b>53,093,140</b>
<b>23.1</b>	<b>Other income</b>			
	Notice pay		98,490	129,500
	News paper & other sales		3,806	3,500
	Miscellaneous income from deposits (Delay fine)		218,140	296,237
	Miscellaneous income others		21,314	63,341
	<b>Total</b>		<b>341,750</b>	<b>492,578</b>
<b>23(a)</b>	<b>Consolidated other operating income</b>			
	MIDAS Financing Ltd.	23	47,525,200	53,093,140
	MIDAS Investment Ltd.		34,852,893	29,589,187
	<b>Total</b>		<b>82,378,093</b>	<b>82,682,327</b>
<b>24</b>	<b>Salary and allowances</b>		<b>114,637,256</b>	<b>106,126,368</b>
<b>24(a)</b>	<b>Consolidated salary &amp; allowances</b>			
	MIDAS Financing Ltd.	24	114,637,256	106,126,368
	MIDAS Investment Ltd.		4,459,320	2,918,968
	<b>Total</b>		<b>119,096,576</b>	<b>109,045,336</b>

Notes	Particulars	Ref. Notes	Amount in Taka	
			2018	2017
<b>25</b>	<b>Rent, taxes, insurances, electricity, etc.</b>			
	Rates & taxes		109,620	1,703,224
	Office rent		4,666,304	4,510,911
	Insurance		266,378	255,852
	Utilities		3,028,639	3,316,959
	<b>Total</b>		<b>8,070,941</b>	<b>9,786,946</b>
<b>25(a)</b>	<b>Consolidated rent, taxes, insurance, electricity, etc.</b>			
	MIDAS Financing Ltd.	25	8,070,941	9,786,946
	MIDAS Investment Ltd.		520,521	2,717,292
	<b>Total</b>		<b>8,591,462</b>	<b>12,504,238</b>
<b>26</b>	<b>Legal expenses</b>			
	Legal/professional fees		4,626,013	3,531,065
	Other legal expenses/Non judicial stamp		4,822,241	4,386,187
	<b>Total</b>		<b>9,448,254</b>	<b>7,917,252</b>
<b>26(a)</b>	<b>Consolidated legal expenses</b>			
	MIDAS Financing Ltd.	26	9,448,254	7,917,252
	MIDAS Investment Ltd.		57,700	72,450
	<b>Total</b>		<b>9,505,954</b>	<b>7,989,702</b>
<b>27</b>	<b>Postage, stamp, telecommunication, etc.</b>			
	Postage & courier expenses		173,502	195,674
	Telephone, mobile, fax and internet		2,295,104	2,736,867
	<b>Total</b>		<b>2,468,606</b>	<b>2,932,541</b>
<b>27(a)</b>	<b>Consolidated postage, stamps, telecommunication, etc.</b>			
	MIDAS Financing Ltd.	27	2,468,606	2,932,541
	MIDAS Investment Ltd.		191,779	35,873
	<b>Total</b>		<b>2,660,385</b>	<b>2,968,414</b>
<b>28</b>	<b>Stationery, printing, advertisements, etc.</b>			
	Stationery		746,286	760,674
	Printing		1,121,872	1,004,698
	Advertisement and publicity		1,627,502	1,229,983
	Signboard and banner		180,751	55,616
	<b>Total</b>		<b>3,676,411</b>	<b>3,050,971</b>
<b>28(a)</b>	<b>Consolidated stationery, printing, advertisements, etc.</b>			
	MIDAS Financing Ltd.	28	3,676,411	3,050,971
	MIDAS Investment Ltd.		38,935	222,010
	<b>Total</b>		<b>3,715,346</b>	<b>3,272,981</b>
<b>29</b>	<b>Managing Director's salary and benefits</b>		<b>6,344,000</b>	<b>6,343,996</b>
<b>30</b>	<b>Directors' fees and expenses</b>			
	Honorarium for attending meeting (including VAT)		1,830,800	1,674,400
	Incidental expenses for meeting		54,768	90,605
	<b>Total</b>		<b>1,885,568</b>	<b>1,765,005</b>
	Total 15 nos of Board Meeting, 5 nos of Audit Committee Meeting and 10 Executive Committee (EC) Meeting were held during the period of January 01, 2018 to December 31, 2018. Each Director was paid Tk.8,000 for attending in each meeting.			
<b>30(a)</b>	<b>Consolidated directors' fees and expenses</b>			
	MIDAS Financing Ltd.	30	1,885,568	1,765,005
	MIDAS Investment Ltd.		104,837	155,545
	<b>Total</b>		<b>1,990,405</b>	<b>1,920,550</b>

Notes	Particulars	Ref. Notes	Amount in Taka	
			2018	2017
31	<b>Depreciation and repair of company's assets</b>			
	<b>i) Depreciation of company's assets (Annexure A)</b>			
	Building		8,156,073	8,156,074
	Office equipment		705,892	691,793
	Office furniture		1,616,601	1,750,910
	Motor vehicle		609,559	402,093
	Intangible asset		169,683	242,403
	Computer equipment		916,359	1,027,367
	<b>Total</b>		<b>12,174,167</b>	<b>12,270,641</b>
	<b>ii) Repair of company's assets</b>			
	Office repair and maintenance		2,025,042	1,381,127
	Car maintenance		345,321	659,624
	<b>Total</b>		<b>2,370,363</b>	<b>2,040,751</b>
	<b>Total</b>		<b>14,544,530</b>	<b>14,311,392</b>
31(a)	<b>Consolidated depreciation and repair of company's assets</b>			
	<b>a) Depreciation of company's assets (Annexure B)</b>			
	MIDAS Financing Ltd.	31(i)	12,174,167	12,270,641
	MIDAS Investment Ltd.		5,627,659	5,324,114
	<b>Total</b>		<b>17,801,826</b>	<b>17,594,755</b>
	<b>b) Repair of company's assets:</b>			
	MIDAS Financing Ltd.	31(ii)	2,370,363	2,040,751
	MIDAS Investment Ltd.		338,340	209,420
	<b>Total</b>		<b>2,708,703</b>	<b>2,250,171</b>
	<b>Total</b>		<b>20,510,529</b>	<b>19,844,926</b>
32	<b>Other expenses</b>			
	Fuel		586,815	998,771
	Traveling and conveyance		1,494,532	1,427,767
	Public relation and AGM expenses		734,601	801,783
	News paper & periodicals		61,026	59,753
	Business promotion & development		173,098	-
	Entertainment		1,159,773	945,968
	Training, seminar & workshop		274,194	504,909
	Membership fees & subscription		2,014,590	1,353,574
	Bank charge		893,748	881,910
	Share management expenses		318,824	36,575
	Miscellaneous expenses		-	350,384
	Loss on sale of fixed assets		259,988	196,359
	<b>Total</b>		<b>7,971,189</b>	<b>7,557,752</b>
32(a)	<b>Consolidated other expenses</b>			
	MIDAS Financing Ltd.	32	7,971,189	7,557,752
	MIDAS Investment Ltd.		1,273,174	834,761
	<b>Total</b>		<b>9,244,363</b>	<b>8,392,513</b>
33	<b>Provision against loans, lease finance &amp; others</b>			
	General provisions	13.1 (a)	(10,409,138)	22,751,405
	Specific provisions	13.1 (b)	55,429,738	32,731,579
	Provisions for diminution in value of investments	13.2	20,443,884	3,926,204
	Other provisions		-	(28,452,369)
	<b>Total</b>		<b>65,464,484</b>	<b>30,956,819</b>
33(a)	<b>Consolidated provision against loans, lease finance &amp; others</b>			
	<b>General provisions</b>			
	MIDAS Financing Ltd.		(10,409,138)	22,751,405
	MIDAS Investment Ltd.		-	-
	<b>Total</b>		<b>(10,409,138)</b>	<b>22,751,405</b>

Notes	Particulars	Ref. Notes	Amount in Taka	
			2018	2017
<b>33(b) Specific provisions</b>				
	MIDAS Financing Ltd.		55,429,738	32,731,579
	MIDAS Investment Ltd.		-	-
	<b>Total</b>		<b>55,429,738</b>	<b>32,731,579</b>
<b>33 (c) Provisions for diminution in value of investments</b>				
	MIDAS Financing Ltd.		20,443,884	3,926,204
	MIDAS Investment Ltd.		20,387,469	4,465,355
	<b>Total</b>		<b>40,831,353</b>	<b>8,391,559</b>
<b>33(d) Current tax</b>				
	MIDAS Financing Ltd.		22,428,779	38,455,551
	MIDAS Investment Ltd.		6,483,180	2,352,574
	<b>Total</b>		<b>28,911,959</b>	<b>40,808,125</b>
<b>33(e) Deferred tax</b>				
	MIDAS Financing Ltd.		(1,072,328)	(3,940,671)
	MIDAS Investment Ltd.		(1,250,362)	(22,019)
	<b>Total</b>		<b>(2,322,690)</b>	<b>(3,962,690)</b>
<b>33(f) Other provisions</b>				
	MIDAS Financing Ltd.		-	(28,452,369)
	MIDAS Investment Ltd.		-	-
	<b>Total</b>		<b>-</b>	<b>(28,452,369)</b>
<b>34 Earnings per share (EPS)</b>				
	Net profit after tax (A)		11,160,346	227,253,830
	Number of ordinary shares outstanding (Denominator) (B)		132,295,543	132,295,543
	<b>Earnings per share (A/B) (2017:restated)</b>		<b>0.08</b>	<b>1.72</b>
<b>34(a) Consolidated earnings per share (EPS)</b>				
	Consolidated net profit after tax (A)		11,572,548	217,954,114
	Number of ordinary shares outstanding (Denominator) (B)		132,295,543	132,295,543
	<b>Earnings per share (A/B) (2017:restated)</b>		<b>0.09</b>	<b>1.65</b>
<b>35 Net assets value (NAV) per share</b>				
	Net assets (A)		1,443,345,925	1,432,185,579
	Number of ordinary shares outstanding (Denominator) (B)		132,295,543	132,295,543
	<b>Net assets value (NAV) per share (A/B) (2017:restated)</b>		<b>10.91</b>	<b>10.83</b>
<b>35(a) Consolidated net assets value (NAV) per share</b>				
	Net assets (A)		1,452,090,773	1,440,518,429
	Number of ordinary shares outstanding (Denominator) (B)		132,295,543	132,295,543
	<b>Consolidated net assets value per share (A/B) (2017:restated)</b>		<b>10.98</b>	<b>10.89</b>
<b>36 Net operating cash flow per share</b>				
	Net operating cash flow (A)		(300,510,708)	(179,656,073)
	Number of ordinary shares outstanding (Denominator) (B)		132,295,543	132,295,543
	<b>Net operating cash flow per share (A/B) (2017:restated)</b>		<b>(2.27)</b>	<b>(1.36)</b>
<b>36(a) Consolidated net operating cash flow per share</b>				
	Net operating cash flow (A)		(295,405,210)	(168,420,693)
	Number of ordinary shares outstanding (Denominator) (B)		132,295,543	132,295,543
	<b>Consolidated net operating cash flow per share (A/B) (2017:restated)</b>		<b>(2.23)</b>	<b>(1.27)</b>

Notes	Particulars	Ref. Notes	Amount in Taka	
			2018	2017
37	<b>Reconciliation of net operating cash flow</b>			
	<b>Net profit after tax</b>		<b>11,160,346</b>	<b>227,253,830</b>
	<b>Adjustment for non cash-cash items</b>			
	Add: Depreciation		12,174,167	12,270,641
	Add/(Less): Provision for taxation		22,428,779	38,455,551
	Add/(Less): Provision for deferred tax		(1,072,328)	(3,940,671)
	Add: Provision for loans and investment		92,512,540	59,409,188
	Add: Provision for others		-	(28,452,369)
	Add/(Less): Accrued income		(17,347,610)	(68,263,163)
	Add/(Less): Accrued expenses		85,590,495	78,001,339
	Less: Gain on disposal of fixed assets		-	434,113
	Add: Loss on disposal of fixed assets		259,988	196,359
			<b>205,706,377</b>	<b>315,364,819</b>
	<b>Changes in operating assets and liabilities</b>			
	Increase/(Decrease) in Purchases/Sale of trading securities		(14,392,407)	(46,552,120)
	(Increase)/Decrease in Loans and lease finance to customers		(46,228,856)	(1,473,463,074)
	Increase/(Decrease) in Deposits from banks & individuals		(478,844,583)	1,073,197,887
	Increase/(Decrease) in Interest suspense		41,265,963	(18,141,899)
	(Increase)/Decrease in Income tax		(21,183,461)	(36,096,752)
	Increase/(Decrease) in Payable & accrued expenses		(2,151,992)	2,135,670
	(Increase)/Decrease in Other assets		5,737,426	50,222,112
	Increase/(Decrease) in Other liabilities		9,580,825	(46,322,717)
	<b>Cash received/(paid) from operating assets and liabilities</b>		<b>(506,217,085)</b>	<b>(495,020,892)</b>
	<b>Net cash from operating activities</b>		<b>(300,510,708)</b>	<b>(179,656,073)</b>
37(a)	<b>Reconciliation of consolidated net operating cash flow</b>			
	<b>Net profit after tax</b>		<b>11,572,548</b>	<b>217,954,113</b>
	<b>Adjustment for non cash-cash items</b>			
	Add: Depreciation		17,801,826	17,594,755
	Add/(Less): Provision for taxation		28,911,959	40,808,125
	Add/(Less): Provision for deferred tax		(2,322,690)	(3,962,690)
	Add: Provision for loans and investment		112,900,009	63,874,543
	Add: Provision for others		-	(28,452,369)
	Add/(Less): Accrued income		(21,536,781)	(57,387,822)
	Add/(Less): Accrued expenses		84,511,839	81,585,367
	Less: Gain on disposal of fixed assets		-	434,113
	Add: Loss on disposal of fixed assets		259,988	196,359
			<b>232,098,698</b>	<b>332,644,495</b>
	<b>Changes in operating assets and liabilities</b>			
	(Increase)/Decrease in Other assets		6,109,114	49,947,616
	Increase/(Decrease) in Other liabilities		13,967,025	(48,203,727)
	Increase/(Decrease) in Purchases/Sale of trading securities		(68,831,267)	(80,736,223)
	(Increase)/Decrease in Loans and lease finance to customers		(28,119,078)	(1,444,825,398)
	Increase/(Decrease) in Deposits from banks & individuals		(478,844,583)	1,086,274,272
	(Increase)/Decrease in Income tax		(28,662,487)	(50,521,917)
	Increase/(Decrease) in Interest suspense		41,265,963	(18,141,899)
	Increase/(Decrease) in Payable & accrued expenses		15,611,405	5,142,088
	<b>Cash received/(paid) from operating assets and liabilities</b>		<b>(527,503,908)</b>	<b>(501,065,188)</b>
	<b>Net cash from operating activities</b>		<b>(295,405,210)</b>	<b>(168,420,693)</b>



**38 Disclosure on Audit Committee of the Board**

**a) Composition of audit committee**

The audit Committee of the Board of Directors consists of the following 5(five) members of the Board:

Sl. No	Name	Status with the company	Status with the Committee	Educational Qualification
1	Mr. Ghulam Rahman	Independent Director	Chairman	B.A. (Hons) and M.A. in Economics from D.U.
2	Ms. Rokia A. Rahman	Director	Member	Graduation in Banking from Karachi, Pakistan.
3	Mr. Ali Imam Majumder*	Director	Member	M. Sc. in Mathematics
4	Mr.M. Hafizuddin Khan	Director	Member	B.A. (Hons) and M.A. in Political Science from D.U.
5	Mr. Siddiqur Rahman Choudhury	Independent Director	Member	B.Sc. (Hons), M.Sc. (D.U.) Diploma in Public Financial Management (University of Connecticut, USA)

\* Mr. Ali Imam Majumder retired from the post of Independent Director on November 05, 2018 and appointed as representative Director of MIDAS with effect from December 27, 2018. Mr. Ghulam Rahman was appointed as Independent Director with effect from December 27, 2018 and elected as Chairman of audit committee.

The members of the Board Audit Committee are all having good exposure in the NBFI's business. They played active role in the Board Meetings.

**b) Meetings held by the committee during the year by date and no of attendances**

Sl. No	Meeting No	Date of Meetings	No of Attendances
1	71th Meeting	15.01.2018	4
2	72nd Meeting	15.04.2018	5
3	73rd Meeting	14.05.2018	5
4	74th Meeting	28.07.2018	5
5	75th Meeting	30.10.2018	4

**c) Meeting of Audit Committee**

During the period January 1, 2018 to December 31, 2018, the Audit Committee of the Board conducted 5 (Five) meetings. In those meetings, among others, the committee reviewed/discussed/oversaw the following issues:

- Annual internal audit plan and compliance process;
- Adequacy of internal audit function;
- Company's internal administrative policy;
- Quarterly loan, lease classification and recovery position;
- Financial reporting process and choice of accounting policies and principles;
- Annual financial statements along with annual report of the Company;
- Quarterly and half-yearly financial statements of the Company;
- Internal and External (including Bangladesh Bank) Inspection & Audit Reports and management letter issued by statutory
- Internal control systems and procedures;
- Financial statements of subsidiary company;
- Compliance of legal and regulatory requirements.

**39 Related party disclosure**

Parties are considered to be related, if one party has the ability to control the other party or exercise significant influence over the other party, in making financial and operational decisions and include associated companies with or without common directors and key management positions. The company has entered into transactions with other entities in the normal course of business that fall within the definition or related party as per International Accounting Standard -24 'Related Party Disclosure'. Transactions with related parties are executed on the same terms, including interest rate and collateral, as those prevailing at the time of comparable transactions with other customers of similar credential and do not involve more than normal risk.



39.1 Name of the Directors and their interest in different entities

Sl. No	Name of Directors	Status in MFL	Entities where they have interest	Position
1	Mr. Mohammed Nasir Uddin Chowdhury*	Chairman (Nominated by LankaBangla Finance)	Rajshahi Agro Fisheries Complex Ltd. FinExcel Ltd. LankaBangla Securities Ltd. Bengal Meat Processing Industry Ltd.. LankaBangla Investment Ltd. BD Venture Ltd. Eastern Cables Ltd.	Chairman Vice Chairman Managing Director Director Director Director Director
2	Ms. Rokia A. Rahman	Director (Nominated by MIDAS)	R.R. Cold Storage Ltd. Mediaworld Ltd. Arlinks Ltd. Aris Holdings Ltd. Mediastar Ltd. Imaan Cold Storage Ltd. ABC Radio Bangladesh Lamps Ltd. Marico Bangladesh Ltd. MIDAS BRAC Banche Shekha, Jashore Presidency University	Chairman & MD Chairman Chairman Chairman Director Director Director Independent Director Independent Director Director Governing Body Member Chairperson Member of Board of Trustees
3	Mr. Abdul Karim	Director (Nominated by MIDAS)	MIDAS SEP Bangladesh VERC	Director Treasurer Treasurer
4	Mr. M. Hafizuddin Khan	Director (Nominated by MIDAS)	MIDAS Investment Limited MIDAS Transparency International - Bangladesh (TIB) Anjuman Mufidul Islam	Director Director Member of Board of Trustees Vice President
5	Mr. Ali Imam Majumder**	Director (Nominated by MIDAS)	MIDAS Transparency International - Bangladesh (TIB) NIS Support Project, Phase-2	Director Member of Board of Trustees Senior Advisor
6	Mr. S.M. Azad Hossain	Director (General Share holder Group)	Nur-Nahar Spinning Mills Ltd.	Executive Director
7	Mr. Md. Shamsul Alam	Director (General Share holder Group)	Arasco Agro Food and Feed Ltd. Arafat Agro Trade	Managing Director Proprietor
8	Mr. Md. Shahedul Alam	Director (General Share holder Group)	RADIO VISION Hay Agro (Pvt) Ltd. SBL Capital Management Ltd.	Partner Chairman Director
9	Mr. Siddiqui Rahman Choudhury	Independent Director	Social Marketing Company Ltd. SMC Enterprise Ltd.	Chairman Chairman
10	Mr. Ghulam Rahman***	Independent Director	Consumer Association of Bangladesh MIDAS Investment Ltd. Anjuman Mufidul Islam	President Director Vice President
11	Ms. Parveen Mahmud****	Director (Nominated by MIDAS)	Shasha Denims Ltd. Shasha Textiles Ltd. Shasha Spinning Ltd. Shasha Apparels Ltd. Saburo Indigo Ltd. MIDAS Shasha Millners & Textiles Ltd. Shasha Construction Ltd.  Linde Bangladesh Ltd.  BRAC	Chairman Chairman Chairman Chairman Chairman Director Board Member Board Member Board Member, Chairman-Audit Committee Association Member & Audit Committee Member

		BRAC International	Board Member, Chairman-Audit Committee
		Campaign for Popular Education (CAMPE)	Board Member & Audit Committee Member
		Palli Karma Sahayak Foundation (PKSF)	Board Member
		Under Privileged Children Education Program (UCEP)	Association Member
		Manusher Jonno Foundation (MJF)	Board Member
		Rangpur Dinajpur Rural Services (RDRS) - Bangladesh	Board Member
		Ghashful	Board Member
		Grameen Phone Ltd.	Board Member
		Grameen Telecom Trust	Managing Director
		Grameen Capital Management Ltd.	Board Member
		Grameen Danone Foods Ltd.	Board Member
		Grameen Krishi Foundation	Board Member
		Grameen Fisheries and Livestock Ltd.	Board Member
		Grameen Health Care Services Ltd.	Board Member
		Grameen Fabrics & Fashions Ltd.	Board Member
		Grameen Knitwear Ltd.	Board Member
		Grameen Distribution Ltd.	Board Member
		Grameen Shamgori Ltd.	Board Member
		Grameen Samajik Byabsha Ltd.	Board Member

- \* Mr. Mohammed Nasir Uddin Chowdhury, Representative Director of LankaBangla Finance Limited, was elected as Chairman of MIDAS Financing Limited in place of Ms. Rokia A. Rahman with effect from April 01, 2019.
- \*\* Mr. Ali Imam Majumder retired from the post of Independent Director on November 05, 2018 and appointed as representative Director of MIDAS with effect from December 27, 2018.
- \*\*\* Mr. Ghulam Rahman was appointed as Independent Director with effect from December 27, 2018.
- \*\*\*\* MIDAS withdrew its nomination of Ms. Parveen Mahmud with effect from December 27, 2018.
- 39.2 Significant contract in which the company, its subsidiary or any fellow subsidiary company was a party and wherein the directors have interest that subsisted at any time during the year or at the end of the year - Nil
- 39.3 Shares issued to Directors & Executives without consideration or issued at discount - Nil
- 39.4 Related party transaction

During the year, the company carried out a number of transactions with related party in the normal course of business. The name of the related party and nature of this transactions have been set out in accordance with the provisions of IAS 24 (Related party disclosure) as noted below:

Name of the related party	Relationship	Transaction nature	Classification Status	Amount in Tk.	
				2018	2017
Ms. Rokia Afzal Rahman	Sponsor shareholder	Auto finance	Standard	426,356	2,813,630
MIDAS	Sponsor shareholder	Term deposits	N/A	114,275,870	113,929,583
MIDAS Investment Ltd	Subsidiary	STL & LTD	Standard	249,386,380	221,840,207
MIDAS Investment Ltd	Subsidiary	Term deposits	N/A	205,000,000	205,000,000
LankaBangla Finance Ltd.	Shareholder	Term deposits	N/A	260,000,000	100,000,000
LankaBangla Investment Ltd.	Shareholder	Short term finance	Standard	80,000,000	-
LankaBangla Securities Ltd.	Shareholder	Investment (un-listed)	N/A	5,000,000	5,000,000
LankaBangla Securities Ltd.	Shareholder	Maintenance of investment	N/A	269,720,459	258,104,970
Shafique-Ul-Azam*	Ex. Managing Director	Term deposits	N/A	586,923	1,139,654
<b>Total</b>				<b>1,184,395,988</b>	<b>907,828,044</b>

\* Mr. Shafique-Ul-Azam was no more Managing Director with effect from March 29, 2019.

39.5 Lending policy to related parties

Amount of transactions regarding loans and advances, deposits, guarantees and commitment - Note : 39.4

39.6 Investment in securities of the Directors and their related concerns - Nil

40 Number of employees

The number of employees engaged for the whole period or part thereof who received a total remuneration of Tk. 36,000 per annum or above were 196 at the end of December 31, 2018 as against 195 in 2017.

41 Events after the balance sheet date

There is no material adjusting or non adjusting events after the balance sheet date except as disclosed in note 41.1

41.1 Proposed dividend

The Board of Directors in its 305th Board Meeting held on May 22, 2019 has recommended stock dividend to the shareholders @2.5% (i.e. 1 bonus share for every 40 shares) for the year ended December 31, 2018. The same will be placed for approval of shareholders at 23rd Annual General Meeting (AGM) of the Company.

ANNEXURE-A

**MIDAS Financing Limited**  
**Fixed assets including land, building, furniture and fixtures**  
**For the year ended December 31, 2018**

Particulars	COST				DEPRECIATION/AMORTIZATION				Written down value as on Dec 31, 2018
	Balance as on Jan 1, 2018	Addition/transfer during the year	Disposal/adjustment during the year	Balance as on December 31, 2018	Rate of Dep	Balance as on Jan 1, 2018	Charged for the year	Adjustment/transfer during the Year	Balance as on December 31, 2018
<b>I. Free holds assets</b>									
Land	19,505,978	-	-	19,505,978		-	-	-	19,505,978
Building	326,242,920	-	-	326,242,920	2.5%	69,869,314	8,156,073	-	248,217,533
Office equipment	9,673,408	675,551	440,670	9,908,289	18%	6,092,276	705,892	349,292	3,459,413
Furniture & fixtures	29,217,665	125,087	271,926	29,070,826	10%	13,124,875	1,616,601	140,448	14,469,798
Motor vehicle	8,119,543	-	-	8,119,543	20%	5,066,815	609,559	-	2,443,169
Computer equipment	14,345,052	444,140	505,210	14,283,982	18%	9,590,206	916,359	427,078	4,204,495
<b>Sub total</b>	<b>407,104,566</b>	<b>1,244,778</b>	<b>1,217,806</b>	<b>407,131,538</b>		<b>103,743,486</b>	<b>12,004,484</b>	<b>916,818</b>	<b>114,831,153</b>
<b>II. Intangible assets</b>									
System & software	1,339,275	-	-	1,339,275	30%	773,665	169,683	-	395,927
<b>Total as on Dec 31, 2018</b>	<b>408,443,841</b>	<b>1,244,778</b>	<b>1,217,806</b>	<b>408,470,813</b>		<b>104,517,151</b>	<b>12,174,167</b>	<b>916,818</b>	<b>115,774,500</b>
<b>Total as on Dec 31, 2017</b>	<b>407,604,537</b>	<b>4,334,995</b>	<b>3,495,691</b>	<b>408,443,841</b>		<b>95,423,289</b>	<b>12,270,642</b>	<b>3,176,779</b>	<b>303,926,690</b>

ANNEXURE-B

**MIDAS Financing Limited and its subsidiary**  
**Consolidated Fixed assets including land, building, furniture and fixtures**  
**For the year ended December 31, 2018**

Particulars	COST				DEPRECIATION / AMORTIZATION				Amount in Taka
	Balance as on Jan 1, 2018	Addition/ transfer during the year	Disposal/ adjustment during the year	Balance as on December 31, 2018	Balance as on Jan 1, 2018	Charged for the year	Adjustment/ transfer during the Year	Balance as on December 31, 2018	
<b>I. Free holds assets</b>									
Land	37,161,905	-	-	37,161,905	-	-	-	-	37,161,905
Building	524,834,965	-	-	524,834,965	91,659,135	13,121,374	-	104,780,510	420,074,455
Office equipment	9,816,753	675,551	440,670	10,051,634	6,140,429	814,879	349,292	6,606,016	3,445,618
Furniture & fixtures	30,235,060	136,384	271,926	30,099,518	13,395,748	1,690,587	140,448	14,945,887	15,153,631
Motor vehicle	8,119,543	-	-	8,119,543	5,066,815	609,559	-	5,676,374	2,443,169
Computer equipment	15,338,836	465,540	505,210	15,299,166	10,175,843	1,251,369	427,078	11,000,134	4,299,031
<b>Sub total</b>	<b>625,527,061</b>	<b>1,277,475</b>	<b>1,217,806</b>	<b>625,586,731</b>	<b>126,437,970</b>	<b>17,487,768</b>	<b>916,818</b>	<b>143,008,921</b>	<b>482,577,810</b>
<b>II. Intangible assets</b>									
System & software	1,339,275	1,155,000	-	2,494,275	773,665	314,058	-	1,087,723	1,406,552
<b>Total as on Dec 31, 2018</b>	<b>626,866,336</b>	<b>2,432,475</b>	<b>1,217,806</b>	<b>628,081,006</b>	<b>127,211,636</b>	<b>17,801,826</b>	<b>916,818</b>	<b>144,096,644</b>	<b>483,984,362</b>
<b>Total as on Dec 31, 2017</b>	<b>625,379,959</b>	<b>4,982,069</b>	<b>3,495,691</b>	<b>626,866,337</b>	<b>112,793,659</b>	<b>17,594,756</b>	<b>3,176,779</b>	<b>127,211,636</b>	<b>499,654,700</b>

*(Signature)*  
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**MIDAS Financing Limited**  
**Highlight as required by Bangladesh Bank**  
**as at December 31, 2018**

SL#	Particulars	Solo		Consolidated	
		2018	2017	2018	2017
1	Paid-up capital (Taka)	1,322,955,430	1,202,686,760	1,322,955,430	1,202,686,760
2	Total capital (Taka)	1,443,345,925	1,432,185,579	1,452,090,773	1,440,518,429
3	Capital surplus (Taka)	443,345,925	432,185,579	452,090,773	440,518,429
4	Total assets (Taka)	11,933,084,376	11,946,770,978	11,851,151,067	11,817,938,638
5	Total deposits (Taka)	7,468,640,563	7,947,485,146	7,263,640,563	7,742,485,146
6	Total lease, loans and advances (Taka)	10,287,318,648	10,315,899,131	10,052,745,342	10,099,435,603
7	Total contingent liabilities and commitments (Taka)	436,595,318	1,564,618,248	436,595,318	1,564,618,248
8	Credit deposit ratio	137.74%	129.80%	138.40%	130.44%
9	Percentage of classified loan against total loans	12.49%	9.92%	12.49%	9.92%
10	Net profit after taxation (Taka)	11,160,346	227,253,830	11,572,548	217,954,114
11	Classified lease, loans and advances (Taka)	1,284,541,783	1,023,466,606	1,284,541,783	1,023,466,606
12	Provisions kept against classified loans (Taka)	330,544,952	322,876,497	330,544,952	322,876,497
13	Provision surplus/(deficit) against classified loan (Taka)	-	-	-	-
14	Cost of fund	10.34%	9.16%	10.34%	9.16%
15	Interest earnings assets (Taka)	9,787,966,553	9,893,496,404	9,856,170,892	9,930,946,907
16	Non-interest earnings assets (Taka)	2,145,117,823	2,053,274,574	1,994,980,175	1,886,991,731
17	Return on investment in shares (ROI)	13.99%	36.96%	12.74%	25.86%
18	Return on assets (ROA)	0.09%	2.02%	0.10%	1.96%
19	Income from investment (Taka)	39,304,871	92,560,500	48,582,683	79,251,782
20	Earnings per share (2017:restated) (Taka)	0.08	1.72	0.09	1.65
21	Operating profit per share (2017:restated) (Taka)	0.74	2.21	0.94	2.41
22	Price earning ratio (Times) (2017:restated) (Taka)	295.17	26.02	284.65	27.13
23	Market price per share (Taka)	24.90	44.70	24.90	44.70
24	Net assets value (NAV) per share (2017:restated) (Taka)	10.91	10.83	10.98	10.89