

**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, 2019**

**MAHFEL HUQ & CO.
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Table of Contents

Sl. No.	Particulars	Page No.
1.	Auditor's Report	1-7
2.	Consolidated Balance Sheet	8
3.	Consolidated Profit or Loss Account	9
4.	Consolidated Statement of Cash Flows	10
5.	Consolidated Statement of Changes in Equity	11
6.	Balance Sheet	12
7.	Profit or Loss Account	13
8.	Statement of Cash Flows	14
9.	Statement of Changes in Equity	15
10.	Liquidity Statements	16
11.	Notes to the Consolidated and Separate Financial Statements	17-50
12.	Annexure-A	51
13.	Annexure-B	52
14.	Highlight as required by Bangladesh Bank	53

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 consolidated financial statements of MIDAS Financing Limited and its subsidiary (the 'Group') 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, 2019 and the consolidated and separate profit and loss account, consolidated and separate statements 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 accompanying consolidated financial statements of the Group and separate financial statements of the Company give a true and fair view, of the consolidated balance sheet of the Group and the separate balance sheet of the Company as at December 31, 2019, and of consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS's) as explained in note 2.1.

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 Group and 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 provide a separate opinion on these matters.

Risks	Our responses to the risks
Measurement of Provision for Loans and Advances	
<p>The process of estimating provision for loans and advances portfolio associated with credit risk is significant and complex.</p> <p>For estimating these provisions certain factors need to be considered including recovery rates, outstanding balance, rate of provision the estimates of future business performance and the market value of collateral provided for credit transactions.</p> <p>For the collective analysis, these provisions are manually processed that deals with voluminous databases, assumptions and calculations for the</p>	<p>We tested the design and operating effectiveness of key controls focusing on the following:</p> <ul style="list-style-type: none"> ➤ Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process; ➤ Reviewed quarterly Classification of Loans (CL). ➤ Tested the controls related to provision for loans and advances. <p>Our substantive procedures in relation to the</p>

provision estimates of complex design and implementation.

At the year end the Group reported total gross loans and advances of BDT 9,519,445,210 (2018: BDT 10,287,318,648) and provision for loans and advances of BDT 343,126,082 (2018: BDT 398,929,641).

We have focused on the following significant judgments and estimates which could give rise to material misstatement or management bias:

- Completeness and timing of recognition of loss events in accordance with criteria set out in Bangladesh Bank FID circular no. 06/2006.
- For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows; and
- Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.

provision for loans and advances portfolio comprised the following:

- Reviewed the adequacy of the company's general and specific provisions;
- Assessed quarterly classification ledger of loan and advances (CL).
- Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; and
- Finally, assessed the appropriateness and presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

Assessed the presentation of disclosures against relevant accounting standards and Bangladesh Bank guidelines.

See note no. 7 to the financial statements

Implementation of IFRS 16: Leases

IFRS 16 replaces the previous standard IAS 17 and specifies how an IFRS reporter will recognize, measure, present and disclose leases.

The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value.

We considered the implementation of IFRS 16 as a key audit matter, since the balances recorded are material, management had to apply several judgments and rates, measurement basis among others and undertake a significant data extraction to summarize the lease data for input into their lease calculation mode.

Our audit procedures included understanding management's process for implementing IFRS 16 transition impact analysis approach. We adopted a substantive strategy for lease accounts. Furthermore, to mitigate the inherent risk in this audit area, our audit approach included understanding of the management processes and controls for lease, performing walkthrough procedures and substantive audit procedures. Specifically

- Obtained an understanding and evaluated the group's implementation process, including the review of the updated accounting policy and policy elections in accordance with IFRS 16.
- We assessed the design and implementation of the key controls



<p>The Company's disclosures relating to IFRS 16 are included in the note 25.1 of the financial statements.</p>	<p>relating to the determination of the IFRS 16 transition impact disclosure;</p> <ul style="list-style-type: none">➤ We assessed the reasonableness of the discount rates used to calculate the lease obligation with support from our valuation specialists;➤ We assessed the accuracy of the lease data by testing the lease data captured by management for a sample of leases through the inspection of lease documentations; and <p>The disclosure included within the Accounting Policies of the Group of the transition impact of IFRS 16 is appropriate. We conclude the discount rates used by the Group to determine the IFRS 16 lease liability and the lease data underpinning the impact analysis reasonable.</p>
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See note no. 2.9 and 25 to the financial statements

IT Systems and Controls	
<p>Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls.</p> <p>The Company's disclosures relating to its IT systems and controls are included in note 8 of the financial statements.</p>	<ul style="list-style-type: none">➤ We tested the design and operating effectiveness of the Company's IT access controls or compensating controls over the information systems that are critical to financial reporting.➤ We tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized.➤ We tested the Company's periodic review of access rights. We inspected requests of changes to systems for appropriate approval and authorization. <p>Where deficiencies were identified, we tested compensating controls or performed alternate procedures. In addition, we understood where relevant changes were made to the IT landscape during the audit period and tested those changes that had a significant impact on financial reporting.</p>

Legal & Regulatory Matters

The Company operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict. Significant Legal & Regulatory matters pertaining to the Company's were:

- Compliance with rules & regulations, including submission of returns to various regulators;
- Maintenance of regulatory capital, reserves & provisions; and
- Litigation (cases) filed on behalf of or against the Company including any provisioning requirements.

These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities.

The Company's disclosures relating to its Legal & Regulatory Matters are included in note 1 the financial statements.

We obtained an understanding, evaluated the design and tested the operational effectiveness of the Company's key controls over the legal provision and contingencies process.

We enquired to those charged with governance to obtain their view on the status of all significant litigation and regulatory matters.

We enquired of the Company's management for all significant litigation and regulatory matters and inspected internal notes and reports.

Other Information

Management is responsible for the other information. The other information comprises all of the information in the Annual Report other than the consolidated and separate financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate 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 identified above when it becomes available 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the board of directors of the Company.

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.
- 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



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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 the subsidiary company, MIDAS Investment Limited have been audited by Huda Hossain & Co., Chartered Accountants who expressed an unmodified opinion thereon and have been properly reflected in the consolidated financial statements;
- c) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examinations of those books;
- 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 together with annexed notes from 1 to 41 dealt with by the report are in agreement with the books of account and returns;
- f) the expenditure incurred were for the purpose of the Company's business for the year;
- g) the financial statements of the Company have been drawn up in conformity with the Financial Institutions Act 1993 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company;
- h) adequate provisions 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;



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- 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 the 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 1361 person hours for the audit of the books accounts of the Company;
- 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; and
- t) all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.

Md. Abdus Satter Sarkar FCA, CMA
For and on behalf of
Mahfel Huq & Co.
Chartered Accountants

Dhaka, 14 July, 2020

MIDAS Financing Limited and its subsidiary
Consolidated Balance Sheet
As at December 31, 2019

Particulars	Notes	Amounts in BDT	
		December 31, 2019	December 31, 2018
PROPERTY AND ASSETS			
Cash		161,776,084	189,417,493
Cash in hand (Including foreign currency)	3(a)	9,293,588	14,154,758
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	3(b)	152,482,496	175,262,735
Balance with other banks and financial institutions		284,107,889	337,916,190
Inside Bangladesh	4(a)	284,107,889	337,916,190
Outside Bangladesh		-	-
Money at call and short notice	5	-	-
Investments		357,516,271	415,632,466
Government		-	-
Others	6(a)	357,516,271	415,632,466
Lease, loans and advances	7(a)	9,297,804,812	10,052,745,342
Fixed assets including land, building, furniture and fixtures	8(a)	479,359,547	483,984,362
Other assets	9(a)	310,144,952	290,689,747
Non-banking assets	10	80,765,467	80,765,467
TOTAL ASSETS		10,971,475,022	11,851,151,067
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	1,889,042,214	1,709,739,099
Deposits and other accounts		6,037,647,091	7,263,640,563
Term deposits	12(a)	6,017,354,971	7,243,261,829
Other deposits	12(b)	20,292,120	20,378,734
Other liabilities	13(a)	1,501,082,719	1,425,678,535
Total Liabilities		9,427,772,024	10,399,058,197
Capital/Shareholders' equity		1,543,700,941	1,452,090,773
Paid-up capital	14.2	1,356,029,310	1,322,955,430
General reserve	15	-	-
Statutory reserve	16	101,828,395	82,460,027
Retained earnings	17(a)	85,843,236	46,675,316
Non-controlling interest		2,057	2,097
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		10,971,475,022	11,851,151,067
CONSOLIDATED OFF - BALANCE SHEET ITEMS			
Contingent liabilities			
Acceptances and endorsements	18.1	-	-
Letters of guarantee		100,000,000	200,000,000
Irrevocable letters of credit		-	-
Bills for collection		-	-
Total		100,000,000	200,000,000
Other commitments			
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		1,589,250,000	236,595,318
Claims against the bank not acknowledged as debts		-	-
Total		1,589,250,000	236,595,318
TOTAL OFF BALANCE SHEET ITEMS INCLUDING CONTINGENT LIABILITIES		1,689,250,000	436,595,318
Net assets value (NAV) per share (2018:restated)	35(a)	11.38	10.71

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

 Chairman
 Director
 Managing Director

 Chief Financial Officer

 Company Secretary

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

Dhaka, 14 July, 2020




Md. Abdus Satter Sarkar FCA, FCMA
For and on behalf of
Mahfel Huq & Co.
Chartered Accountants

MIDAS Financing Limited and its subsidiary
Consolidated Profit and Loss Account
For the year ended December 31, 2019

Particulars	Notes	Amount in BDT	
		2019	2018
Interest income	20(a)	1,126,655,706	1,087,241,771
Interest on deposits & borrowings, etc.	21(a)	904,352,304	913,533,757
Net interest income		222,303,402	173,708,014
Income from investment	22(a)	1,413,080	48,582,683
Commission, exchange and brokerage		600,000	1,200,000
Other operating income	23(a)	91,056,444	82,378,093
Total operating income		315,372,926	305,868,790
Salary and allowances	24(a)	124,033,445	119,096,576
Rent, taxes, insurances, electricity, etc.	25(a)	4,391,267	8,591,461
Legal expenses	26(a)	7,386,035	9,505,954
Postage, stamp, telecommunication, etc.	27(a)	2,832,117	2,660,385
Stationery, printing, advertisements, etc.	28(a)	2,748,902	3,715,346
Managing Director's salary and benefits	29	8,549,290	6,344,000
Directors' fees and expenses	30(a)	1,569,763	1,990,405
Auditors' fees		211,000	196,000
Depreciation and repair of Company's assets	31(a)	23,818,193	20,510,529
Other expenses	32(a)	8,303,062	9,244,363
Total operating expenses		183,843,074	181,855,020
Profit before provision		131,529,852	124,013,771
General provisions	33(a)	4,587,200	(10,409,138)
Specific provisions	33(b)	(57,367,814)	55,429,738
Diminution in value of investments	33(c)	51,346,755	40,831,353
Other provisions	33(f)	4,906,259	-
Total provision		3,472,400	85,851,953
Total profit before tax		128,057,451	38,161,818
Current tax	33(d)	32,720,754	28,911,959
Deferred tax	33(e)	3,726,450	(2,322,690)
		36,447,204	26,589,269
Net profit after tax		91,610,248	11,572,549
Attributable to			
Shareholders of the Company		91,610,168	11,572,345
Non-controlling interest		80	204
		91,610,248	11,572,549
Appropriations to			
General reserve	15	-	-
Statutory reserve	16	19,368,368	2,232,069
		19,368,368	2,232,069
Retained surplus		72,241,800	9,340,276
Earnings per Share (EPS) (2018:restated)	34(a)	0.68	0.09

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

 Chairman

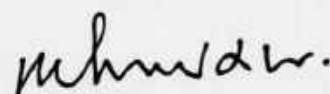
 Director

 Managing Director

 Chief Financial Officer

 Company Secretary

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



Md. Abdus Satter Sarkar FCA, FCMA
For and on behalf of
Mahfel Huq & Co.
Chartered Accountants

Dhaka, 14 July, 2020



MIDAS Financing Limited and its subsidiary
Consolidated Statement of Cash Flows
For the year ended December 31, 2019

Particulars	Notes	Amount in BDT	
		2019	2018
A) Cash flow from operating activities			
Interest received		1,124,025,816	1,084,294,189
Interest paid		(878,340,661)	(829,021,917)
Dividend received		6,924,357	7,455,233
Fees & commission received		600,000	1,200,000
Recoveries of loans previously written off		25,338,726	28,893,425
Cash payments to employees		(132,582,735)	(125,440,576)
Cash payments to suppliers		(2,748,902)	(3,715,346)
Income tax paid		(29,446,639)	(28,662,487)
Received from other operating activities		81,881,507	119,853,763
Payments for other operating activities		(31,176,071)	(34,487,283)
Operating profit before changes in operating assets & liabilities		164,475,397	220,369,000
Changes in operating assets and liabilities			
Purchases/sale of trading securities		58,116,195	(68,831,267)
Loans and lease finance to customers		725,890,178	(28,119,078)
Other assets		27,695,717	14,530,528
Deposits from banks & individuals		(1,225,993,472)	(478,844,583)
Other liabilities		(9,300,319)	45,490,190
Sub Total		(423,591,702)	(515,774,210)
Net cash from operating activities		(259,116,305)	(295,405,210)
B) Cash flow from investing activities			
Sales proceeds of fixed assets		54,900	41,000
Purchases of fixed assets		(1,691,420)	(2,432,475)
Net cash from investing activities		(1,636,520)	(2,391,475)
C) Cash flow from financing activities			
Increase/(decrease) of borrowings		179,303,115	314,917,906
Net cash from financing activities		179,303,115	314,917,906
D) Net increase/(decrease) in cash & cash equivalents (A+B+C)		(81,449,710)	17,121,221
E) Effects of exchange rate changes on cash & cash equivalents		-	-
F) Cash and cash equivalents at the beginning of the year		527,333,683	510,212,462
G) Cash and cash equivalents at the end of the year (D+E+F)*		445,883,973	527,333,683
* Cash and cash equivalents at the end of the year:			
Cash in hand (including foreign currency)	3(a)	9,293,588	14,154,758
Balance with Bangladesh Bank and its agent bank (s) (including foreign currency)	3(b)	152,482,496	175,262,735
Balance with other banks and financial institutions	4(a)	284,107,889	337,916,190
Total		445,883,973	527,333,683
Net operating cash flow per share (NOCFPS) (2018:restated)	36(a)	(1.91)	(2.18)

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

 Chairman
 Director
 Managing Director

 Chief Financial Officer

 Company Secretary

Dhaka, 14 July, 2020

MIDAS Financing Limited and its subsidiary
Consolidated Statement of Changes in Equity
For the year ended December 31, 2019

Particulars	Amount in BDT					
	Paid-up Capital	Statutory Reserve	Retained Earnings	Total	Non-Controlling Interest	Total Equity
Balance as at January 1, 2019	1,322,955,430	82,460,027	46,675,316	1,452,090,773	2,097	1,452,092,870
Items involves in changes in equity						
Profit/(loss) for the period	-	-	91,610,168	91,610,168	80	91,610,248
Transfer to statutory reserve	-	19,368,368	(19,368,368)	-	-	-
Stock dividend for 2018	33,073,880	-	(33,073,880)	-	(120)	(120)
Balance as at December 31, 2019	1,356,029,310	101,828,395	85,843,236	1,543,700,941	2,057	1,543,702,998
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


Chairman


Director


Managing Director


Chief Financial Officer


Company Secretary

Dhaka, 14 July, 2020

MIDAS Financing Limited
Balance Sheet
As at December 31, 2019

Particulars	Notes	Amount in BDT	
		December 31, 2019	December 31, 2018
PROPERTY AND ASSETS			
Cash		161,775,649	189,410,743
Cash in hand (Including foreign currency)	3.1	9,293,153	14,148,008
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	3.2	152,482,496	175,262,735
Balance with other banks and financial institutions		280,041,525	323,006,997
Inside Bangladesh	4.1	280,041,525	323,006,997
Outside Bangladesh		-	-
Money at call and short notice	5	-	-
Investments		245,474,266	288,117,557
Government		-	-
Others	6	245,474,266	288,117,557
Lease, loans and advances	7	9,519,445,210	10,287,318,648
Fixed assets including land, building, furniture and fixtures	8	293,698,660	292,696,313
Other assets	9	480,226,295	471,768,651
Non-banking assets	10	80,765,467	80,765,467
TOTAL ASSETS		11,061,427,072	11,933,084,376
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11	1,889,042,214	1,709,739,099
Deposits and other accounts		6,242,647,091	7,468,640,563
Term deposits	12.1	6,222,354,971	7,448,261,829
Other deposits		20,292,120	20,378,734
Other liabilities	13	1,389,550,004	1,311,358,789
Total Liabilities		9,521,239,309	10,489,738,451
Capital/Shareholders' equity		1,540,187,763	1,443,345,925
Paid-up capital	14.2	1,356,029,310	1,322,955,430
General reserve	15	-	-
Statutory reserve	16	101,828,395	82,460,027
Retained earnings	17	82,330,058	37,930,468
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		11,061,427,072	11,933,084,376
OFF - BALANCE SHEET ITEMS			
Contingent liabilities	18.1		
Acceptances and endorsements		-	-
Letters of guarantee		100,000,000	200,000,000
Irrevocable letters of credit		-	-
Bills for collection		-	-
Total		100,000,000	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		1,589,250,000	236,595,318
Claims against the Bank not acknowledged as debts		-	-
Total		1,589,250,000	236,595,318
TOTAL OFF BALANCE SHEET ITEMS INCLUDING CONTINGENT LIABILITIES		1,689,250,000	436,595,318
Net assets value (NAV) per share (2018:restated)	35	11.36	10.64

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

 Chairman
 Director
 Managing Director

 Chief Financial Officer

 Company Secretary

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

Dhaka, 14 July, 2020



Md. Abdus Satter Sarkar FCA, FCMA
For and on behalf of
Mahfel Huq & Co.
Chartered Accountants

MIDAS Financing Limited
Profit and Loss Account
For the year ended December 31, 2019

Particulars	Notes	Amount in BDT	
		2019	2018
Interest income	20	1,153,603,559	1,111,373,843
Interest on deposits & borrowings, etc.	21	924,943,597	932,225,878
Net interest income		228,659,962	179,147,965
Income from investment	22	15,051,938	39,304,871
Commission, exchange and brokerage		600,000	1,200,000
Other operating income	23	51,107,741	47,525,200
Total operating income		295,419,641	267,178,036
Salary and allowances	24	119,193,333	114,637,256
Rent, taxes, insurances, electricity, etc.	25	3,841,696	8,070,941
Legal expenses	26	7,271,035	9,448,254
Postage, stamp, telecommunication, etc.	27	2,629,441	2,468,606
Stationery, printing, advertisements, etc.	28	2,716,457	3,676,411
Managing Director's salary and benefits	29	8,549,290	6,344,000
Directors' fees and expenses	30	1,451,221	1,885,568
Auditors' fees		165,000	150,000
Depreciation and repair of company's assets	31	18,160,421	14,544,530
Other expenses	32	7,038,938	7,971,189
Total operating expenses		171,016,832	169,196,755
Profit before provision		124,402,808	97,981,281
General provisions	33	4,587,200	(10,409,138)
Specific provisions	33	(57,367,814)	55,429,738
Diminution in value of investments	33	40,332,557	20,443,884
Other provisions	33	3,848,709	-
Total provision		(8,599,349)	65,464,484
Profit before tax		133,002,156	32,516,797
Current tax		30,904,666	22,428,779
Deferred tax		5,255,652	(1,072,328)
		36,160,318	21,356,451
Net profit after taxation		96,841,838	11,160,346
Appropriations to			
General reserve	15	-	-
Statutory reserve	16	19,368,368	2,232,069
		19,368,368	2,232,069
Retained surplus		77,473,471	8,928,277
Earnings per Share (EPS) (2018:restated)	34	0.71	0.08

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

  
Chairman Director Managing Director


Chief Financial Officer


Company Secretary

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



Dhaka, 14 July, 2020



Md. Abdus Satter Sarkar FCA, FCMA
For and on behalf of
Mahfel Huq & Co.
Chartered Accountants

MIDAS Financing Limited
Statement of Cash Flows
For the year ended December 31, 2019

Particulars	Notes	Amount in BDT	
		2019	2018
A) Cash flow from operating activities			
Interest received		4,150,973,669	1,108,426,257
Interest paid		(899,249,805)	(846,635,382)
Dividend received		5,267,994	5,401,098
Fees & commission received		600,000	1,200,000
Recoveries of loans previously written off		25,338,726	28,893,425
Cash payments to employees		(127,742,623)	(120,981,256)
Cash payments to suppliers		(2,716,457)	(3,676,411)
Income tax paid		(22,395,708)	(21,183,461)
Received from other operating activities		45,836,905	56,429,173
Payments for other operating activities		(28,849,549)	(31,954,933)
Operating profit before changes in operating assets & liabilities		147,063,151	175,918,510
Changes in operating assets and liabilities			
Purchases/sale of trading securities		42,643,291	(14,392,407)
Loans and lease finance to customers		740,692,914	(46,228,856)
Other assets		26,549,430	14,491,832
Deposits from banks & individuals		(1,225,993,472)	(478,844,583)
Other liabilities		20,777,526	48,544,796
Sub total		(395,330,312)	(476,429,218)
Net cash from operating activities		(248,267,161)	(300,510,708)
B) Cash flow from investing activities			
Sales proceeds of fixed assets		54,900	41,000
Purchases of fixed assets		(1,691,420)	(1,244,778)
Net cash from investing activities		(1,636,520)	(1,203,778)
C) Cash flow from financing activities			
Increase/(decrease) of borrowings		179,303,115	314,917,906
Net cash from financing activities		179,303,115	314,917,906
D) Net increase/(decrease) in cash & cash equivalents (A+B+C)		(70,600,566)	13,203,420
E) Effects of exchange rate changes on cash & cash equivalents		-	-
F) Cash and cash equivalents at the beginning of the year		512,417,740	499,214,320
G) Cash and cash equivalents at the end of the year (D+E+F)*		441,817,174	512,417,740
* Cash and cash equivalents at the end of the year			
Cash in hand (including foreign currency)	3.1	9,293,153	14,148,008
Balance with Bangladesh Bank and its agent bank (s) (including foreign currency)	3.2	152,482,496	175,262,735
Balance with other banks and financial institutions	4	280,041,525	323,006,997
Total		441,817,174	512,417,740
Net operating cash flow per share (NOCFPS) (2018:restated)	36	(1.83)	(2.22)

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

  
Chairman Director Managing Director


Chief Financial Officer


Company Secretary

Dhaka, 14 July, 2020


MIDAS Financing Limited
Statement of Changes in Equity
For the year ended December 31, 2019

Amount in BDT

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total equity
Balance as at January 1, 2019	1,322,955,430	82,460,027	37,930,468	1,443,345,925
Items involves in changes in equity				
Profit/(loss) for the period	-	-	96,841,838	96,841,838
Transfer to statutory reserve	-	19,368,368	(19,368,368)	-
Stock dividend for 2018	33,073,880	-	(33,073,880)	-
Balance as at December 31, 2019	1,356,029,310	101,828,395	82,330,058	1,540,187,763
Balance as at December 31, 2018	1,322,955,430	82,460,027	37,930,468	1,443,345,925


Chairman


Director


Managing Director


Chief Financial Officer


Company Secretary

Dhaka, 14 July, 2020



Estd. 1974

MIDAS Financing Limited
Liquidity Statements
As at December 31, 2019

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	Total
Assets						
Cash in hand (Including foreign currency)	9,293,153	-	-	-	-	9,293,153
Balance with Bangladesh Bank and its agent bank(s)	152,482,496	-	-	-	-	152,482,496
Balance with other banks and financial institutions	52,692,817	85,000,000	142,348,708	-	-	280,041,525
Money at call and short notice	-	-	-	-	-	-
Investments	227,278	-	6,755,007	212,859,891	25,632,090	245,474,266
Lease, loans and advances	783,826,876	617,666,627	2,896,346,986	3,411,482,689	1,810,122,032	9,519,445,210
Fixed assets including land, building, furniture and fixtures	1,353,404	2,706,808	12,180,635	85,264,444	192,193,370	293,698,660
Other assets	79,960,135	6,446,855	2,854,900	116,524,542	274,439,863	480,226,295
Non-banking assets	-	-	80,765,467	-	-	80,765,467
Total Assets (i)	1,079,836,158	711,820,290	3,141,251,703	3,826,131,566	2,302,387,353	11,061,427,072
Liabilities						
Borrowings from other banks, financial institutions and agents	129,686,910	141,689,186	703,639,342	758,049,465	155,977,311	1,889,042,214
Deposits and other accounts	700,937,859	438,267,486	1,984,504,185	1,927,343,289	1,191,594,272	6,242,647,091
Provision and other liabilities	233,979,235	85,057,495	415,958,247	373,415,229	281,139,799	1,389,550,004
Total Liabilities (ii)	1,064,604,004	665,014,166	3,104,101,773	3,058,807,983	1,628,711,382	9,521,239,309
Net Liquidity Gap (i-ii)	5,232,155	46,806,124	7,149,930	767,323,583	673,675,972	1,540,187,763

MIDAS Financing Limited and its subsidiary
Notes, comprising a summary of significant accounting policies and other explanatory notes
As at and for the year ended December 31, 2019

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 International 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 International Accounting Standards (IAS) 37: Provisions, contingent liabilities and contingent assets, provisions are recognized in the following situations:

- a. When the Company has an obligation as a result of past events;
- b. When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- c. 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, 2019 to December 31, 2019.

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.

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 Leases

Some disclosed accounting policies and methods of computation have been followed in these financial statements as were applied in the preparation of the financial statements of MIDAS financing limited and its subsidiary as at and for the year 31 December 2018, except for those related of IFRS 16: "Leases", which is effective from 1 January 2019.

Changes in significant accounting policies - IFRS 16 Leases

Nature and impact of changes

Definition of a lease

IFRS 16 :Leases' defines a lease as "A Contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration."

As a lessee

As a lessee, MFL previously classified leases as operating or finance lease based on its assessment of whether the leases transferred significantly all of the risks and rewards incidental to ownership of the underlying assets to MFL. Under IFRS 16, MFL recognises right-of-use assets and lease liabilities for all leases.

Leases classified as operating Lease under IFRS 17

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at MFL's incremental borrowing rate as at 1 January 2019. Right-of-use assets are measured at an amount equal to the leases liability, adjusted by the amount of an prepaid or accrued lease liabilities for all leases.

Leases previously classified as finance lease

For leases that were classified as finance leases under IAS 17 (if any), the carrying amount of right-of-use assets and the lease liability at 1 January 2019 are determined at the carrying amount of the lease assets and lease liability under IAS 17.

As a lessor

MFL is not required to make any adjustment on transitions to IFRS for leases in which it acts as a lessor.

The MFL follows IFRS 16 which has been effective from 01 January, 2019 for the recognition, measurement, presentation and disclosure of leases.

As per 'IFRS 16: Leases', summary of lease related information is provided as follows:

Figure in BDT

Particulars	Opening Balance	Depreciation/ interest expense/addition	Accumulated depreciation/ Lease Payment/ Advance Adjustment	Closing Balance
ROU-Assets for lease	15,789,888	4,507,083	4,507,083	11,282,805
Lease liabilities	10,873,759	895,694	3,826,774	7,942,679
*Advance office rent	5,285,051	1,124,000	4,754,151	1,654,900

Accounting policy for IFRS 16: Leases

MFL has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 as Operating 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. No depreciation was charged on land.

I. Free holds assets	Method	Rate of Depreciation
Land	N/A	N/A
Building	Straight Line	2.5%
ROU-Assets for lease rent	Straight Line	Lease term
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 Depreciation
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 on an aggregate portfolio basis. Cost includes acquisition charges if any with the investments. 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.

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.

(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
General provision on:	
Unclassified loans and advances (SME)	0.25%
Unclassified loans and advances	1%
Special mention account	5%
Specific provision on:	
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 as per IAS 12 and 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

Revenue is only recognised when it meets the following five steps model framework as per IFRS 15: "Revenue from Contracts with Customers"

- identify the contract (s) with customers;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract;
- recognise revenue when (or as) the entity satisfies a performance obligation.

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

Fees base incomes are taken into 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 as per agreement. 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. Other borrowing costs are recognized as an expense as per IAS 23 "Borrowing Cost"

2.19 Interest suspense account

Accrued interest on classified lease, term finance, housing finance, consumer credit and other loans and advances are not recognized as income rather transferred to interest suspense account in accordance with Bangladesh Bank guidelines.

2.20 Write-off

Write-off describes a reduction in recognised value. It refers to the recognition of the reduced or zero value of an assets. Generally it refers to an investment for which a return on the investment is now impossible or unlikely. The item's potential return is thus cancelled and removed from ("written-off") the company's balance sheet.

2.21 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.

2.22 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 3,307,388 nos shares during the year against the stock dividend declared for the year 2018. As a result, total number of share outstanding as of 31 December 2019 was 135,602,931 nos. Therefore, the EPS of 2018 has been restated to conform current year's presentation.

2.23 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 Disclosures'. 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

2.24 Going Concern

The company has adequate resources to continue in operation for foreseeable future. For this reason the directors continued to adopt going concern basis in preparing the Financial statements. The current credit facilities and resources of the company provide sufficient fund to meet the present requirements of its existing businesses and operations.

2.25 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.

* Being a NBFI, we always follows Going Concern Concept. As well as our cash flow statement as on 31.12.2019, due to covid 19 didn't hampered at all. Hence, we are disclosing this issue for farther information and record.



2.26 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.

2.27 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 terms.

2.28 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. Latest status of Capital Adequacy Ratio (CAR) has been shown in note - 14.6 & 14.7

2.29 Status of Compliance of International Accounting Standards (IAS) and International

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
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of	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
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 Standard	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*
Leases	16	Applied
Insurance Contracts	17	N/A

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.



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

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 iii) statement of changes in equity, iv) statement of cashflows, v) notes, comprising significant 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 i) balance sheet, ii) profit and loss account, iii) statement of cash flows, iv) statement of changes in 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 obtained.
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 2019 equivalent to BDT (5.74) crore as per Bangladesh Bank guidelines among which BDT 0.46 crore is general provision on good loan. Also, as at 31 December 2019, accumulated provision for lease, loan and advances stand at BDT 34.31 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 5.13 crore for consolidated investment and BDT 4.03 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 25.80 crore from 22.11 crore resulting increase of BDT 4.15 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 Taxes"	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.
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Notes	Particulars	Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
3	Cash			
	Cash in hand (including foreign currency)	3.1	9,293,153	14,148,008
	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	152,482,496	175,262,735
	Total		161,775,649	189,410,743
3.1	Cash in hand (including foreign currency)			
	In local currency		9,293,153	14,148,008
	In foreign currency		-	-
	Total		9,293,153	14,148,008
3.2	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)			
	In local currency		152,482,496	175,262,735
	In foreign currency		-	-
	Total		152,482,496	175,262,735
3.3	Cash reserve requirement (CRR) and Statutory liquidity reserve (SLR)			
	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:			
3.4	Cash reserve requirement (CRR)			
	Required reserve		150,706,970	172,899,658
	Actual reserve maintained	3.2	152,482,496	175,262,735
	Surplus		1,775,526	2,363,077
3.5	Statutory liquidity reserve (SLR)			
	Required reserve (including CRR)		326,514,754	369,930,050
	Actual reserve held (including CRR)	3.6	441,817,174	512,417,740
	Surplus		115,302,420	142,487,690
3.6	Actual reserve held (including CRR)			
	Cash in hand (including foreign currency)	3.1	9,293,153	14,148,008
	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	152,482,496	175,262,735
	Balance with other banks and financial institutions	4	280,041,525	323,006,997
	Total		441,817,174	512,417,740
3(a)	Consolidated cash			
	Consolidated cash in hand (including foreign currency)			
	MIDAS Financing Ltd.	3.1	9,293,153	14,148,008
	MIDAS Investment Ltd.		435	6,750
	Total		9,293,588	14,154,758
3(b)	Consolidated Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)			
	MIDAS Financing Ltd.	3.2	152,482,496	175,262,735
	MIDAS Investment Ltd.		-	-
	Total		152,482,496	175,262,735
4	Balance with other banks and financial institutions			
	Inside Bangladesh	4.1	280,041,525	323,006,997
	Outside Bangladesh		-	-
	Total		280,041,525	323,006,997
4.1	Inside Bangladesh			
A.	STD accounts			
	Standard Bank Ltd.		20,433,575	39,927,387
	United Commercial Bank Ltd.		20,394,167	17,684,081
	IFIC Bank Ltd.		122,832	111,490
	Janata Bank Ltd.		2,799	4,186
	Mercantile Bank Ltd.		45,706	4,122,127
	Utlara Bank Ltd.		4,275	5,275
	Agrani Bank Ltd.		40	960
	AB Bank Ltd.		255,864	127,216
	Dutch Bangla Bank Ltd.		230,670	775,499
	One Bank Ltd.		507,457	533,626
	The Premier Bank Ltd.		1,545,512	761,908
	Pubali Bank Ltd.		3,792,891	3,034,203
	Bangladesh Development Bank Ltd.		8,182	8,987
	Jamuna Bank Ltd.		3,324,868	1,736,886
	Mutual Trust Bank Ltd.		21,046	21,593
	Modhumoti Bank Ltd.		19,748	-
	Bangladesh Krishi Bank		488,102	-
	National Credit and Commerce Bank Ltd.		-	32
	Total A		51,197,734	68,855,456

Notes	Particulars	Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
B. Current accounts				
	United Commercial Bank Ltd.		1,495,083	2,288,022
	Total B		1,495,083	2,288,022
C. Term deposits				
	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
	The City Bank Ltd.		50,000,000	50,000,000
	Bangladesh Industrial Finance and Investment Company Ltd.		22,348,708	21,863,519
	Dutch Bangla Bank Ltd.		-	45,000,000
	Uttara Bank Ltd.		50,000,000	-
	Total C		227,348,708	251,863,519
	Total (A+B+C)		280,041,525	323,006,997
4.2 Maturity grouping of balance with other banks and financial institutions				
	On demand		52,692,817	93,006,997
	Not more than 3 months		85,000,000	65,000,000
	More than 3 months but less than 1 year		142,348,708	165,000,000
	More than 1 year but less than 5 years		-	-
	More than 5 years		-	-
	Total		280,041,525	323,006,997
4(a) Consolidated balance with other banks and financial institutions				
	Inside Bangladesh			
	MIDAS Financing Ltd.	4.1	280,041,525	323,006,997
	MIDAS Investment Ltd.		209,066,364	219,909,193
	Adjustment for consolidation		(205,000,000)	(205,000,000)
	Outside Bangladesh		284,107,889	337,916,190
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
	Total		284,107,889	337,916,190
5 Money at call and short notice				
6 Investment				
a) Government securities				
b) Other investments				
	Investment in listed securities	6.1	222,904,816	265,548,107
	Investment in unlisted securities	6.2	22,569,450	22,569,450
	Total		245,474,266	288,117,557
6.1 Investment in listed securities				

Details of listed securities (sector wise) are given below

	No. of Share	Market Price	Cost Price	Cost Price
Bank	275,205	3,592,386	5,618,377	5,028,282
Tannery Industries	-	-	-	16,775,512
Mutual Fund	300,000	1,680,000	3,062,640	3,062,640
Textile	1,211,229	31,064,922	82,129,333	80,682,073
Pharmaceutical and Chemicals	1,053,177	78,389,823	127,299,375	127,354,195
Fuel and Power	-	-	-	17,440,980
Cements	-	-	-	-
Engineering	37,545	3,564,684	4,754,381	3,302,951
Information Technology	392	26,421	3,410	-
Paper	-	-	-	1,729,040
Telecommunication	-	-	-	10,131,515
Miscellaneous	3,916	161,731	37,300	40,919
Total		118,479,967	222,904,816	265,548,107

6.2 Investment in unlisted securities

Central Depository Bangladesh Ltd.
Financial Excellence Ltd.
Lankabangla Securities Ltd.
Bangladesh Ventures Ltd.

Total

No. of Share			
571,181	4,569,450	4,569,450	
300,000	3,000,000	3,000,000	
97,828	5,000,000	5,000,000	
1,100,000	10,000,000	10,000,000	
	22,569,450	22,569,450	



Notes	Particulars	Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
6.3	Maturity grouping of investment			
	On demand		227,278	13,277,405
	Not more than 3 months		-	58,420,583
	More than 3 months but less than 1 year		6,755,007	92,941,837
	More than 1 year but less than 5 years		212,859,891	100,908,282
	More than 5 years		25,632,090	22,569,450
	Total		245,474,266	288,117,557
6(a)	Consolidated investment			
	a) Government securities			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
	b) Other investment			
	MIDAS Financing Ltd.			
	Investment in listed securities	6.1	222,904,816	265,548,107
	Investment in nonlisted securities	6.2	22,569,450	22,569,450
			245,474,266	288,117,557
	MIDAS Investment Ltd.			
	Investment in listed securities		102,042,005	113,880,239
	Investment in nonlisted securities		10,000,000	13,634,670
			112,042,005	127,514,909
	Total		357,516,271	415,632,466
7	Lease, loans and advances			
	a) Inside Bangladesh			
	Lease receivable	7.a.i	749,461,703	801,311,517
	Term finance	7.a.ii	7,188,413,673	7,751,391,409
	Housing finance	7.a.iii	1,200,491,926	1,350,262,507
	Staff loan	7.a.iv	33,141,003	31,555,030
	Consumer credit	7.a.v	1,381,309	3,401,459
	Interest receivable	7.a.vi	346,553,596	349,396,726
			9,519,445,210	10,287,318,648
	b) Outside Bangladesh			
			-	-
	Total (a+b)		9,519,445,210	10,287,318,648
7.a.i	Lease receivable			
	Opening balance		801,311,517	882,777,345
	Add: Addition during the year		79,958,296	164,950,000
			881,269,813	1,047,727,345
	Less: Realization during the year		129,075,514	246,415,828
	Less: Write off		2,732,596	-
	Closing balance		749,461,703	801,311,517
	Lease Receivable			
	Gross lease receivable		852,851,703	947,133,766
	Less: Unearned lease income		103,390,000	145,822,249
			749,461,703	801,311,517
7.a.ii	Term finance			
	Opening balance		7,751,391,409	7,703,692,856
	Add: Addition during the year		2,844,491,190	4,373,851,291
			10,595,882,599	12,077,544,147
	Less: Realization during the year		3,385,150,847	4,251,343,399
	Less: Write off		22,316,079	74,809,339
	Closing balance		7,188,415,673	7,751,391,409
7.a.iii	Housing finance			
	Opening balance		1,350,262,507	1,404,378,728
	Add: Addition during the year		71,550,000	167,530,000
			1,421,812,507	1,571,908,728
	Less: Realization during the year		221,320,581	221,646,221
	Closing balance		1,200,491,926	1,350,262,507
7.a.iv	Staff loan			
	Opening balance		31,555,030	27,367,094
	Add: Addition during the year		12,989,384	11,765,800
			44,544,414	39,132,894
	Less: Realization during the year		11,403,411	7,577,864
	Closing balance		33,141,003	31,555,030

Notes	Particulars	Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
7.a.v	Consumer credit			
	Opening balance		3,401,459	2,816,361
	Add: Addition during the year		1,320,000	1,330,000
			4,721,459	4,146,361
	Less: Realization during the year		1,208,302	744,902
	Less: Write off		2,131,848	-
	Closing balance		1,381,309	3,401,459
7.a.vi	Interest receivable			
	Lease finance		61,251,283	75,789,150
	Term finance		235,136,782	221,997,435
	Housing finance		42,706,427	43,663,828
	Consumer credit		-	309,680
	Staff loan		7,459,104	7,636,633
	Total		346,553,596	349,396,726

During the year Tk. 3,370,184.00 against term finance interest receivable, Tk. 1,004,562.00 against lease finance interest receivable and Tk. 309,680.00 against consumer credit interest receivable have been written off. The company also wrote off Tk. 11,607,580.00 against term finance interest receivable during the year 2018.

7.1	Residual maturity grouping of lease, loans and advances			
	Receivable on demand		783,826,876	711,273,815
	Not more than 3 months		617,666,627	611,433,439
	Over 3 months but not more than 1 year		2,896,346,986	3,006,384,129
	Over 1 year but not more than 5 years		3,411,482,680	3,628,378,259
	Over 5 years		1,810,122,032	2,329,849,006
	Total		9,519,445,210	10,287,318,648

7.2	Investments on the basis of significant concentration			
	Lease, loans and advances to the institutions in which Directors have interest		-	426,356
	Lease, loans and advances to chief executives and other senior executives		40,600,107	39,191,663
	Lease, loans and advances to customer groups		9,478,845,103	10,247,700,629
	Total		9,519,445,210	10,287,318,648

7.3	Investments allowed to group exceeding 15% of NBFI's total capital			
	Total capital of the company		1,540,187,763	1,443,345,925
	15% of company's total capital		231,028,164	216,501,889
	Total outstanding amount to such customers at end of the year		2,329,190,675	2,064,187,313
	Number of such types of customers		8	7
	Total		4,100,406,611	3,724,035,134

7.4	Sector-wise classification of lease, loans and advances	Composition			
		31 Dec. 19	31 Dec. 18		
	Agriculture	1.33%	1.29%	126,789,263	132,329,381
	Cement and Allied Industry	0.27%	0.21%	25,661,677	21,886,951
	Electronics and Electric products	1.53%	0.00%	145,528,292	-
	Food Production / Processing Industries	8.35%	7.78%	794,932,562	800,254,637
	Garments and Knitwear	1.08%	1.24%	103,260,644	127,824,659
	Glass, Glassware and Ceramic Ind.	0.00%	0.00%	306,332	-
	Iron, Steel & Engineering	7.21%	10.69%	686,327,564	1,099,779,758
	In-house Employees' Loan	0.43%	0.38%	40,600,107	39,191,662
	Jute & Jute Products	0.03%	0.06%	3,330,249	5,949,779
	Leather & Leather Goods	0.36%	0.33%	34,391,317	33,695,877
	Merchant Banking / LLS	3.26%	3.13%	310,429,269	322,352,503
	Others	19.50%	19.67%	1,856,652,593	2,023,908,048
	Pharmaceuticals and Chemicals	1.76%	1.59%	167,274,560	163,466,750
	Paper, Printing and Packaging	1.90%	1.73%	180,394,247	178,261,345
	Power, Gas, Water & Sanitary service	0.00%	0.00%	-	-
	Plastic Industries	0.97%	0.93%	92,357,947	95,258,011
	Real Estate & Housing	13.06%	13.55%	1,243,198,353	1,393,926,335
	Ship Manufacturing Industry	3.04%	2.38%	289,162,737	245,346,149
	Trade and Commerce	22.99%	24.19%	2,188,903,642	2,489,002,959
	Textile	12.91%	10.83%	1,229,120,287	1,114,060,274
	Telecommunication/Information Technology	0.01%	0.01%	823,370	823,570
	Transport & Communication	0.00%	0.00%	-	-
	Total	100.00%	100.00%	9,519,445,210	10,287,318,648

Notes	Particulars	Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
7.5	Geographical location-wise lease, loans and advances	Composition		
		31 Dec. 19	31 Dec. 18	
		23.59%	25.65%	2,245,430,280
		66.66%	64.33%	6,345,243,680
		3.95%	4.86%	375,794,691
		5.81%	5.16%	552,976,559
	Total	100.00%	100.00%	9,519,445,210
7.6	Grouping of lease, loans and advances as per classification rules of Bangladesh Bank	Composition		
		31 Dec. 19	31 Dec. 18	
		84.98%	85.32%	8,089,431,505
		5.10%	4.76%	485,396,798
		1.59%	1.32%	151,552,724
		0.80%	1.77%	75,783,957
	Total	100.00%	100.00%	9,519,445,210
7.7	Particulars of provision for lease, loans and advances	Basis for Provision		
		Rate		
		4,374,429,847	1.00%	43,744,298
		3,715,001,658	0.25%	9,287,504
		405,384,393	5.00%	20,269,220
				73,301,022
	Total			68,384,689
	Substandard	116,838,452	20.00%	23,367,690
	Doubtful	57,941,044	50.00%	28,970,522
	Bad or loss	217,753,926	100.00%	217,753,926
				270,092,138
	Required provision for lease, loans and advances			343,393,161
	Required provision for diminution in value of investment			79,397,550
	Total provision required			422,790,711
	Total provision maintained			422,523,633
	Excess/(short) provision			(267,078)
7.8	Particulars of lease, loans and advances			
(i)	Debts considered good in respect of which the MFL is fully secured.		1,618,822,926	1,774,068,684
(ii)	Debts considered good for which the MFL holds no other security other than the debtor's personal guarantee;		40,600,107	39,191,662
(iii)	Debts considered good and secured by personal security of one or more parties in addition to the personal security of the debtors;		7,860,022,177	8,474,058,302
			9,519,445,210	10,287,318,648
(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;		40,600,107	39,191,662
(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
(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;		4,100,000	1,600,000
(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;		717,280,226	758,791,901
(xi)	Cumulative amount of written off loans and advances:			
	Opening Balance		510,790,468	453,266,974
	Add: Amount written off during the year		31,864,950	86,416,919
	Less: Amount received of during the year		25,338,726	28,893,425
	Balance of written off loans and advances yet to be recovered		517,316,692	510,790,468
7(a)	Consolidated lease, loans and advances			
	Inside Bangladesh			
	MIDAS Financing Ltd.		9,519,445,210	10,287,318,648
	MIDAS Investment Ltd.		16,189,359	14,813,074
	Adjustment for consolidation		(237,829,757)	(249,386,380)
			9,297,804,812	10,052,745,342
	Outside Bangladesh			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
			-	-
	Total		9,297,804,812	10,052,745,342

Notes	Particulars	Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
8	Fixed assets including land, building, furniture and fixtures			
	Free hold assets		293,421,511	292,300,386
	Intangible assets		277,149	395,927
	Total		293,698,660	292,696,313
	A schedule of fixed assets including land, building, furniture and fixtures is given in Annexure-A			
8(a)	Consolidated fixed assets including land, building, furniture and fixtures			
	MIDAS Financing Ltd.	8	293,698,660	292,696,313
	MIDAS Investment Ltd.		185,660,887	191,288,049
	Total		479,359,547	483,984,362
	A schedule of consolidated fixed assets including land, building, furniture and fixtures is given in Annexure-B			
9	Others assets			
	Interest receivable on FDR		7,427,616	4,418,008
	Investment in MIDAS Investment Ltd.		249,998,000	249,998,000
	Advance against purchase of shares		1,310,355	4,172,352
	Advance income tax	9.1	79,361,206	56,965,498
	Advance against expenditure		363,890	382,100
	*Advance office rent & security money		1,954,900	5,285,051
	Security deposit	9.2	633,500	633,500
	Stamp, stationery etc, in hand		107,933	31,067
	Asset held for sale		11,250,246	11,250,246
	Receivable from rental income & others		49,721,452	49,874,849
	Dividend receivable		14,999,880	24,999,800
	Advance Against Purchase of Software		900,000	-
	Over due interest receivable		62,197,317	63,758,180
	Total		480,226,295	471,768,651
	*Advance rent upto 2019 Tk 36.30 lac has been considered with Right of Use (ROU) Assets as per IFRS 16			
9.1	Advance income tax			
	Opening Balance		56,965,498	70,047,252
	Add: Addition during the year		22,395,708	21,183,461
			79,361,206	91,230,713
	Less: Adjustment during the year		-	(34,265,215)
			79,361,206	56,965,498
9.2	Security deposit			
	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-Hathajari		5,000	5,000
	Electricity Meter-Feni		5,500	5,500
	Total		633,500	633,500
9.3	Maturity grouping of other assets			
	Receivable on demand		79,960,135	91,459,038
	Not more than 3 months		6,446,855	6,302,469
	Over 3 months but not more than 1 year		2,854,900	5,285,051
	Over 1 year but not more than 5 years		116,524,542	101,000,943
	Over 5 years		274,439,863	267,721,150
	Total		480,226,295	471,768,651
9(a)	Consolidated others assets			
	MIDAS Financing Ltd.	9	480,226,295	471,768,651
	MIDAS Investment Ltd.		79,916,657	68,919,096
	Adjustment for consolidation		(249,998,000)	(249,998,000)
	Total		310,144,952	290,689,747
10	Non-banking assets			
	Habib Vegetable Product Ltd.		52,700,000	52,700,000
	Biswas Febries Ltd.		28,065,467	28,065,467
	Total		80,765,467	80,765,467
	MIDAS Financing limited was awarded absolute ownership of the mortgaged properties of the above mentioned clients, by the competent court against default loans			

Notes	Particulars	Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
11	Borrowings from other banks, financial institutions and agents			
	Secured		1,354,244,939	1,285,083,467
	Unsecured		534,797,275	424,655,632
			1,889,042,214	1,709,739,099
	Inside Bangladesh	11.1	1,889,042,214	1,709,739,099
	Outside Bangladesh		-	-
	Total		1,889,042,214	1,709,739,099
11.1	Inside Bangladesh			
	Term loan from other Banks & FIs	11.2	1,279,367,209	1,220,234,090
	Refinance against SME loan from Bangladesh Bank		72,285,203	64,179,367
	Refinance against housing loan from Bangladesh Bank		8,887,453	10,510,033
	Refinance against SMEPD loan from Bangladesh Bank		49,980,000	73,808,898
	Loan from SME foundation		10,337,500	18,450,000
	Short term loan from Banks & FIs	11.3	408,184,849	212,556,711
	Call loan	11.4	60,000,000	110,000,000
	Total		1,889,042,214	1,709,739,099
11.2	Term loan from other Banks & FIs			
	Agrani Bank Ltd.		382,953,959	468,621,182
	One Bank Ltd.		49,614,722	77,727,600
	Midland Bank Ltd.		68,545,936	97,056,125
	The UAE Bangladesh Investment Company Ltd.		57,165,498	87,553,638
	Modhumoti Bank Ltd.		92,336,067	119,270,902
	National Housing Finance & Investment Ltd.		55,284,391	105,528,375
	Shahjalal Islami Bank Ltd.		175,492,576	264,476,268
	Bangladesh Krishi Bank		397,974,060	-
	Total		1,279,367,209	1,220,234,090
11.3	Short term loan from Banks & FIs			
	Standard Bank Ltd.		21,340,780	12,224,085
	Pubali Bank Ltd.		15,516,393	34,837,775
	United Commercial Bank Ltd.		5,291,407	(1,291,525)
	Jamuna Bank Ltd.		4,140,887	535,438
	The City Bank Ltd.		45,292,655	45,242,660
	Dutch Bangla Bank Ltd.		-	20,349,268
	Modhumoti Bank Ltd.		-	25,589
	Agrani Bank Ltd.		296,449,946	100,619,885
	Mercantile Bank Ltd.		-	13,536
	Uttara Bank Ltd.		20,152,781	-
	Total		408,184,849	212,556,711
11.4	Call loan			
	Sonali Bank Ltd.		60,000,000	110,000,000
	Total		60,000,000	110,000,000
11.5	Maturity grouping of borrowings from other banks, financial institutions and agents			
	Repayable on demand		60,000,000	110,000,000
	Within 1 month		69,686,910	36,881,806
	Over 1 months but not more than 6 months		708,445,932	799,877,812
	Over 6 months but not more than 1 year		136,882,596	212,556,711
	Over 1 year but not more than 5 years		758,049,465	539,912,737
	Over 5 years		155,977,311	10,510,033
	Total		1,889,042,214	1,709,739,099
11(a)	Consolidated borrowings from other banks, financial institutions and agents			
	Inside Bangladesh			
	MIDAS Financing Ltd.	11	1,889,042,214	1,709,739,099
	MIDAS Investment Ltd.		237,829,757	249,386,380
	Adjustment for consolidation		(237,829,757)	(249,386,380)
			1,889,042,214	1,709,739,099
	Outside Bangladesh			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
	Total		1,889,042,214	1,709,739,099



Notes	Particulars	Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
12	Deposits and other accounts			
	Term deposits	12.1	6,222,354,971	7,448,261,829
	Other Deposits			
	Security deposits		4,868,217	4,870,077
	Advance lease rental		15,423,903	15,508,657
			20,292,120	20,378,734
	Total		6,242,647,091	7,468,640,563
12.1	Term deposits			
	General deposits		6,082,354,971	6,808,261,829
	Deposit from other Banks and Financial institutions	12.2	140,000,000	640,000,000
	Total		6,222,354,971	7,448,261,829
12.2	Deposits from other banks and financial institutions			
	Agrani Bank Ltd.		100,000,000	200,000,000
	National Housing Finance and Investment Ltd.		-	100,000,000
	LankaBangla Finance Ltd.		-	260,000,000
	National Credit and Commerce Bank Ltd.		40,000,000	80,000,000
	Total		140,000,000	640,000,000
12.3	Maturity analysis of deposits and other accounts			
	Repayable on demand		37,734,465	21,346,340
	Within 1 month		663,203,394	649,782,437
	Over 1 months but not more than 6 months		730,445,810	726,099,348
	Over 6 months but not more than 1 year		1,692,325,861	1,773,028,783
	Over 1 year but not more than 5 years		1,927,343,289	2,973,984,837
	Over 5 years		1,191,594,272	1,324,398,818
	Total		6,242,647,091	7,468,640,563
12(a)	Consolidated deposits and other accounts			
	Term deposits			
	MIDAS Financing Ltd.	12.1	6,222,354,971	7,448,261,829
	MIDAS Investment Ltd.		-	-
	Adjustment for consolidation		(205,000,000)	(205,000,000)
			6,017,354,971	7,243,261,829
12(b)	Other deposits			
	MIDAS Financing Ltd.		20,292,120	20,378,734
	MIDAS Investment Ltd.		-	-
			20,292,120	20,378,734
	Total		6,037,647,091	7,263,640,563
13	Other liabilities			
	Provision for lease, loans & advances	13.1	343,126,083	398,929,641
	Provision for investment in securities	13.2	79,397,550	39,064,993
	Provision for tax	13.3	125,550,775	94,646,109
	Deferred tax liability	13.4	24,046,673	18,791,021
	Interest payable on borrowings		23,836,545	24,948,695
	Interest payable on deposits		459,177,257	433,267,009
	Advance against installment		38,932,682	38,367,477
	Advance rent from MIDAS Centre & NGS		6,239,950	22,084,233
	Payable & provision against expenditure	13.5	6,752,217	7,408,835
	Interest suspense	13.6	258,018,321	221,188,781
	Provision for rental income & others		16,501,535	12,652,826
	Lease liabilities		7,942,679	-
	Dividend payable		27,737	9,169
	Total		1,389,550,004	1,311,358,789
13.1	Provision for lease, loans & advances			
	(a) General provision on unclassified lease, loans and advances			
	Provision held at the beginning of the year		68,384,689	78,793,827
	Required provision during the year	33	4,587,200	(10,409,138)
	Balance at the end of the year		72,971,889	68,384,689

Notes	Particulars	Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
	(b) Specific provision on classified lease, loans and advances			
	Provision held at the beginning of the year		330,544,952	322,876,497
	Required provision during the year	33	(33,210,234)	82,477,794
	Less: Write off during the year		(27,180,524)	(74,809,339)
	Balance at the end of the year		270,154,194	330,544,952
	Total provision		343,126,083	398,929,641
	During the year 2019, the company recovered Tk. 24,157,580 from written off loans which was adjusted against current year's required provision of Tk. (33,210,234). Therefore, Tk. (57,367,814) was charged in profit and loss account for the year 2019.			
13.2	Provision for investment in securities			
	Provision held at the beginning of the year		39,064,993	18,621,109
	Required provision during the year		40,332,557	20,443,884
	Balance at the end of the year		79,397,550	39,064,993
13.3	Provision for tax			
	Balance at the beginning of the year		94,646,109	106,482,545
	Provision made during the year		30,904,666	22,428,779
	Adjustment during the year		-	(34,265,215)
	Balance at the end of the year		125,550,775	94,646,109
13.4	Deferred tax liability			
	Balance at the beginning of the year		18,791,021	19,863,349
	Deferred tax (income)/expenses during the year		5,255,652	(1,072,328)
	Balance at the end of the year		24,046,673	18,791,021
	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			
	Computation of deferred tax			
	Accounting written down value of fixed assets		293,698,660	292,696,313
	Tax base written down value of fixed assets		229,574,198	242,586,925
	Net taxable temporary differences		64,124,462	50,109,388
	Applicable tax rate		37.50%	37.50%
	Deferred tax liability		24,046,673	18,791,021
	Deferred tax (income)/expenses during the year		5,255,652	(1,072,328)
13.5	Payable & provision against expenditure			
	Payable to CDBL		19,027	9,856
	Payable against utilities		4,884,649	6,080,084
	Liability for others:			
	Audit fees		1,460	460
	Withholding VAT, Tax & Excise duty		165,000	150,000
	CIB fees		17,893	(405,959)
	CIB fees		1,652,114	1,574,394
	Advance Against SME Fair		12,074	-
	Total		6,752,217	7,408,835
13.6	Interest suspense			
	Lease finance		81,530,247	59,372,360
	Term finance		156,991,384	145,890,114
	Consumer credit		-	309,680
	Housing finance		19,496,690	15,616,627
	Total		258,018,321	221,188,781
13.7	Movement of interest suspense account			
	Balance at the beginning of the year		221,188,781	179,922,818
	Add: Net charge during the year		41,513,966	52,873,543
	Less: Realized during the year		-	-
	Less: Write off during the year		(4,684,426)	(11,607,580)
	Total		258,018,321	221,188,781
13.8	Maturity grouping of other liabilities			
	Repayable on demand		139,251,267	138,649,412
	Within 1 month		94,727,968	93,457,781
	Over 1 month but not more than 6 months		141,762,492	131,153,319
	Over 6 months but not more than 1 year		359,253,250	344,208,778
	Over 1 year but not more than 5 years		373,415,229	342,763,247
	Over 5 years		281,139,799	261,126,252
	Total		1,389,550,004	1,311,358,789
13(a)	Consolidated other liabilities			
	MIDAS Financing Ltd.	13	1,389,550,004	1,311,358,789
	MIDAS Investment Ltd.		111,532,715	114,319,746
	Adjustment for consolidation		-	-
	Total		1,501,082,719	1,425,678,535

Notes	Particulars	Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
14	Share Capital			
14.1	Authorized Capital 200,000,000 ordinary shares of Tk. 10 each		2,000,000,000	2,000,000,000
14.2	Issued, Subscribed and Paid up Capital			
	At the beginning of the year		1,322,955,430	1,202,686,760
	Add: Bonus share issued		33,073,880	120,268,670
	Total at the end of the year		1,356,029,310	1,322,955,430
14.3	Shareholding position			
	Sponsor shareholders group		430,245,490	419,751,720
	General shareholders group	14.3.1	925,783,820	903,203,710
	Total		1,356,029,310	1,322,955,430
14.3.1	General shareholders group			
	Non resident		24,324,130	27,487,020
	Companies & institutions		464,185,250	450,709,920
	General public		437,274,440	425,006,770
	Total		925,783,820	903,203,710
14.4	Classification of shareholders by holding			
		No. of Shareholders	Percentage of holding shares	No. of shares
	Less than 500 shares	1413	0.14%	189,070
	501 to 5,000 shares	1681	2.38%	3,230,474
	5,001 to 10,000 shares	352	1.82%	2,473,095
	10,001 to 20,000 shares	255	2.59%	3,510,828
	20,001 to 30,000 shares	86	1.54%	2,084,292
	30,001 to 40,000 shares	41	1.03%	1,400,086
	40,001 to 50,000 shares	34	1.12%	1,518,321
	50,001 to 1,00,000 shares	56	2.84%	3,847,675
	1,00,001 & above shares	84	86.54%	117,349,090
	Total	4002	100.00%	135,602,931
				132,295,543



Notes	Particulars	Notes	Amount in BDT	
			December 31, 2019	December 31, 2018

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
2019	Bonus share	3,307,388	33,073,880	1,356,029,310

14.6 Capital adequacy - As per BASEL-II

a) Core Capital (Tier-I)

Paid-up capital	14.2	1,356,029,310	1,322,955,430
Statutory reserve	16	101,828,395	82,460,027
Retained earnings	17	82,330,058	37,920,468
		1,540,187,763	1,443,345,925

b) Supplementary Capital (Tier-II)

General provision	13.1 (a)	72,971,889	68,384,689
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c) Total eligible capital (a + b)

		1,613,159,652	1,511,730,614
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Total assets including off-balance sheet exposures

		12,750,677,072	12,369,679,694
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d) Total risk weighted assets (RWA)

		9,132,377,156	9,214,331,131
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e) Required capital based on risk weighted assets (10% of d)

		913,237,716	921,433,113
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f) Capital surplus/(shortfall) (c-e)

		699,921,937	590,297,501
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Capital Adequacy Ratio (%)

		17.66	16.41
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14.7 Consolidated Capital adequacy - As per BASEL-II

a) Core Capital (Tier-I)

Paid-up capital	14.2	1,356,029,310	1,322,955,430
Statutory reserve	16	101,828,395	82,460,027
Retained earnings	17(a)	85,843,236	46,675,316
		1,543,700,941	1,452,090,773

b) Supplementary Capital (Tier-II)

General provision	13.1 (a)	72,971,889	68,384,689
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c) Total eligible capital (a + b)

		1,616,672,830	1,520,475,462
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Total assets including off-balance sheet exposures

		12,660,725,022	12,287,746,385
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d) Total risk weighted assets (RWA)

		9,293,569,950	9,421,879,919
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e) Required capital based on risk weighted assets (10% of d)

		929,356,995	942,187,992
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f) Capital surplus/(shortfall) (c-e)

		687,315,835	578,287,471
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Capital Adequacy Ratio (%)

		17.40	16.14
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15 General reserve

Opening balance	-	-
Add: Addition during the year	-	-
	-	-

16 Statutory reserve

Opening balance	82,460,027	80,227,958
Add: Addition during the year	19,368,368	2,232,069
Closing balance	101,828,395	82,460,027

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) transfer 20% on post tax profit in compliance with the regulation.

Notes	Particulars	Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
17	Retained earnings			
	Opening balance		37,930,468	149,270,861
	Add: Profit after tax		96,841,838	11,160,346
	Less: Transfer to statutory reserve		(19,368,368)	(2,232,069)
	Less: Issuance of bonus share		(33,073,880)	(120,268,670)
	Closing balance		82,330,058	37,930,468
17(a)	Consolidated retained earnings			
	Opening balance		46,675,316	157,603,711
	Add: Profit after tax		91,610,168	11,572,344
	Less: Transfer to statutory reserve		(19,368,368)	(2,232,069)
	Less: Issuance of bonus share		(33,073,880)	(120,268,670)
	Closing balance		85,843,236	46,675,316
18	Business commitments and contingencies			
	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.			
18.1	Contingent liabilities			
	Acceptances and endorsements		-	-
	Letters of guarantee		100,000,000	200,000,000
	Irrevocable letters of credit		-	-
	Bills for collection		-	-
	Total		100,000,000	200,000,000
18.2	Other commitments			
	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		1,589,250,000	236,595,318
	Claims against the bank not acknowledged as debts		-	-
	Total		1,589,250,000	236,595,318



Notes	Particulars	Ref. Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
19	Profit and loss account			
	Income			
	Interest income	20	1,153,603,559	1,111,373,843
	Dividend income	22	20,267,874	30,400,898
	Commission, exchange and brokerage		600,000	1,200,000
	Gains less losses arising from investment securities	22	(5,215,936)	8,903,973
	Other operating income	23	51,107,741	47,525,200
			1,220,363,238	1,199,403,914
	Expenses			
	Interest on deposits & borrowings, etc.	21	924,943,597	932,225,878
	Administrative expenses		147,737,048	149,051,399
	Other operating expenses	32	7,038,938	7,971,189
	Depreciation on fixed assets	31(a)	16,240,846	12,174,167
			1,095,960,430	1,101,422,633
	Profit before provision		124,402,808	97,981,281
20	Interest income			
	Interest on lease, loans & advances	20.1	1,132,944,171	1,094,312,198
	Interest on placement with other Banks & FIs	20.2	20,659,388	17,061,645
	Total		1,153,603,559	1,111,373,843
20.1	Interest on lease, loans & advances			
	Interest income on lease finance		29,603,852	24,552,124
	Interest income on term finance		935,362,825	883,060,420
	Interest on housing finance		164,573,548	183,588,716
	Interest on consumer credit		278,769	211,282
	Interest on staff loan		3,125,178	2,899,656
	Total		1,132,944,171	1,094,312,198
20.2	Interest on placement with other Banks & FIs			
	Interest on FDR		19,882,346	15,927,385
	Interest on STD accounts		777,042	933,010
	Interest Income-Short term lending		-	201,250
	Total		20,659,388	17,061,645
20(a)	Consolidated interest income			
	Interest on lease, loans & advances			
	MIDAS Financing Ltd.	20.1	1,132,944,171	1,094,312,198
	MIDAS Investment Ltd.		4,477,955	3,416,100
	Adjustment for consolidation		(31,425,808)	(27,548,172)
			1,105,996,318	1,070,180,126
	Interest on placement with other Banks & FIs			
	MIDAS Financing Ltd.	20.2	20,659,388	17,061,645
	MIDAS Investment Ltd.		20,705,000	18,914,581
	Adjustment for consolidation		(20,705,000)	(18,914,581)
			20,659,388	17,061,645
	Total		1,126,655,706	1,087,241,771
21	Interest on deposits & borrowings, etc.			
	Interest paid on deposits		746,956,889	782,296,460
	Interest paid on borrowings	21.1	177,986,708	149,929,418
	Total		924,943,597	932,225,878
21.1	Interest paid on borrowings			
	Interest expenses on bank loan		155,036,326	129,569,305
	Interest expenses on call loan		5,065,000	7,203,264
	Interest expenses on re-financing loan		4,072,904	5,400,555
	Interest Expenses- BD Bank SMEDP		2,729,962	1,416,182
	Interest expense on lease rent*		895,694	-
	Other financing cost		10,186,623	6,340,112
	Total		177,986,708	149,929,418

*Interest paid on lease rent has been calculated for the year 2019 as per IFRS-16



Notes	Particulars	Ref. Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
21(a)	Consolidated interest on deposits and borrowings, etc.			
	Interest paid on deposits			
	MIDAS Financing Ltd.		746,956,889	782,296,460
	MIDAS Investment Ltd.		113,707	222,460
	Adjustment for consolidation		(20,705,000)	(18,914,581)
			726,365,596	763,604,339
	Interest paid on borrowings			
	MIDAS Financing Ltd.		177,986,708	149,929,418
	MIDAS Investment Ltd.		31,425,808	27,548,172
	Adjustment for consolidation		(31,425,808)	(27,548,172)
			177,986,708	149,929,418
	Total		904,352,304	913,533,757
22	Income from investment			
	Income from investment in shares		(5,215,936)	8,903,973
	Dividend income		20,267,874	30,400,898
	Total		15,051,938	39,304,871
22(a)	Consolidated income from investment			
	Income from investment in shares			
	MIDAS Financing Ltd.	22	(5,215,936)	8,903,973
	MIDAS Investment Ltd.		(295,341)	32,223,477
			(5,511,277)	41,127,450
	Dividend income			
	MIDAS Financing Ltd.		20,267,874	30,400,898
	MIDAS Investment Ltd.		1,656,363	2,054,135
			21,924,237	32,455,033
	Less: Dividend from subsidiary		(14,999,880)	(24,999,800)
	Total		1,413,080	48,582,683
23	Other operating income			
	Transfer price for leased asset		97,448	99,455
	Processing and other fees		4,977,379	5,255,466
	Sale of application form		177,400	298,850
	Rental income-MIDAS Centre & Nahar green		45,481,797	41,529,679
	Other income	23.1	348,930	341,750
	Gain on sale of fixed assets		24,787	-
	Total		51,107,741	47,525,200
23.1	Other income			
	Notice pay		65,000	98,490
	News paper & other sales		7,500	3,806
	Miscellaneous income from deposits (Delay fine)		268,925	218,140
	Miscellaneous income others		7,505	21,314
	Total		348,930	341,750
23(a)	Consolidated other operating income			
	MIDAS Financing Ltd.	23	51,107,741	47,525,200
	MIDAS Investment Ltd.		39,948,703	34,852,893
	Total		91,056,444	82,378,093
24	Salary and allowances		119,193,333	114,637,256
24(a)	Consolidated salary & allowances			
	MIDAS Financing Ltd.	24	119,193,333	114,637,256
	MIDAS Investment Ltd.		4,840,112	4,459,320
	Total		124,033,445	119,096,576

Notes	Particulars	Ref. Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
25	Rent, taxes, insurances, electricity, etc.			
	Rates & taxes		184,188	109,620
	Office rent	25.1	247,141	4,666,304
	Insurance		123,519	266,378
	Utilities		3,286,848	3,028,639
	Total		3,841,696	8,070,941
25.1	Disclosue related to office rent			
	Actual office rent		5,152,784	4,666,304
	Less: Reclassification of office rent (as per IFRS-16: Leases)		4,905,643	-
	Rent expense as reported		247,141	4,666,304
	*Right Of Use (ROU) Assets as per under IFRS-16 has been calculated for the year 2019 considering monthly rental expenses. Last year rental expense Tk. 102,925 has been included in this year due to delay of renewal of rental agreement.			
25(a)	Consolidated rent, taxes, insurance, electricity, etc.			
	MIDAS Financing Ltd.	25	3,841,696	8,070,941
	MIDAS Investment Ltd.		549,571	520,520
	Total		4,391,267	8,591,461
26	Legal expenses			
	Legal/professional fees		3,425,051	4,626,013
	Other legal expenses/Non judicial stamp		3,845,984	4,822,241
	Total		7,271,035	9,448,254
26(a)	Consolidated legal expenses			
	MIDAS Financing Ltd.	26	7,271,035	9,448,254
	MIDAS Investment Ltd.		115,000	57,700
	Total		7,386,035	9,505,954
27	Postage, stamp, telecommunication, etc.			
	Postage & courier expenses		159,265	173,502
	Telephone, mobile, fax and internet		2,470,176	2,295,104
	Total		2,629,441	2,468,606
27(a)	Consolidated postage, stamps, telecommunication, etc.			
	MIDAS Financing Ltd.	27	2,629,441	2,468,606
	MIDAS Investment Ltd.		202,676	191,779
	Total		2,832,117	2,660,385
28	Stationery, printing, advertisements, etc.			
	Stationery		750,146	746,286
	Printing		560,153	1,121,872
	Advertisement and publicity		1,257,950	1,627,502
	Signboard and banner		148,208	180,751
	Total		2,716,457	3,676,411
28(a)	Consolidated stationery, printing, advertisements, etc.			
	MIDAS Financing Ltd.	28	2,716,457	3,676,411
	MIDAS Investment Ltd.		32,445	38,935
	Total		2,748,902	3,715,346
29	Managing Director's salary and benefits		8,549,290	6,344,000
30	Directors' fees and expenses			
	Honorarium for attending meeting (including VAT)		1,398,800	1,830,800
	Incidental expenses for meeting		52,421	54,768
	Total		1,451,221	1,885,568
	Total 12 nos of Board Meeting, 5 nos of Audit Committee Meeting and 6 nos of Executive Committee (EC) Meeting were held during the period of January 01, 2019 to December 31, 2019. Each Director was paid Tk.8,000 for attending in each meeting.			
30(a)	Consolidated directors' fees and expenses			
	MIDAS Financing Ltd.	30	1,451,221	1,885,568
	MIDAS Investment Ltd.		118,542	104,837
	Total		1,569,763	1,990,405



Notes	Particulars	Ref. Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
31	Depreciation and repair of company's assets			
	i) Depreciation of company's assets (Annexure A)			
	Building		8,156,073	8,156,073
	Right of use of assets		4,507,083	-
	Office equipment		731,018	705,892
	Office furniture		1,457,555	1,616,601
	Motor vehicle		488,634	609,559
	Intangible asset		118,778	169,683
	Computer equipment		781,706	916,359
			16,240,846	12,174,167
	ii) Repair of company's assets			
	Office repair and maintenance		1,641,891	2,025,042
	Car maintenance		277,684	345,321
			1,919,575	2,370,363
	Total		18,160,421	14,544,530
	*Depreciation of ROU (Right Of Use) assets has been calculated for the year 2019 as per IFRS-16 (Annexure -A)			
31(a)	Consolidated depreciation and repair of company's assets			
	a) Depreciation of company's assets (Annexure B)			
	MIDAS Financing Ltd.	31(i)	16,240,846	12,174,167
	MIDAS Investment Ltd.		5,627,162	5,627,659
			21,868,008	17,801,826
	b) Repair of company's assets:			
	MIDAS Financing Ltd.	31(ii)	1,919,575	2,370,363
	MIDAS Investment Ltd.		30,610	338,340
			1,950,185	2,708,703
	Total		23,818,193	20,510,529
32	Other expenses			
	Fuel		549,154	586,815
	Traveling and conveyance		1,731,138	1,494,532
	Public relation and AGM expenses		444,181	734,601
	News paper & periodicals		60,416	61,026
	Business promotion & development		20,700	173,098
	Entertainment		785,906	1,159,773
	Training, seminar & workshop		306,065	274,194
	Membership fees & subscription		1,605,253	2,014,590
	Bank charge		1,033,253	893,748
	Share management expenses		137,882	318,824
	Miscellaneous expenses		92,321	-
	Loss on sale of fixed assets		208,001	259,988
	Event Management		64,668	-
	Total		7,038,938	7,971,189
32(a)	Consolidated other expenses			
	MIDAS Financing Ltd.	32	7,038,938	7,971,189
	MIDAS Investment Ltd.		1,264,124	1,273,174
	Total		8,303,062	9,244,363
33	Provision against loans, lease finance & others			
	General provisions	13.1 (a)	4,587,200	(10,409,138)
	Specific provisions	13.1 (b)	(57,367,814)	55,429,738
	Provisions for diminution in value of investments	13.2	40,332,557	20,443,884
	Other provisions		3,848,709	-
	Total		(8,599,349)	65,464,484
33(a)	Consolidated provision against loans, lease finance & others			
	General provisions		4,587,200	(10,409,138)
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
	Total		4,587,200	(10,409,138)

Notes	Particulars	Ref. Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
33(b)	Specific provisions			
	MIDAS Financing Ltd.		(57,367,814)	55,429,738
	MIDAS Investment Ltd.		-	-
	Total		(57,367,814)	55,429,738
33(c)	Provisions for diminution in value of investments			
	MIDAS Financing Ltd.		40,332,557	20,443,884
	MIDAS Investment Ltd.		11,014,198	20,387,469
	Total		51,346,755	40,831,353
33(d)	Current tax			
	MIDAS Financing Ltd.		30,904,666	22,428,779
	MIDAS Investment Ltd.		1,816,088	6,483,180
	Total		32,720,754	28,911,959
33(e)	Deferred tax			
	MIDAS Financing Ltd.		5,255,652	(1,072,328)
	MIDAS Investment Ltd.		(1,529,202)	(1,250,362)
	Total		3,726,450	(2,322,690)
33(f)	Other provisions			
	MIDAS Financing Ltd.		3,848,709	-
	MIDAS Investment Ltd.		1,057,550	-
	Total		4,906,259	-
34	Earnings per share (EPS)			
	Net profit after tax (A)		96,841,838	11,160,346
	Number of ordinary shares outstanding (denominator) (B)		135,602,931	135,602,931
	Earnings per share (A/B) 2018:restated)		0.71	0.08
34(a)	Consolidated earnings per share (EPS)			
	Consolidated net profit after tax (A)		91,610,248	11,572,549
	Number of ordinary shares outstanding (denominator) (B)		135,602,931	135,602,931
	Earnings per share (A/B) 2018:restated)		0.68	0.09
35	Net assets value (NAV) per share			
	Net assets (A)		1,540,187,763	1,443,345,925
	Number of ordinary shares outstanding (denominator) (B)		135,602,931	135,602,931
	Net assets value (NAV) per share (A/B) (2018:restated)		11.36	10.64
35(a)	Consolidated net assets value (NAV) per share			
	Net assets (A)		1,543,700,941	1,452,090,773
	Number of ordinary shares outstanding (denominator) (B)		135,602,931	135,602,931
	Consolidated net assets value (NAV) per share (A/B) (2018:restated)		11.38	10.71
36	Net operating cash flow per share			
	Net operating cash flow (A)		(248,267,161)	(300,510,708)
	Number of ordinary shares outstanding (denominator) (B)		135,602,931	135,602,931
	Net operating cash flow per share (A/B) (2018:restated)		(1.83)	(2.22)
36(a)	Consolidated net operating cash flow per share			
	Net operating cash flow (A)		(259,116,305)	(295,405,210)
	Number of ordinary shares outstanding (denominator) (B)		135,602,931	135,602,931
	Consolidated net operating cash flow per share (A/B) (2018:restated)		(1.91)	(2.18)



Notes	Particulars	Ref. Notes	Amount in BDT	
			December 31, 2019	December 31, 2018
37	Reconciliation of net operating cash flow			
	Reconciliation of Net Income or Net Profit with cash flows operating activities (Indirect Method) the requirement of Bangladesh Securities and Exchange Commission Close No. 5(2) of notification no. BSEC/CMRRCD/2006-158/308/Admin/81, Dated 08 August 2018.			
	Net profit after tax		96,841,838	11,160,346
	Adjustment for non cash-cash items			
	Add: Depreciation		16,240,846	12,174,167
	Add/(Less): Provision for taxation		30,904,666	22,428,779
	Add/(Less): Provision for deferred tax		5,255,652	(1,072,328)
	Add: Provision for loans and investment		11,709,522	92,512,540
	Add: Provision for others		3,848,709	-
	Add/(Less): Accrued income		8,729,360	(17,347,610)
	Add/(Less): Accrued expenses		24,798,098	85,590,496
	Add/(Loss on disposal of fixed assets)		208,001	259,988
			198,536,693	205,706,377
	Changes in operating assets and liabilities			
	Increase/(Decrease) in Purchases/Sale of trading securities		42,643,291	(14,392,407)
	(Increase)/Decrease in Loans and lease finance to customers		740,681,710	(46,228,856)
	Increase/(Decrease) in Deposits from banks & individuals		(1,225,993,472)	(478,844,583)
	Increase/(Decrease) in Interest suspense		36,829,540	41,265,963
	(Increase)/Decrease in Income tax		(22,395,708)	(21,183,461)
	Increase/(Decrease) in Payable & accrued expenses		(656,617)	(2,151,992)
	(Increase)/Decrease in Other assets		5,233,493	5,737,426
	Increase/(Decrease) in Other liabilities		(23,146,090)	9,580,825
	Cash received/(paid) from operating assets and liabilities		(446,803,854)	(506,217,085)
	Net cash from operating activities		(248,267,161)	(300,510,708)
37(a)	Reconciliation of consolidated net operating cash flow			
	Net profit after tax		91,610,248	11,572,549
	Adjustment for non cash-cash items			
	Add: Depreciation		21,868,008	17,801,826
	Add/(Less): Provision for taxation		32,720,754	28,911,959
	Add/(Less): Provision for deferred tax		3,726,450	(2,322,690)
	Add: Provision for loans and investment		27,629,980	112,900,009
	Add/(Less): Accrued income		2,345,637	(21,536,782)
	Add/(Less): Accrued expenses		25,115,950	84,511,839
	Add/(Loss on disposal of fixed assets)		208,001	259,988
			205,225,029	232,098,699
	Changes in operating assets and liabilities			
	(Increase)/Decrease in Other assets		6,074,036	6,109,114
	Increase/(Decrease) in Other liabilities		(25,950,219)	13,967,025
	Increase/(Decrease) in Purchases/Sale of trading securities		58,116,195	(68,831,267)
	(Increase)/Decrease in Loans and lease finance to customers		725,896,237	(28,119,078)
	Increase/(Decrease) in Deposits from banks & individuals		(1,225,993,472)	(478,844,583)
	(Increase)/Decrease in Income tax		(29,446,639)	(28,662,487)
	Increase/(Decrease) in Interest suspense		36,829,540	41,265,963
	Increase/(Decrease) in Payable & accrued expenses		(9,867,011)	15,611,405
	Cash received/(paid) from operating assets and liabilities		(464,341,334)	(527,503,909)
	Net cash from operating activities		(259,116,305)	(295,105,210)

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. M. Hafizuddin Khan	Director	Member	B.A. (Hons) and M.A. in Political Science from D.U.
4	Mr. Siddiqur Rahman Choudhury	Independent Director	Member	B.Sc. (Hons), M.Sc. (D.U.) Diploma in Public Financial Management (University of Connecticut, USA)
5	Mr. Md. Shamsul Alam	Director	Member	B. Com. (Hons) and M. Com. in Accounting from D.U.

The members of the Board Audit Committee are all having good exposure in the NBF'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	76th Meeting	12.02.2019	4
2	77nd Meeting	24.04.2019	5
3	78rd Meeting	22.05.2019	5
4	79th Meeting	28.07.2019	4
5	80th Meeting	31.10.2019	5

c) Meeting of Audit Committee

During the period January 1, 2019 to December 31, 2019, 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 auditor.
- 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 of related party as per International Accounting Standard -24 'Related Party Disclosures'. 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 Banchte 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. Siddiqur Rahman Choudhury	Independent Director	Social Marketing Company Ltd. SMC Enterprise Ltd.	Chairman Chairman
7	Mr. Ghulam Rahman	Independent Director	Consumer Association of Bangladesh MIDAS Investment Ltd. Anjuman Mufidul Islam	President Director Vice President
8	Mr. Md. Shamsul Alam	Director (General Share holder Group)	Arasco Agro Food and Feed Ltd. Arafat Agro Trade	Managing Director Proprietor
9	Mr. Md. Shahedul Alam	Director (General Share holder Group)	RADIO VISION Hay Agro (Pvt) Ltd. SBL Capital Management Ltd.	Partner Chairman Director
10	Mr. Kamruzzaman	Director (Nominated by LankaBangla Investment Ltd.)	LankaBangla Investment Ltd.	Head of operation

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 transactions

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 disclosures) as noted below.

Name of the related party	Relationship	Transaction nature	Classification Status	Amount in BDT	
				2019	2018
Ms. Rokia Afzal Rahman	Sponsor shareholder	Auto finance	Standard	-	426,356
MIDAS	Sponsor shareholder	Term deposits	N/A	113,900,000	114,275,870
MIDAS Investment Ltd	Subsidiary	STL & LTD	Standard	237,829,757	249,386,380
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
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	224,215,170	269,720,459
Shafique-Ul-Azam	Ex. Managing Director	Term deposits	N/A	-	586,923
Total				785,944,927	1,184,395,988

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 200 at the end of December 31, 2019 as against 196 in 2018.

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 317th Board Meeting held on July 14, 2020 has recommended to the shareholders @2.5% (percent) Stock Dividend and @2.5% (percent) Cash Dividend for the year ended December 31, 2019 subject to approval from Bangladesh Bank. The final approval of the dividend will come during the 24th Annual General Meeting scheduled to be held on August 25, 2020 through digital platform as per Bangladesh Securities & Exchange Commission (BSEC).



ANNEXURE-A

MIDAS Financing Limited
Fixed assets including land, building, furniture and fixtures
For the year ended December 31, 2019

Amount in BDT

Particulars	COST				Rate of Dep	DEPRECIATION / AMORTIZATION				WDV as on Dec 31, 2019
	Balance as on Jan 1, 2019	Addition/ transfer during the year	Disposal/ adjustment during the year	Balance as on Dec 31, 2019		Balance as on Jan 1, 2019	Charged for the year	Adjustment/ transfer during the year	Balance as on Dec 31, 2019	
I. Free holds assets										
Land	19,505,978	-	-	19,505,978		-	-	-	-	19,505,978
Building	326,242,920	-	-	326,242,920	2.5%	78,025,387	8,156,072	-	86,181,459	240,061,461
ROU-Assets for lease rent	-	15,789,888	-	15,789,888		-	4,507,083	-	4,507,083	11,282,805
Office equipment	9,908,289	1,118,181	518,152	10,508,318	18%	6,448,876	731,017	465,428	6,714,465	3,793,853
Furniture & fixtures	29,070,826	186,222	-	29,257,048	10%	14,601,028	1,457,555	-	16,058,583	13,198,465
Motor vehicle	8,119,543	-	-	8,119,543	20%	5,676,374	488,634	-	6,165,008	1,954,535
Computer equipment	14,283,982	387,017	984,016	13,686,983	18%	10,079,487	781,708	798,626	10,062,569	3,624,414
Sub total	407,131,538	17,481,308	1,502,168	423,110,678		114,831,152	16,122,068	1,264,054	129,689,167	293,421,511
II. Intangible assets										
System & software	1,339,275	-	-	1,339,275	30%	943,348	118,778	-	1,062,126	277,149
Total as on Dec 31, 19	408,470,813	17,481,308	1,502,168	424,449,953		115,774,500	16,240,846	1,264,054	130,751,293	293,698,660
Total as on Dec 31, 18	408,443,841	1,244,778	1,217,806	408,470,813		104,517,151	12,174,167	916,818	115,774,500	292,696,313

*ROU (Right Of Use) assets has been calculated for the year 2019 as per IFRS-16



ANNEXURE-B

MIDAS Financing Limited and its subsidiary
Consolidated Fixed assets including land, building, furniture and fixtures
For the year ended December 31, 2019

Particulars	COST				DEPRECIATION / AMORTIZATION				Amount in BDT
	Balance as on Jan 1, 2019	Addition/ transfer during the year	Disposal/ adjustment during the year	Balance as on Dec 31, 2019	Balance as on Jan 1, 2019	Charged for the year	Adjustment/ transfer during the year	Balance as on Dec 31, 2019	WDV as on Dec 31, 2019
I. Free holds assets									
Land	37,161,905	-	-	37,161,905	-	-	-	-	37,161,905
Building	524,854,965	-	-	524,854,965	104,780,510	13,121,373	-	117,901,883	406,953,082
ROU-Assets for lease rent	-	15,789,888	-	15,789,888	-	4,507,083	-	4,507,083	11,282,805
Office equipment	10,051,634	1,118,181	518,152	10,651,663	6,606,016	816,563	465,428	6,957,151	3,694,512
Furniture & fixtures	30,099,518	186,222	-	30,285,740	14,945,887	1,531,541	-	16,477,428	13,808,312
Motor vehicle	8,119,543	-	-	8,119,543	5,676,374	488,634	-	6,165,008	1,954,535
Computer equipment	15,299,166	387,017	984,016	14,702,167	11,000,134	937,537	798,626	11,139,045	3,563,122
Sub total	625,586,731	17,481,308	1,502,168	641,565,871	143,008,921	21,402,730	1,264,054	163,147,597	478,418,273
II. Intangible assets									
System & software	2,494,275	-	-	2,494,275	1,087,723	465,278	-	1,553,001	941,274
Total as on Dec 31, 19	628,081,006	17,481,308	1,502,168	644,060,146	144,096,644	21,868,008	1,264,054	164,700,599	479,359,547
Total as on Dec 31, 18	626,866,336	2,432,475	1,217,806	628,081,006	127,211,636	17,801,826	916,818	144,096,644	483,984,362

*ROU (Right Of Use) assets has been calculated for the year 2019 as per IFRS-16



**Highlight as required by Bangladesh Bank
MIDAS Financing Ltd. and its subsidiary
As on December 31, 2019**

SL#	Particulars		Solo		Consolidated	
			2019	2018	2019	2018
1	Paid-up capital	BDT	1,356,029,310	1,322,955,430	1,356,029,310	1,322,955,430
2	Total capital	BDT	1,540,187,763	1,443,345,925	1,543,700,941	1,452,090,773
3	Capital surplus	BDT	356,029,310	322,955,430	356,029,310	322,955,430
4	Total assets	BDT	11,061,427,072	11,933,084,376	10,971,475,022	11,851,151,067
5	Total deposits	BDT	6,242,647,091	7,468,640,563	6,037,647,091	7,263,640,563
6	Total lease, loans and advances	BDT	9,519,445,210	10,287,318,648	9,297,804,812	10,052,745,342
7	Total contingent liabilities and commitments	BDT	1,689,250,000	436,595,318	1,689,250,000	436,595,318
8	Credit deposit ratio	%	152.49%	137.74%	154.00%	138.40%
9	Percentage of classified loan against total loans	%	9.92%	12.49%	9.92%	12.49%
10	Net profit after taxation	BDT	96,841,838	11,160,346	91,610,248	11,572,549
11	Classified lease, loans and advances	BDT	944,616,907	1,284,541,783	944,616,907	1,284,541,783
12	Provisions kept against classified loans	BDT	270,154,194	330,544,952	270,154,194	330,544,952
13	Provision surplus/(deficit) against classified loan	BDT	(267,078)	-	(267,077.7)	-
14	Cost of fund	%	10.30%	10.34%	10.30%	10.34%
15	Interest earnings assets	BDT	8,979,632,096	9,787,966,553	9,022,516,198	9,856,170,892
16	Non-interest earnings assets	BDT	2,081,794,975	2,145,117,823	1,948,958,823	1,994,980,175
17	Return on investment in shares (ROI)	%	5.64%	13.99%	0.37%	12.74%
18	Return on assets (ROA)	%	0.84%	0.09%	0.80%	0.10%
19	Income from investment	BDT	15,051,938	39,304,871	1,413,080	48,582,683
20	Earnings per share (2018:restated)	BDT	0.71	0.08	0.68	0.09
21	Operating profit per share (2018:restated)	BDT	0.92	0.72	0.97	0.94
22	Price earning ratio (2018:restated)	Times	20.44	302.55	21.61	291.77
23	Market price per share	BDT	14.60	24.90	14.60	24.90
24	Net assets value (NAV) per share (2018:restated)	BDT	11.36	10.64	11.38	10.71

