Annual Report 2017



MIDAS FINANCING LIMITED

a real friend of entrepreneurs

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Letter of Transmittal

All Shareholders,
Bangladesh Bank,
Registrar of Joint Stock Companies and Firms,
Bangladesh Securities and Exchange Commission,
Dhaka Stock Exchange Limited,
Chittagong Stock Exchange Limited, and
Aziz Halim Khair Choudhury, Auditors.

Dear Sirs,

ANNUAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2017

Please find enclosed a copy of the Annual Report along with the audited Financial Statements including Consolidated and separate Balance Sheet as at December 31, 2017 and Income Statements, Cash Flow Statements and Statement of Changes in Equity for the year ended December 31, 2017 along with the notes thereon of MIDAS Financing Limited and its subsidiary (MIDAS Investments Limited) for your kind perusal and record.

Thank you.

Yours sincerely,

Md. Abdul Wadud FCA
GM & Company Secretary

Notice of the 22nd Annual General Meeting

Notice is hereby given that the 22nd Annual General Meeting of the Shareholders of MIDAS Financing Limited will be held at 10.30 a. m. on Thursday, 28 June 2018 at MIDAS CENTRE (12th Floor), House #05, Road # 16 (New)/27 (Old), Dhanmondi, Dhaka to transact the following business:

1. To consider and adopt Directors' Report and Audited Financial Statements of the Company and its subsidiary as of and for the year ended on December 31, 2017 together with the Auditors' report thereon.
2. To declare dividend as recommended by the Board of Directors.
3. To appoint auditors until conclusion of next AGM and fix their remuneration.
4. To elect/reelect Directors.

By order of the Board

Date: June 10, 2018

Md. Abdul Wadud FCA
GM & Company Secretary

Notes:

i) Record date of the company was May 10, 2018. The Shareholders whose names appeared in the Register as members of the company on the Record Date will be entitled for Dividend (10% Stock Dividend recommended) and eligible to attend and vote at the 22nd AGM.

ii) Nomination Papers and schedule of election of Directors from General Shareholders' Group will be available at the Company's Registered Office on June 12, 2018, Tuesday to June 14, 2018, Thursday during office hours.

iii) A member of the company entitled to attend and vote at the above meeting may appoint a proxy to attend and vote on his/her behalf. The completed proxy form duly affixed revenue stamp of Taka 20.00 should be submitted at the Registered Office of the Company not later than 72 hours before the meeting.

iv) Admission into the meeting will be allowed on production of the Attendance Slip attached with the Proxy Form only.

N.B: In compliance with the Bangladesh Securities Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013, no Food Box/ Gift/ Gift coupon shall be distributed at the AGM.

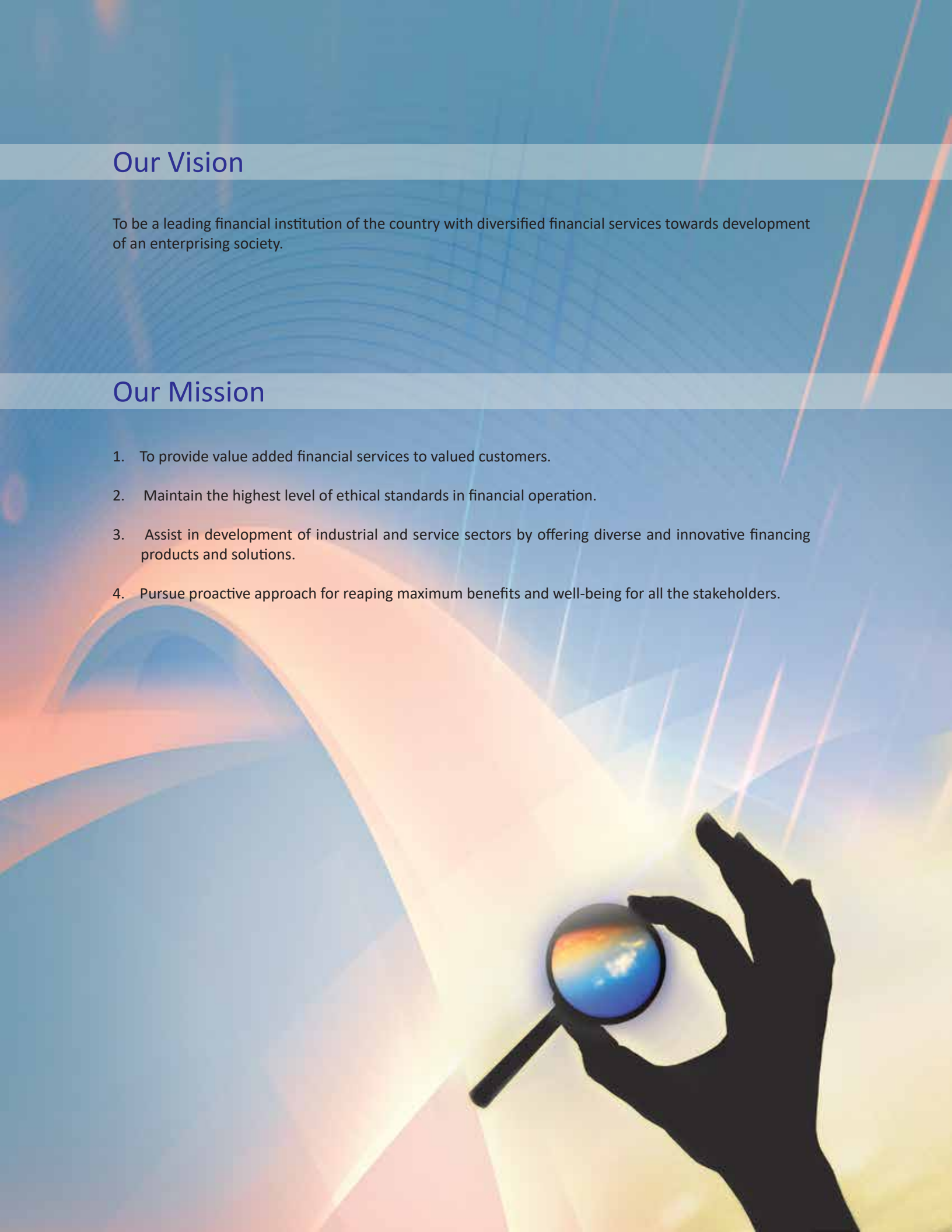
The Annual Report 2017 is available in the official website of the company www.mfl.com.bd

Our Vision

To be a leading financial institution of the country with diversified financial services towards development of an enterprising society.

Our Mission

1. To provide value added financial services to valued customers.
2. Maintain the highest level of ethical standards in financial operation.
3. Assist in development of industrial and service sectors by offering diverse and innovative financing products and solutions.
4. Pursue proactive approach for reaping maximum benefits and well-being for all the stakeholders.



Corporate Focus & Commitments

To continue endeavors for development towards value addition to become a real friend of entrepreneurs and remain competitive in the financial service market.

- To protect shareholders' capital as well as maximize the wealth;
- To provide competitive compensation package to the employees who constitute the back-bone of the management and operational strength of the company;
- To repay the loans taken from banks and financial institutions on time;
- To fulfill the responsibility to the nation through payment of taxes regularly;
- To avoid malpractice and anti-environmental, unethical and immoral activities and corrupt dealings;
- To maintain a congenial working environment;
- To practice good governance in every sphere of activities covering full disclosures and reporting to shareholders;



Milestones

Issues	Date
Date of incorporation	: May 16,1995
License from Bangladesh Bank	: October 11,1999
Commencement of Commercial Operation	: January 01,2000
Initial Public Offering (IPO) of Shares (Date of Allotment)	: August 12,2002
Listing with Dhaka Stock Exchange Limited	: October 26,2002
Listing with Chittagong Stock Exchange Limited	: July 27,2004
Registered with CDBL	: March 23,2005
First Issue of Right Share (Date of Allotment)	: May 15,2005
Opening of 1st Branch (Chattogram Branch)	: October 11,1999
Second Issue of Right Share (Date of Allotment)	: November 06, 2014



Corporate Profile

Registered Name of the Company	: MIDAS Financing Limited
Legal Form	: A public limited company incorporated in Bangladesh on May 16, 1995 under the Companies Act 1994 and licensed as Financial Institution on October 11, 1999 under Financial Institution Act 1993. Listed with Dhaka Stock Exchange on October 26, 2002 and Chittagong Stock Exchange on July 27, 2004.
Company Registration Number	: C- 28404 (2250)/95
Bangladesh Bank License Number	: FID(L)/22 Dated October 11,1999
Type of organization	: Financial Institution
Corporate Head Office	: 'MIDAS Centre' (10th & 11th Floor) House # 5, Road # 16 (New), Dhanmondi, Dhaka-1209.
Auditors for 2017	: Aziz Halim Khair Choudhury Chartered Accountants Phulbari House House 25, Road 1, Sector 9, Uttara Model Town, Dhaka-1230 Phone: 880-2-8933357, Fax: 880-2-8950995.
Tax Consultant	: ADN Associates Kaizuddin Tower (8th Floor), 176(new), 47 (old) Shahid Syed Nazrul Islam Sarani, Bijoy Nagar, Dhaka-1000. Phone: 880-2-9358799, Fax: 880-2-9361116
Legal Advisor	: Ruhul Ameen & Associates Nurjahan Sharif Plaza, 34, Purana Paltan, Dhaka-1000. Azad & Company K.R. Plaza (6th Floor), 31 Purana Paltan, Dhaka-1000.
Membership	: Bangladesh Leasing & Finance Companies Association (BLFCA) Bangladesh Association of Publicly Listed Companies (BAPLC)
Company Email	: info@mfl.com.bd
Company website	: www.mfl.com.bd
Principal Bankers	: United Commercial Bank Ltd. Standard Bank Ltd. Jamuna Bank Ltd. Pubali Bank Ltd. Sonali Bank Ltd. Janata Bank Ltd. Agrani Bank Ltd. Uttara Bank Ltd. Mercantile Bank Ltd. Dutch-Bangla Bank Ltd. Dhaka Bank Ltd. One Bank Ltd. Premier Bank Ltd. Shahjalal Islamic Bank Ltd. Bangladesh Development Bank Ltd. The City Bank Ltd. Modhumoti Bank Ltd.

Products and Services

Loans and Advances:

- Lease Finance
- Term Loan (SME)
- Term Loan (MIDI)
- Housing Loan
- Auto Loan
- Loan against lien of securities (LLS)
- Consumer credit
- Loan against Term Deposit (LTD)

Deposits:

- Term deposit 3 months
- Term deposit 6 months
- Term deposit 1 year
- Monthly income deposit
- Quarterly income deposit
- Double money deposit
- Triple money deposit

Board of Directors



Sitting: From left to right

Mr. Ali Imam Majumder

Mr. M. Hafizuddin Khan

Ms. Rokia Afzal Rahman

Ms. Parveen Mahmud, FCA

Mr. Abdul Karim

Standing: From left to right

Mr. Md. Shahedul Alam

Mr. Siddiqur Rahman Choudhury

Mr. Md. Shamsul Alam

Mr. S. M. Azad Hossain

Mr. Shafique-ul- Azam *(Managing Director)*

Mr. Mohammed Nasir Uddin Chowdhury

Board of Directors and its Committees

Board of Directors

Chairman
Ms. Rokia Afzal Rahman

Directors
Mr. M. Hafizuddin Khan
Mr. Ali Imam Majumder
Mr. Siddiqur Rahman Choudhury
Mr. Abdul Karim
Mr. Mohammed Nasir Uddin Chowdhury
Ms. Parveen Mahmud, FCA
Mr. S.M. Azad Hossain
Mr. Md. Shamsul Alam
Mr. Md. Shahedul Alam

Managing Director
Mr. Shafique-ul-Azam

Company Secretary
Mr. Md. Abdul Wadud, FCA

Executive Committee

Chairman
Mr. Mohammed Nasir Uddin Chowdhury

Members
Ms. Rokia Afzal Rahman
Mr. M. Hafizuddin Khan
Mr. Ali Imam Majumder
Mr. Md. Shamsul Alam

Audit Committee

Chairman
Mr. Ali Imam Majumder

Members
Ms. Rokia Afzal Rahman
Mr. M. Hafizuddin Khan
Mr. Siddiqur Rahman Choudhury
Ms. Parveen Mahmud, FCA

Directors' Profile

Ms. Rokia Afzal Rahman

Chairman, nominated by MIDAS



Mrs. Rokia Afzal Rahman is a leading woman entrepreneur and a former Adviser (Minister) to the Caretaker Government of Bangladesh. She started her agro-based company in 1980 and further diversified her business into insurance, media, financial institution and real estate.

She is currently the Chairman of Arlinks Limited, R.R. Cold Storage Limited, Aris Holdings Limited and R. R. Estates Limited and Chairperson of Mediaworld Limited (owning company of "The Daily Star", the largest circulated daily English newspaper in Bangladesh). She is a Director of Mediastar Limited (owning company of "Prothom Alo", the largest circulated daily Bangla newspaper in Bangladesh) and Ayna Broadcasting Corporation Limited (Fm Radio Station -ABC Radio). She is also Independent Director of the board of Grameenphone Limited, Bangladesh Lamps Limited and Marico Limited.

Mrs. Rokia Afzal Rahman is the Vice President of International Chamber of Commerce - ICC Bangladesh and a Trustee Board member of Transparency International Bangladesh – TIB.

She served as a Board Member of the Central Bank of Bangladesh, and the President of the Bangladesh Employers Federation – BEF. She was also a Director of Reliance Insurance Limited. She is the former President of Metropolitan Chamber of Commerce and Industries – MCCI, Dhaka.

Mrs. Rokia Afzal Rahman serves on the board of BRAC. She is Chairperson of Banchte Shekha, Jessore - working for the underprivileged and extremely poor people. She is a board member of Grameen Telecom Trust – building a social business and is also a board member of MRDI (Management and Resource Development Initiative).

She is the founder President of Bangladesh Federation of Women Entrepreneurs (BFWE). In 1994, the first Women Entrepreneurs Association (WEA) was formed in Bangladesh with Rokia Afzal Rahman as founder President. In 1996 Mrs. Rahman formed Women in Small Enterprises (WISE) to further promote women into small enterprises and industries.

Mrs. Rahman is the chairman of Presidency University.

Mrs. Rahman has received several international and national awards.

Directors' Profile



Mr. M. Hafizuddin Khan
Director
Nominated by MIDAS

Mr. M. Hafizuddin Khan is a familiar face in Bangladesh. He obtained his B.A. (Honours) and M. A. in Political Science from the Dhaka University in 1960 and 1961 respectively. Later on, he obtained Diploma in Development Finance from the Birmingham University, UK. In 1964, he joined the government service through the then Central Superior Service Examination in the Audit and Accounts Cadre and spent twelve years in the Railway and Military Finance. In 1977 he joined the Senior service Pool as Deputy Secretary to the Government. After serving the Government for 35 years he retired in 1999 as the 6th Comptroller and Auditor General of Bangladesh. Mr. Khan is a well-known reformer in administrative and financial management. He was the Director of the Agrani Bank, Basic Bank and Rupali Bank. He was also Chairman of the Agrani Bank for a short period. He was Director Finance of the Integrated Rural Development Program, now Bangladesh Rural development Board and Member Finance of the Bangladesh Agricultural Development Corporation. As Joint Secretary to the Government he has served in a number of Ministries including Ministries of Works, Internal Resources Division and Local Government Division. As Additional Secretary he has worked in the Prime Minister's Secretariat and on being promoted as Secretary to the Government he served in the Ministries of Disaster Management & Relief and Posts & Telecommunications. Mr. Khan was made an Adviser in the Caretaker Government of 2001 in charge of the Ministries of Finance, Planning, Jute and Textiles. He was the Chairman and currently a member of the Board of Trustees of the Transparency International Bangladesh. Mr. Khan was the President of the Retired Government Employees Welfare Association. He is currently Vice-President of the Anjuman Mofidul Islam and is now Chairman of Shujan (Citizens for Good Governance). He is a devoted civil society activist working for combating corruption, establishing good governance and for political reforms.



Mr. Siddiqur Rahman Choudhury
Independent Director

Mr. Siddiqur Rahman Choudhury, former Finance Secretary of the Government of Bangladesh joined the Board of MIDAS Financing Limited as an Independent Director on March 19, 2014. Mr. Choudhury had his education in the University of Dhaka, Sylhet Government College and in the Aided High School, Sylhet. Besides 30 years of service in the government, Mr. Choudhury has a long experience of serving in the Boards of a number of financial institutions. He was Chairman of the Board of Directors of Agrani Bank, Sonali Bank (UK) Limited. and Sadharan Bima Corporation. He also served, as a member, in the Boards of Bangladesh Bank, Sonali Bank, House Building Finance Corporation, Saudi Bangladesh Investment Company (SABINCO) and Infrastructure Development Company Limited (IDCOL).

Directors' Profile



Mr. Abdul Karim
Director
Nominated by MIDAS

Mr. Abdul Karim joined the Board of MIDAS Financing Limited on February 28, 2017. He is a retired secretary to the Government of the People's Republic of Bangladesh and served the Government in different capacities. He had worked in the Ministries of Communications, Defense and Finance and held the posts of Member (Finance) and Chairman, Bangladesh Inland Water Transport Authority (BIWTA), Director, Bangladesh Small and Cottage Industries Corporation, Managing Director, Bangladesh House Building Finance Corporation and Managing Director, Bangladesh Shilpa Bank. After serving the Government for more than 31 years he joined Micro Industries Development Assistance and Services (MIDAS) in December, 1992 and discharged the responsibilities of Managing Director, MIDAS till December 11, 2011. He had also served as Managing Director of MIDAS Financing Limited from May, 1995 to April, 2004.

Mr. Karim is a B.A. (Hons) and M.A. in Economics from Dhaka University and had training in Advanced Accounting, Management Accounting, Public Administration, and Small Enterprise Promotion at both home and abroad. He travelled to the U.S.A., Canada, the U.K., Federal Republic of Germany, Thailand, Malaysia, the Philippines, South Korea, Hong Kong, Singapore, the People's Republic of China, Saudi Arabia, Nepal, as well as India to conduct studies and attend training courses, seminars, workshops and conferences.

Mr. Karim had taught Economics and Statistics in Dhaka University in his early years. He is now also on the Boards of Directors of Village Education Resource Centre (VERC), Savar, Dhaka and of South Asia Partnership (SAP), Dhaka, Bangladesh, as honorary Treasurer.



Mohammed Nasir Uddin Chowdhury
Director
Nominated by
LankaBangla Finance Limited

Mohammed Nasir Uddin Chowdhury is serving as Managing Director of Lanka Bangla Securities Limited. Before joining in the current position Mr. Chowdhury served LankaBangla Finance Limited(LBFL) as the Managing Director. Mr. Chowdhury also served LankaBangla Securities Limited as Chief Executive from July 2002 to April 2011. Under his sound and proven leadership LankaBangla Finance Limited and its subsidiaries have been able to hold strong position in the respective industries.

Mr. Chowdhury also served as the Senior Vice President and Director of Dhaka Stock Exchange Limited from May 2010 to March 2011 and May 2008 to May 2010 respectively. Mr. Chowdhury now chairs one of the first venture capital organizations in Bangladesh, called BD Venture Limited. He is also the vice chairman of Financial Excellence Limited.

Mr. Chowdhury completed his graduation and post-graduation from the University of Chittagong. He is a life time member at International business forum of Bangladesh (IBFB). Currently, he is the President of Old Faujian Association, Dhaka Chapter. Mr. Chowdhury is an active member of Dhaka Club and Chittagong Club also.

Directors' Profile



Mr. Ali Imam Majumder
Independent Director

Mr. Ali Imam Majumder is one of the Independent Directors of MIDAS Financing Limited. He obtained M.Sc. in Mathematics. Mr. Majumder attended different training courses both in home and abroad. Among the overseas training programs, Advanced Course on Administration and Development (ACAD) and Common Wealth Training Program on Leadership Development are mostly mentionable. He also attended other training courses namely Managing at the Top (MATT) held in United Kingdom, Disaster Management held in United Kingdom, etc. Mr. Majumder joined BCS (Administration) Cadre on February 11, 1977 and served in different important positions during his long career. He performed the positions of Cabinet Secretary, Principal Secretary of Prime Minister's Office, Member, Planning Commission, Secretary, Ministry of Labour and Employment, Additional Secretary, Ministry of Information, etc. Mr. Majumder also acted as Chairman of the Board of Directors of the Sonali Bank Limited and the Biman Bangladesh Airlines Limited. He has involved himself in several social activities like, Honorary Member, Dhaka Club Limited, Honorary Life Member, Dhaka Officers Club, etc. Further, he is a veteran columnist and regularly contributes in different newspapers specially in the Daily Prothom Alo on important national/international issues. He is an activist and member of the Executive Committee of the SHUJAN; an independent think tank on good governance. He visited many countries like, USA, UK, Canada, Switzerland, Sweden, Russia, Saudi Arabia, UAE, Malaysia, China, India, Sri Lanka, Bhutan, Nepal, Japan, Thailand and Singapore.



Ms. Parveen Mahmud, FCA
Director
Nominated by MIDAS

Parveen Mahmud, FCA was appointed to the Board of MFL on December 28, 2017. Ms. Mahmud serves in various Boards including the Chairperson of Shasha Denims Limited, and MIDAS (Micro Industries Development Assistance and Services). She was the Chairperson of Acid Survivors Foundation. She is the Council member and Past President of the Institute of Chartered Accountants of Bangladesh (ICAB). In her diversified professional career, Ms. Mahmud worked in the development sector and was a practicing Chartered Accountant. Ms. Mahmud started her career with BRAC, and was the Deputy Managing Director of Palli Karma-Sahayak Foundation (PKSF). She was a partner of ACNABIN, Chartered Accountants. She was the first female President of ICAB for the year 2011 and also the first female Board member in the South Asian Federation of Accountants (SAFA), the apex accounting professional body of the SAARC. She is the Chairperson, CA Female Forum, ICAB. She was the member of National Advisory Panel for SME Development of Bangladesh and founding Board member of SME Foundation and Convener, SME Women's Forum. She is currently holding the position of the Managing Director of Grameen Telecom Trust.

Directors' Profile



Mr. S. M. Azad Hossain
Director (Representing
General Shareholders' Group)

Mr. S. M. Azad Hossain is a commerce graduate and a businessman having interests in several business. Mr. Hossain was elected as director represented by General Shareholders. He is also the Executive Director, Nur-Nahar Spinning Mills Limited. Mr. Azad was a Member of Dhaka Stock Exchange Ltd. He is associated with various social wellfare activities.



Mr. Md. Shamsul Alam
Director (Representing
General Shareholders' Group)

After completion of B.Com (Hons), M.Com. in Accounting from the University of Dhaka, Mr. Alam started his career in business. He was one of the sponsor Directors of Intech Online Limited. He is also proprietor of Arafat Agro Trade. This charismatic entrepreneur is representing the general shareholders group in the Board of MIDAS Financing Ltd.



Mr. Md. Shahedul Alam
Director (Representing
General Shareholders' Group)

Mr. Alam graduated from U.K in Business Admisnistration and did his MBA from Dhaka University. He started his business career in Radiovision, a trading company for Home Appliances. He is also the chairman of Hay Agro Pvt. Limited and Director of SBL Capital Management Ltd. He joined the board of directors of MIDAS Financing Limited in 2014.

Brief profile of the top Executives



Mr. Shafique-ul- Azam
Managing Director

After completing his BSS (Hons) degree in Economics, Mr. Shafique-ul-Azam obtained his MBA degree from institute of Business Administration (IBA), University of Dhaka in year 1986. In the same year he started his career in MIDAS as probationary officer. Since then he has been serving and holding different managerial positions in the company. He was the in-charge of the operation department for different tenure. He played a key role in developing and introducing new investment and deposit schemes.

Being satisfied on his performance, the Board of Directors of the company appointed him as the Managing Director of the company in March 2010. As a Managing Director he has been trying his best to accelerate the growth of the company in every sphere. The company has now arrived at a new dimension by introducing new products and services.

During his career he attended various training courses and participated in seminars and workshops on different aspects of banking, especially in project appraisal, entrepreneurship development and risk management in home and abroad.



Mr. Atiar Rahman Ansary
General Manager
Monitoring and Recovery

Mr. Ansary became associated with MIDAS after complition of his B.Sc. (Hons), M.Sc. from the University of Dhaka in 1985. He joined in MIDAS as entry level officer in 1987. Thereafter he completed Post Graduate Diploma in Personnel Management. He has been working with integrity, sincerity and devotion for the company since the date of his joining. He worked in different managerial position with full satisfaction of the management. During his career he attended in many local and foreign training, workshops and seminars.

Brief Profile of the top Executives



Mr. Mohammod Monirul Islam
General Manager
(Business Development)

Mr. Mohammod Monirul Islam has joined MIDAS Financing Limited (MFL) in November 2015 as General Manager (Business Development). Prior to his joining he worked as Senior Executive Vice President with International Leasing and Financial Services Limited. Mr. Islam started his career at Agrani Bank Limited as Senior Officer. Subsequently, he worked in Lanka Bangla Finance Limited, National Housing Finance & Investment Limited, Union Capital Limited and IDLC Finance Limited with different capacities. Mr. Islam obtained his Masters degree on International Business Administration from Banaras Hindu University, India under Indian Government Scholarship Program. He completed his graduation in Economics from same institution under similar scholarship program. He attended several trainings and workshops at home and abroad.



Mr. Md. Abdul Wadud, FCA
General Manager (FA&T) &
Company Secretary

Mr. Md. Abdul Wadud, FCA joined MIDAS Financing Limited (MFL) as General Manager & Company Secretary in June 2015. Prior to joining MFL he served at Delta Brac Housing Finance Corporation Ltd. for about 8 years. He started his career with Mission Group as Senior Accounts Officer and served there for about 1 year. Later on he worked as Executive Accounts at Asset Developments & Holdings Ltd. for about 1 year. Mr. Wadud is a Chartered Accountant and Fellow member of the Institute of Chartered Accountants of Bangladesh (ICAB). He obtained his Masters Degree in Business Studies from Dhaka College. He attended several trainings in home and abroad.



Ms. Nasreen Ahmed
Deputy General Manager
& CFO

Ms. Nasreen Ahmed completed her B.Com (Hons), M.Com from Dhaka University in the year 1985. Ms. Ahmed started her career in MIDAS in the year 1992. Since then she has been serving in different positions of the Company. During her career she attended a good number of training programs and workshops.

Committees of the company

Management Committee

Mr. Shafique-ul-Azam
Mr. Md. Atiar Rahman Ansary
Mr. Md. Monirul Islam
Mr. Md. Abdul Wadud
Ms. Nasreen Ahmed
Ms. Morsheda Hasin
Mr. Shameem Ahmed
Mr. Ahmed Ibne Mazid Khan
Mr. Abu Mirza Md. Sayem

Integrity Committee

Mr. Shafique-ul-Azam
Mr. Md. Atiar Rahman Ansary
Mr. Md. Monirul Islam
Mr. Md. Abdul Wadud
Mr. Shameem Ahmed

Promotion and Selection Committee

Mr. Shafique-ul-Azam
Mr. Md. Atiar Rahman Ansary
Mr. Md. Monirul Islam
Mr. Md. Abdul Wadud
Mr. Shameem Ahmed

Credit Committee

Mr. Shafique-ul-Azam
Mr. Md. Atiar Rahman Ansary
Mr. Md. Monirul Islam
Mr. Md. Abdul Wadud

Monitoring and Recovery Committee

Mr. Shafique-ul-Azam
Mr. Md. Atiar Rahman Ansary
Mr. Md. Monirul Islam
Mr. Md. Abdul Wadud
Mr. Mohammad Omer Farooque
Mr. Mohammad Abdullah

ICT Steering Committee

Mr. Shafique-ul-Azam
Mr. Md. Atiar Rahman Ansary
Mr. Md. Monirul Islam
Mr. Md. Abdul Wadud
Mr. Shameem Ahmed
Mr. Abu Mirza Md. Sayem

Risk Management Forum

Mr. Md. Atiar Rahman Ansary
Mr. Md. Monirul Islam
Mr. Md. Abdul Wadud
Ms. Nasreen Ahmed
Ms. Morsheda Hasin
Mr. Shameem Ahmed
Mr. Ahmed Ibne Mazid Khan
Mr. Abu Mirza Md. Sayem
Ms. Nilufar Sultana
Mr. Md. Enamul Haque Khan
Mr. Md. Saidur Rahman
Mr. Mohammad Abdullah
Md. Sikander Mahmood
Mr. Abu Saeed
Mr. Khalid Hossain

Purchase and Disposal Committee

Mr. Md. Atiar Rahman Ansary
Mr. Md. Monirul Islam
Mr. Md. Abdul Wadud
Mr. Shameem Ahmed

Asset Liability Management Committee

Mr. Shafique-ul-Azam
Mr. Md. Atiar Rahman Ansary
Mr. Md. Monirul Islam
Mr. Md. Abdul Wadud
Ms. Nasreen Ahmed
Mr. Abu Mirza Md. Sayem
Mr. Md. Saidur Rahman
Mr. Zunaid Bin Islam
Mr. Khalid Hossain

Profit Optimization Forum (PROOF)

Mr. Atiar Rahman Ansary
Mr. Monirul Islam
Mr. Md. Abdul Wadud
Ms. Nasreen Ahmed
Ms. Morsheda Hasin
Mr.Shameem Ahmed
Mr. Ahmed Ibne Mazid Khan
Mr. Abu Mirza Md. Sayem
Mr. Md. Enamul Haque Khan
Mr. Md. Saidur Rahman
Mr. Mohammad Abdullah
Mr. Md. Mosiur Rahman
Ms. Najnin Sultana Moury

ICT Security Committee

Mr. Abu Mirza Md. Sayem
Mr. Shameem Ahmed
Mr. Md. Mosiur Rahman
Ms. Neesha Naimeen
Mr. Abu Saeed
Mr. Mohammad Taimur Chowdhury
Mr. Md. Nasir Uddin

Message from the Chairman



Dear Shareholders,
I am privileged to present to you the Annual Report 2017 of your company, MIDAS Financing Limited (MFL) and very pleased to inform that the performance of MFL in 2017 was very encouraging. Your continuous trust, encouragement, support and fair criticism have helped the company to grow stronger over the years. On behalf of the Board of Directors I welcome you all to the 22nd Annual General Meeting of your company.

Dear valued shareholders,
You all know that the Bangladesh economy is emerging as one of the most resilient developing economies in the world. It continued to show a solid performance in 2017 with a GDP growth rate of 7.28% in the fiscal year 2016-17 breaking the six percent cycle that continued over a decade. Per capita income rose to $1610 in 2017 from $1465 in 2016. Inflation rate retained at 5.70% in December 2017 despite the rising food inflation on account of floods during the year. The interest rate was considerably low during most part of the year 2017 but went into an upward trend led by scarcity of liquidity in the market in the later part.
Among the Asian countries Bangladesh has become one of the top performers. The country is outperforming its neighbors in terms of some key social indicators as reflected in improved literacy and immunization rate, reduced infant mortality rates, increased women participation in the economy, etc. This has resulted in the steady rise in per capita income, emergence of growing middle-class families and improved gender parity and influx of young population into the employment market. These demographic and socioeconomic developments are expected to drive the economy up in the coming days.

Dear valued shareholders,
It is very heartening that during the year 2017 your company earned consolidated profit after tax of Taka 21.80 crore resulting in profit per share of Taka 1.81. Consolidated Lease,

loans and advances reached to Taka 1,009.94 crore as of December 31, 2017 which marks a 15.15% rise from that of the previous year. Consolidated total assets amounted to Taka 1,181.80 crore at the end of 2017 as against Taka 1,039.65 crore at the end of 2016, showing a growth of 13.68%. The Capital Adequacy Ratio of the company stood at 16.66% as against the required ratio of 10.00% under the regulations of Bangladesh Bank.

We have all waited long for this auspicious day. The waiting is over. Today I am very glad to announce that considering current capital structure and future business plan of the company, the Board has recommended 10% stock dividend for the year 2017 for your approval in this 22nd AGM.

MIDAS Investment Limited (MIL), the subsidiary of MFL, commenced its full commercial operation at the beginning of the year 2017. MIL works in the capital market through merchant banking, portfolio investment, underwriting and issue management. MIL has started contributing to the income of MFL.
MIDAS Financing Limited provides diverse services to its valued customers and maintains strict ethical standards in its operation with a view to distinguishing itself as an ideal Non Bank Financial Institution. The main focus of the company is the promotion of business activities and it is proud to be associated with many success stories of business ventures, especially those of SME and women entrepreneurs. The company is striving to distinguish itself as a real friend of entrepreneurs through its strong presence in the financial service market.

SMEs are the engine of growth for any developing country. MFL has built its brand image as one of the pioneers in SME loan financing. It has financed, over the years, a sizeable number of small, medium and micro industries throughout the country. The company greatly values the loyalty of its SME customers who have become its business ambassadors all over the country.

During the year 2017 MFL disbursed Taka 337.46 Crore in the SME sector and Women Entrepreneurs.

Dear valued shareholders,
Your company has a Board comprising of renowned, highly knowledgeable and experienced personalities. The Board provides strategic leadership and sets realistic targets for the company's management. In all policy matters and decision making good governance and sound ethical practices are maintained. A sound risk management framework is in place and proper control procedure has been adopted so as to make the company compliant to the regulatory requirements and a well-governed financial institution with sustainable business growth.

Dear valued shareholders,
Your company strongly believes that any kind of social and benevolent activities would improve the quality of lives of the underprivileged people, increase public awareness and thereby assist in the sustainable development of the country. As we move forward to achieve our business goal and face competitive challenges, we always remain conscious of our Corporate Social Responsibilities (CSR).

The company is also committed to keeping the environment green and safeguarding the planet from global warming. It offers, priority basis, credit facilities to agro based industries and focuses on green and eco-friendly financing.

Dear valued shareholders,
I am confident, MIDAS Financing Limited will succeed in its endeavor to face all new challenges in the future.

MFL's vision is to become a leading Non-bank Financial Institution by creating, expending and sustaining entrepreneurs and upholding the highest levels of ethics and values. It develops a team of efficient professionals equipped with cutting edge knowledge to provide best services to customers and to protect shareholders' interest. The company is keen to ensure that its employees are regularly updated with new skills and knowledge of regulations of the country so as to be able to fulfil the ever changing needs of the market.

Finally, I express my sincere thanks to my fellow members of the Board of Directors and all employees of the company. I also extend my thanks to the respected shareholders and the regulatory bodies for their continuous trust, support and cooperation.

With my best wishes,



Rokia Afzal Rahman
Chairman

Managing Director's review



Distinguished shareholders, guests of honor, ladies and gentlemen

I am extending a heartfelt and gracious welcome to all of you.

2017 was a successful year for MIDAS Financing Limited (MFL) and its subsidiary as the company delivered a steady growth during the last year. Greetings to all the concern for their support, encouragement, assistance, hard work and devotion that enabled us to boost earnings and to achieve a sustainable growth.

We continued our effort to increase our capacity by strengthening our operation system and technological advancement for better services delivery aiming in mind to achieve maximum customer satisfaction and to provide them the required services as per their need. We tried to keep our growth steady by improving our fundamentals, focusing our main stream of business, strengthening our recovery efforts and acquisition of new businesses.

Bangladesh has emerged as one of the fastest growing countries in the world based on the GDP growth rate. The Bangladesh economy grew by 7.28% in the fiscal year 2016-17, propelled by calm political climate. Per capita income reached at UDS 1,610 in FY 2017 and Bangladesh has started its journey to become a developing country.

Performance of MIDAS Financing Limited and its subsidiary for the year 2017

MFL rebuilt its presence in the Financial Sector as a respectable Financial Solution provider through strengthening its position. Consolidated lease, loans and advances portfolio increased to taka 10,099 million as of 31 December 2017 from 8,771 million as of 31 December 2016 which recorded 15% growth. Consolidated net profit after tax was Taka 217.95 million for the year 2017 as against Taka 267.22 million of earlier eighteen months. During the year 2017 consolidated EPS stood at Taka 1.81 as against Taka 2.22 of last period of eighteen months.

With our relentless effort and strong recovery drive we were able to reduce our Non performing Loan (NPL) significantly. NPL of the company reduced to 9.92% as of December 31, 2017 from 12.00% as of December 31, 2016.

The Company was able to retain positive growth in its deposit portfolio during the reporting year. Deposit portfolio increased to Taka 7,742 million as of 31st December 2017 from Taka 6,656 million as of 31st December 2016 registering 16% growth.

MIDAS Investment Limited, subsidiary of MFL, initiated its commercial operation from 1 January 2017 as a full pledged merchant bank. MIL has started contributing to the total income of MFL and during the last year both MFL and MIL have earned a sound amount of gain from investment in shares and securities.

Capital Adequacy Ratio (CAR) at the end of 2017 was stood at 16.66% against the Bangladesh Banks stipulation of 10%. This shows our strength of capital and the commitment to the compliance of regulatory framework.

MFL focuses not only to its business performance but also to its social commitments in the communities it operates. MFL has built its brand image as one of the pioneers in SME loan financing and women entrepreneurs financing. It has financed, over the years, a sizeable number of small, medium and micro industries throughout the country. The company greatly values the loyalty of its SME customers who have become its business ambassadors all over the country. During the year 2017 MFL disbursed Taka 337.46 Crore in the SMEs and Women Entrepreneurs.

Future endeavor

Considering the current economic and political scenario it can be predicted that the over all business environment will remain stable in next year but Finance Industry may face challenges of increased cost of fund and intensified competition in the area of emerging commercial business, SME and retail segments. Alarming increase of NPL may be the hurdle for the flourishment of the industry.

Our vision is to be one of the leading financial institutions in Bangladesh by delivering quality services, innovative financial products, minimizing the NPL and increasing good portfolio. To increase core asset portfolio, we concentrated on SME Financing throughout the country through our branch network as well as corporate lending with target & client based marketing.

To reduce our dependency on commercial bank as high cost funding source, we planned to focus more on deposit mobilization from corporate & individual. This strategy not only opens up an effective source of fund mobilization but also reduce our average cost of fund.

MFL is in the process of procuring and implementing Core banking Software (CBS) for automation of its business. We hope, such automation will contribute to the profitability of the company by reducing the overhead cost and increasing the efficiency of process.

We believe that human resources are the greatest asset of the company; we aim to recruit right people, develop their capacities, train up the incumbents, recognize and reward their performance, retain them with competitive packages.

Appreciations

I express my profound gratitude to the Board of Directors for their active support and proper guidance. I also thankfully acknowledge the support and co operation that the company received from Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, Registrar of Joint Stock Companies and Firms and also Central Depository Bangladesh Limited. Sincere thanks are also expressed to all of our customers, lenders and depositors who remained loyal to the Company and kept faith on the management. Sincere thanks also goes to my fellow colleagues of the management and staff of MIDAS Financing Limited whose loyalty, dedication, professionalism, positive attitude and commitment have been fundamental to our performance in the year 2017 and to paving the way forward for smooth functioning in the years to come.

We look forward to your continued support, co-operation and guidance that are our constant source of encouragement and strength in the days ahead.

May Almighty bless us.

Wishing you all the best,



Shafique-Ul-Azam
Managing Director

Operational and Financial Highlights (Consolidated)

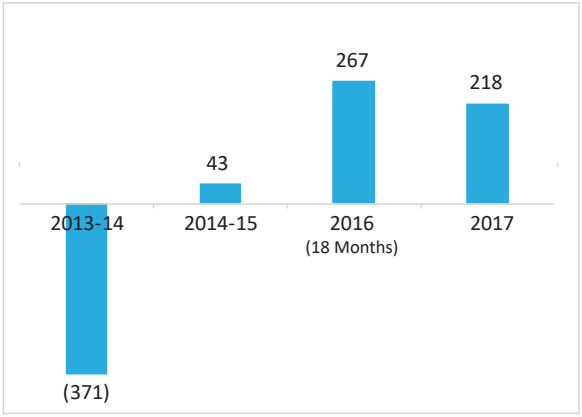
(Figures in million Taka except ratios and per share data)

Particulars	30-Jun-13	30-Jun-14	30-Jun-15	31-Dec-16	31-Dec-17
Loan disbursement	1,467.77	1,306.05	1,849.64	7,347.11	5,133.16
Lease, loans and advances	5,408.01	4,806.73	5,017.16	8,771.09	10,099.43
Profit before tax	79.71	(358.71)	52.05	351.25	254.80
Profit after tax	9.37	(370.70)	42.54	267.22	217.95
Shareholders' fund	613.64	242.94	886.82	1,154.04	1,440.52
Total deposit	2,231.92	3,011.79	3,185.03	6,656.21	7,742.49
Total balance sheet size	6,985.94	6,220.42	6,365.84	10,396.46	11,817.94
NPL ratio (%)	16.59%	32.86%	21.73%	12.00%	9.92%
Return on equity (average equity)	1.54%	-86.55%	7.53%	17.46%	16.80%
Earnings per share (restated)	0.16	(5.01)	0.41	2.22	1.81
Net Asset Value Per Share	10.20	4.04	7.37	9.60	11.98

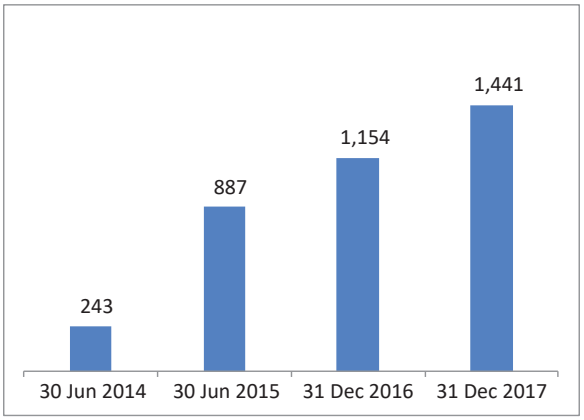
Figures as of 31 Dec 2016 stated above refers to data covering for 18 months (from July 01, 2015 to December 31, 2016) and as of that date.

Performance dashboard (Consolidated)

Profit after tax
BDT in million

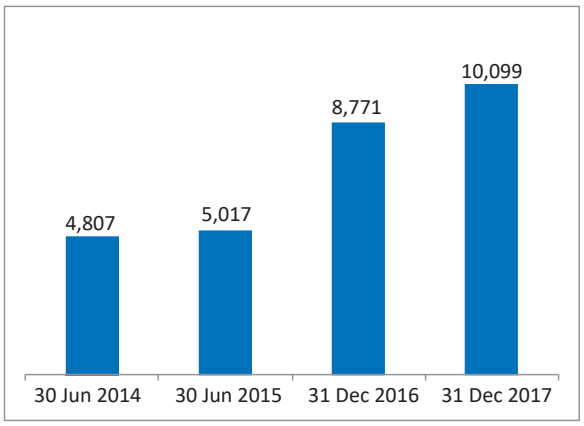


Shareholders' Equity
BDT in million

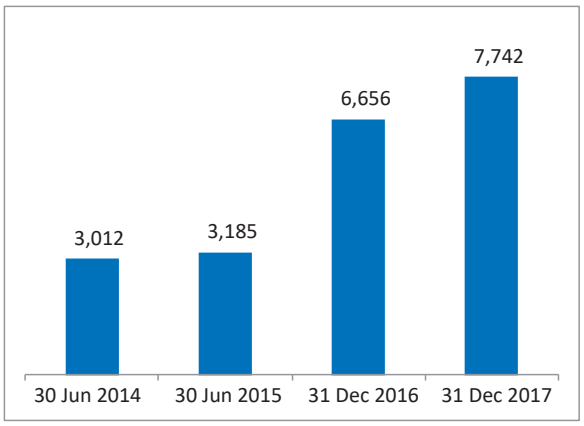


Performance dashboard (Consolidated)

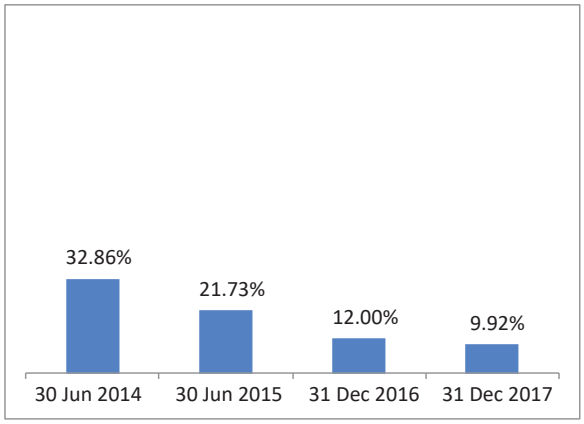
Lease, Loans and Advances
BDT in million



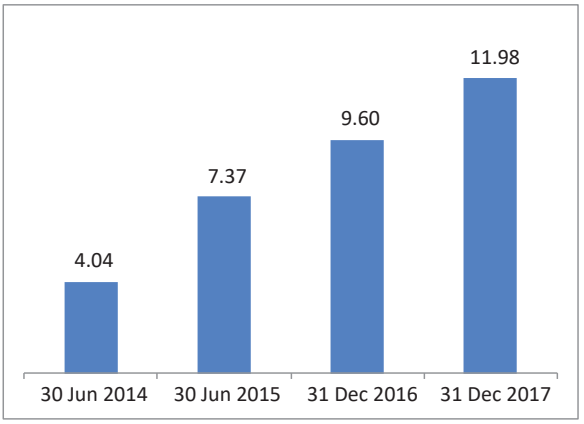
Deposit
BDT in million



Non Performing Loan (NPL)



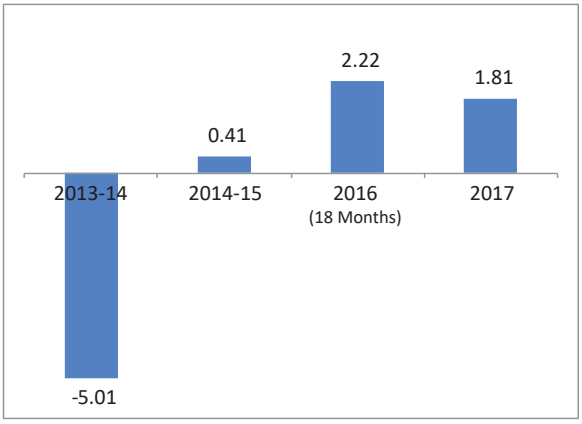
Net Assets Value per share (NAV)
BDT



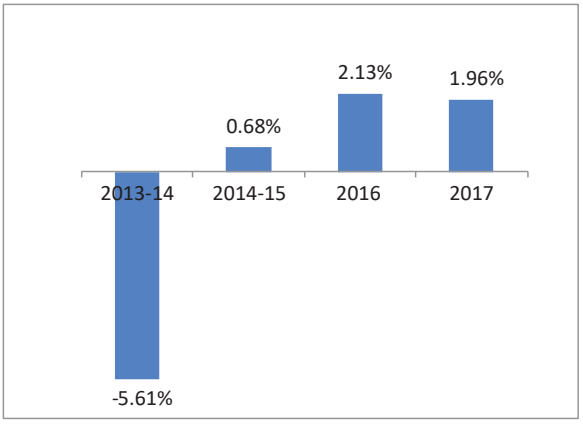
Performance dashboard (Consolidated)

Earnings Per Share (EPS)

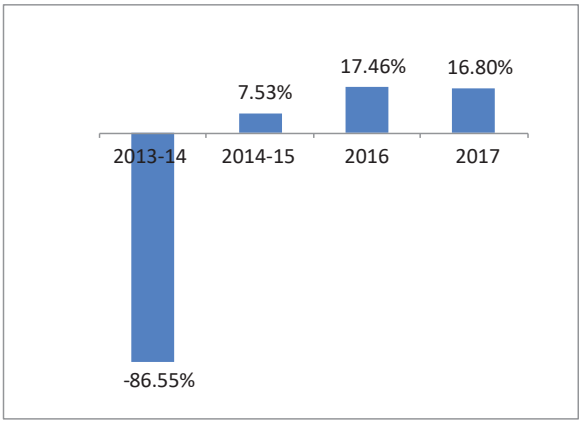
BDT



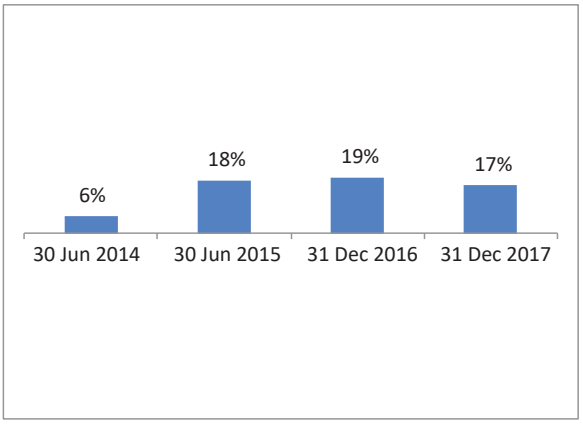
Return on Assets



Return on Equity



Capital Adequacy Ratio



Directors' Report

to the shareholders of MIDAS Financing Ltd. (MFL)

Dear Shareholders,

The Board of Directors of MIDAS Financing Limited (MFL) has the pleasure to present to you the Annual Report 2017 and the Audited Financial Statements of your company as of and for the year ended on 31st December 2017 together with the Auditors' Report thereon. This Annual Report has been prepared in compliance with Companies Act, 1994, Financial Institutions Act, 1993, Listing Regulations of DSE and CSE, guidelines of BSEC and Bangladesh Bank and other applicable Rules and Regulations. Disclosures and explanations relating to certain issues considered relevant and important have been incorporated to ensure compliance, transparency and good governance practices. It is hoped that the report will provide a clear picture of the company's performance during the year.

Macro-Economic condition

The Bangladesh economy was able to maintain sustained economic growth in 2016-17. The economy grew at a rate of 7.28 percent in FY2016-17, up from 7.11 percent growth in FY2015-16. The per capita national income reached US$1,610 in FY2016-17, up by US$145 a year earlier. Continuing the declining trend since FY2013-14, year-on-year inflation in FY2016-17 slid down to 5.44 percent from 5.92 percent in FY2015-16 although food inflation registered an increasing trend, mainly because of agricultural loss due to two rounds of flood. With a growth rate of 16.08 percent revenue receipt in FY2016-17 also remained at a satisfactory level. Exports posted a growth of 1.72 percent while imports grew by 9.00 percent in FY2016-17, of which capital machinery import increased by 7.35 percent. A glimmer of hope was in the horizon with both RMG and total exports picking up during July-December of FY 2017-18. However, imports growing at a higher rate than exports led to a negative current account balance that continued during July-October of FY 2017-18. In FY 2016-17 remittance earnings suffered a negative growth of (-)15.9 percent despite increase of manpower export. The slowdown in the economies of the Middle East due to low oil prices and the geo political situation in the region were primarily responsible for the slowing down of remittances. During the period, the exchange rate broadly remained stable. Strong Bangladeshi Taka against the US Dollar also played a role in the lowering of export and remittances growth to some extent. However, remittances started to pick up at the end of 2017.

The money market demonstrated almost steadiness in FY 17. Overall interest rates received significant fall. Interest rate in call money market was ranging from 3.50 to 4.00 percent during the year. Repo and reverse repo rate remained unchanged from the year 2016 for achieving broad objective of monetary policy. Private sector credit growth hit 18.1 percent at the end of December, up from the central bank's target of 16.2 percent for July to December period. Business confidence is improving and stable exchange rate has led to higher import.

Declining deposit interest rate in 2016 which spilled over to the earlier parts of 2017 boosted the country's capital market. The Dhaka Stock Exchange gained 24% in 2017. Backed by increased participation of retail investors and the market liquidity the daily average turnover value stood at a robust BDT 8,800 million in 2017 which was recorded its highest in 2017 since the largest stock market correction in 2010-11. The trading was further benefitted by the increased participation of overseas investors and positive macro economic outlook. The DSEX traded between index value of 6,244 in December 2017 and 5,036 in December 2016.

Industry outlook and prospect

Bangladesh Bank continued its efforts to rationalize the rate of interest by creating a competitive environment in the financial service sector. In recent years both the lending rate and the deposit rate have shown a gradual decline. The weighted average lending rate of both banks and financial institutions decreased considerably.

Consequently, lower interest rates triggered an 18.13% growth in private sector lending during the last quarter of 2017 where deposit grew merely by 10.8%. In response, Bangladesh bank adopted a contractionary monetary stance, as a result liquidity condition became tighter in the market which caused a rise of both deposit and lending rates in the 4th quarter of 2017.

The year 2018 has become a turning point for Bangladesh in many ways. The GDP under the Medium-Term Macroeconomic Framework (MTMF) has been projected to grow at a rate of 7.4 percent in FY2017-18. Bangladesh is preparing to graduate from the least developed country (LDC) and continuing its efforts to become a middle-income country. Additionally, it is continuing to implement the sustainable development goals (SDGs) through a number of measures such as accelerated resource mobilization, higher investment, raising efficiency in infrastructure projects implementation, bringing about skilled human resources and strong institutional set-ups. The implementation of very big infrastructural development projects i.e. Padma Multipurpose Bridge, Dhaka Metrorail, Ruppur Nuclear Power Plant, Matarbari Power Plant and Rampal Coal Energy Plant is going on in full swing. In addition, advancement of information technology, digitalization and focus on human resource development on the part of the government will fuel the engine of economic growth. National Election, declining trend of foreign direct investment from 2017, fiscal burden for repatriated Rohingyas from Myanmar, however, may pose a challenge to the stability and economic growth of Bangladesh in 2018.

Sources: 1) Bangladesh Economic Review 2017, MOF 2) Monetary policy, Bangladesh Bank

Government's vision to make Bangladesh a developed country and associated plans and programs will accelerate the economic activities of the country where the financial service sector will play a vital role by providing private sector credit. It is hoped that banks and financial institutions will do better in 2018 despite the threat of increased NPL and cost of fund.

MFL is working to expand its business through its existing branch network with more focus to the retail and SME sector financing. MFL is in the process of procuring and implementing Core banking Software(CBS) for automation of its business. We hope, such automation will contribute to profitability of the company by reducing the overhead cost and increasing the efficiency of process. The company also has emphasized to reduce its NPL from its current position. It is expected that MIDAS Financing limited will be able to retain its position in the financial sector through vigorous policy initiatives, skilled human resources and suitable innovative products.

MFL's performance during the year

MIDAS Financing Limited (MFL) is one of the leading Non-Banking Financial Institutions in Bangladesh. Initial focus of the company was to finance mainly small and medium enterprises (SME) for alleviation of poverty through creation of employment opportunities and generation of income on a sustainable basis. Now, in addition to its SME financing, MFL has ventured into various other sectors with its financing operations and been playing a significant role in the economic development of Bangladesh.

The company has diversified its products and is now extending credit facilities like, lease financing, term loan, home loan, portfolio loan, etc. to different corporate organizations, small and medium enterprises and individuals. The company offers its services through its 15 (Fifteen) branches located at different places in the country as well as Head office. It also maintains its own portfolio of investment in listed companies' shares and securities and accepts term deposits of different types offering competitive interest rates. There was no significant change in the nature of these activities during the year 2017.

The comparative figure in financial statements of the company covered the period of 18(eighteen) months commencing from July 01, 2015 and ending on December 31, 2016. Such change in the last year was done in view of section 9(f) of the Finance Act, 2015 and in terms of Notification no. SEC/SMRIC/2011/1240/494 dated September 28, 2016 of BSEC.

Consolidated Financial results of the company is depicted below :

Taka in crore

Particulars	2017	1 July 15 to Dec 16
Net interest income	29.97	36.16
Other income	16.29	22.22
Total operating income	46.26	58.38
Total operating expenses	17.24	27.45
Net Operating Profit	29.02	30.93
Provision for loans and investments	3.54	(4.20)
Profit before tax	25.48	35.13
Provision for tax	3.68	8.40
Net profit after tax	21.80	26.73
Transfer to statutory reserve	4.55	5.58
Proposed bonus share	12.03	-
Retained surplus	5.22	21.14

Progress in the company's consolidated financial performance during the year compared to the previous periods performance is worth mentioning. All the indicators of performance show a mild progress. Macroeconomic stability, bullish trend in the capital market and expansion of business helped the company to overcome the gridlock of cumulative loss and placed it on the way to sustainable development. During the year under report the company transferred Taka 4.55 crore out of net profit after tax to statutory reserve. It, however, transferred Taka 4(four) crore from statutory reserve to retained earnings keeping total equity unchanged and duly notified the matter to the Bangladesh Bank as per the relevant provision of law. The auditor mentioned the matter in their report under the head "Emphasis of matter".

The quarterly and annual financial performance of the company for the year 2017(Consolidated) stands as under:

Taka in crore

Particulars	Q1 (Jan to Mar)	Q2 (Apr to June)	Q 3 (July to Sept)	Q 4 (Oct to Dec)	Annual 2017
Net interest income	7.83	7.10	7.82	7.22	29.97
Other operating income	6.48	3.01	3.44	3.36	16.29
Total operating income	14.31	10.11	11.26	10.58	46.26
Total operating expenses	4.44	4.79	5.12	2.89	17.24
Profit before provisions	9.87	5.32	6.14	7.69	29.02
Provision for loans/ investments	0.02	0.82	1.39	1.31	3.54
Profit before tax	9.85	4.50	4.75	6.38	25.48
Provision for tax	2.08	0.50	0.30	0.80	3.68
Net profit after tax	7.77	4.00	4.45	5.58	21.80

The table above shows that the company was fairly consistent throughout the year. During the 1st quarter of 2017 the company earned a good amount of profit from investment in the capital market. The company earned Taka 7.93 crore in 2017 from investment in shares and securities as against Taka 7.05 crore during the last period of 18 months. Such income is volatile and depends upon the ups and downs of the capital market.

Segment wise performance

a) Lease, Loans and Advances:

MFL regained its position in the financial market of the country by expanding its core business throughout the year 2017. Favorable business environment, stable political situation, sufficient liquidity and new business policy helped the growth. The total consolidated loan portfolio increased to Taka 1,010 crore as of December 31, 2017 from Taka 877 crore as of December 31, 2016, marking a 15% growth. MFL is one of the pioneers of SME financing and women entrepreneurs financing. Out of its total loan portfolio as of December 31, 2017 SME loan and women entrepreneurs loan were 54% and 17% respectively with an overlap of 6%.

NPL in banking industry in Bangladesh is soaring over the last several years. MFL has been suffering for its increased NPL for last 4/5 years. With its relentless efforts and strong recovery drives the company was able to reduce its NPL rate remarkably to 9.92% in 2017. Nevertheless, its NPL rate is still considered high compared to the industry average. Both preventive and remedial measures are being taken for further reduction of its NPL.

b) Investments:

The capital market of Bangladesh was stable and balanced in 2017 compared to 2016. The index of the country's main bourse Dhaka Stock Exchange(DSE) showed a sharp rise of 23.98% to 6,244 points as of 28 December 2017 from 5,036 points at the last trading day of the year 2016. The market capitalization recorded a 23.93% growth to Taka 422,894 crore, which was Taka 341,244 crore in the previous year. During the year 2017 the company earned Taka 7.93 crore(consolidated) from its investment in shares and securities which reflected 25.88% return on average consolidated investment. Company's Investment in shares and securities is remained within the prescribed limit of Bangladesh Bank.

c) Deposits and borrowings:

Deposits, borrowings from banks and financial institutions and Shareholders' Equity are the main sources of fund of the company. The funds are used for lease, loans and advance and working capital financing. The company also receives various low cost funds under Bangladesh Bank refinance scheme and from SME Foundation, etc. Appropriate policies are adopted to keep the cost of fund low.

As of December 31, 2017, the deposit portfolio increased to Taka 742.25 crore from Taka 665.62 crore as of December 31, 2016 registering a moderate growth of 11.51%. On the other hand, bank borrowing increased by 5.80 crore, recording a 4.33% growth.

Subsidiary operation

MIDAS Financing Limited is the owner of 99.9992% of the shares (2,49,99,800 nos. of shares of Taka 10 each) of MIDAS Investment Limited (MIL). MIDAS Investment Limited is a private Limited Company, incorporated on 09 April, 2012 (bearing Registration No C-100772/12) under Companies Act, 1994 with the Registrar of Joint Stock Companies and Firms. The company was formed with a view to operating Merchant Banking activities. The company got its license from BSEC on 06 September 2016 and started its commercial operation from 01 January 2017. MIL has started to contribute to the income of MFL and during the year 2017 the MIL earned profit after tax of Taka 1.82 crore.

MIDAS Centre

MIDAS Centre, a 13 storied building of MIDAS Financing Limited and MIDAS Investments Limited, greatly contributes to the confidence of the company's depositors, clients and shareholders in its financial standing. It is serving as a symbol of pride of its stakeholders. The Head office of MIDAS Financing Ltd. and MIDAS Investments Ltd. are located in this imposing building.

Related party transactions

As per BAS 24 "Related party transactions", related parties are those who have the control, joint control or have significant influence over the company. The details of contracts and transactions executed with related parties during this period are described in note 37 of Notes to the Financial Statements for the year ended 31 December 2017.

Risk and concerns

Proper risk management is an essential part of the company's business practices. Identification, evaluation and elimination or minimization comprise the element of the risk management system. Different committees, subcommittees, departments, units are in place to manage different risks associated with staffing, operation, finance, credit, liquidity, market, etc.

The Credit Risk Management (CRM) department scrutinizes the projects independently. It clearly identifies the exceptionally high risk sectors and checks lending to those projects that may be hazardous to the company's interests.

The Asset Liability Committee (ALCO) is constituted by the company's senior management team which regularly evaluates issues related to market, credit and liquidity and formulates useful recommendations and takes appropriate measures to mitigate risks.
The Credit Disbursement Department (CDD) and the Internal Control and Compliance (ICC) Department are responsible for assessing the operational risks of the company and also for ensuring an appropriate framework to manage such risks.

Internal Control and compliance

Strong internal controls are essential for sound management. A separate department headed by an experienced professional is devoted to maintaining strict financial, operational and risk management control over all the activities of the company.

However, the development of an internal control system is an ongoing process and it should be responsive to the changes in external and internal operating environment for achieving sustainable growth and creating a long term source of competitive advantages. The Board of Directors that is ultimately responsible for instituting an effective internal control system and reviewing the effectiveness of the system is satisfied with the effectiveness of the company's internal control system for the period under review.

Financial reporting framework

- The financial statements, prepared by the management of the company represent a fair presentation of its state of affairs, results of its operation, cash flow and changes in equity.
- Proper books of account of the Company have been maintained.
- Appropriate accounting policies have been consistently applied in preparing the financial statements to ensure that the accounting estimates are based on reasonable and prudent judgement.
- In preparation and presentation of financial statements International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) adopted in Bangladesh as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) respectively have been adhered to. Any change or deviation has been properly disclosed.
- Accounting estimates are based on reasonable and prudent judgment.
- No significant doubt exists about the company's ability to continue as a going concern.
- There is no extraordinary gain or loss during the period.

Key operational and financial data

Highlights of the key operational and financial performance are presented at page 24 of the Annual Report.

Proposed dividend

During the period, the company (solo) earned profit amounting to Taka 22.73 crore and after transfer of Taka 4.55 crore to statutory reserve it had profit of Taka 18.18 crore available for distribution. The Board in its 289th meeting held on April 15, 2018 recommended 10% stock dividend on its paid up capital for its shareholders.

Board Meetings and attendance

During the period in total 13 Board Meetings were held detailed of attendance are stated in annexure-ii of Compliance Report on BSEC's Notification in page 44 of this annual report.

Remuneration paid to the Directors including Independent Directors is stated in Note 30 of Notes to the Financial Statements.

Shareholding Pattern

The shareholding pattern as on December 31, 2017 is shown in annexure-ii of compliance report on BSEC's Notification in page 45 and 46 of this annual report.

Directors' retirement, re- appointment

In accordance with the provisions in the Articles of Association of the company and the Companies Act 1994, one-third of the Directors of the company are required to retire by rotation at each Annual General Meeting (AGM). The following Directors will retire in the 22nd Annual General Meeting:

i)	Ms. Rokia Afzal Rahman	Chairman, Nominee of MIDAS
ii)	Mr. Abdul Karim	Director, Nominee of MIDAS
iii)	Mr. Md. Shahedul Alam	Director, General Shareholders Group

The retiring Directors are eligible for reelection. A brief profile of the retiring Directors are provided at page 12, 14 and 16 respectively of the Annual Report 2017.

Corporate Social Responsibility

MIDAS Financing Limited sees itself as an integral part of the communities in which it operates. The company realizes that its activities have an impact on the community in which MIDAS Financing Limited does business. The company is also fully aware that the basis for any good business is trust and that the society expects the highest standards of service from MIDAS Financing Limited in respect of ethics and corporate responsibilities. MIDAS Financing Limited in carrying out its business activities keeps its commitments to sustainable development and transparent corporate conduct. The company sets high store by solid long-term relationships with all of its stakeholders and has achieved this by promoting a corporate culture that adheres to its business principles as well as by generating good and sustainable returns for its shareholders. The objective of the company's involvement in CSR is to ensure mutual value creation for the company as well as its employees and stakeholders.

The company feels proud of its participation in the CSR activities. During the period under report the company took part in the following areas of CSR activities:

- Distribution of blankets to the cold affected poor people.
- Sponsoring celebration of the international day of persons with disabilities 2017, organized by Physically-challenged Development Foundation (PDF), University of Dhaka.

The company worked for the growth of the SME sector along with the development of women entrepreneurs. Over the period MFL played a significant role in the economic development of the nation by providing information relating to services and products, technical support and instant loan processing for the benefit of small and medium especially women entrepreneurs.

Certification by MD and CFO

The Managing Director (MD) and Chief Financial Officer (CFO) have jointly certified to the Board of Directors of the company that:-

(I) They have reviewed the financial statements for the year ended 31st December 2017 and that to the best of their knowledge and belief;

(a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(b) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards and applicable laws.

(ii) There are, to the best of their knowledge and belief, no transactions entered into by the company during the period are fraudulent, illegal or violation of the company's code of conduct.

Status of Compliance on Corporate Governance

The status of compliance with the conditions set forth by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August, 2012 along with a certificate from a practicing Chartered Accountant has been enclosed at page 37 of the Annual Report 2017.

Acknowledgement

The Board of Directors takes this opportunity to convey its heart-felt appreciation and gratitude to the valued clients, depositors, lenders, bankers, patrons and business partners for their continued support and cooperation. The Board also expresses its deep gratitude to Bangladesh Bank, Bangladesh Securities & Exchange Commission (BSEC), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Registrar of Joint Stock Companies and Firms, National Board of Revenue (NBR) and other regulatory bodies for the help, assistance, valuable guidance and advice extended by them to the company from time to time. The Board also thanks M/s Aziz Halim Khair Choudhury, Chartered Accountants, the Auditors of the company, for their valuable service.

MIDAS Financing Limited recorded growth, outperforming its competitors. One of the major reasons for this success was its strong work ethics which has improved productivity at all levels. High and sincere appreciation of the Board of Directors is also due to the management and members of the staff of the company, for their hard work, loyalty, sincere services and dedication. Finally, the Board of Directors thanks the valued shareholders and assures them that it will continue its efforts to maximize the shareholders' wealth through further strengthening and development of the company. Let the spirit of open and honest partnership continue. The Board will always remain ready to listen to constructive criticisms at all times and make appropriate decisions in the greater interest of the company.

On behalf of the Board of Directors,



Ms. Rokia Afzal Rahman
Chairman

Report of the Audit Committee

Audit Committee of MIDAS Financing Limited (MFL) works as the Sub-Committee of the Board. It efforts to ensure implementation of the process set out in the business plan and policies within its scope. The committee also looks after compliance of corporate governance guidelines and rules & regulations of the Company's regulators.

Composition of Audit Committee

The Board of Directors of the company constituted the Audit Committee in accordance with the Bangladesh Bank guideline on internal control and compliance (ICC) framework and Corporate Governance Guidelines of Bangladesh Securities and Exchange Commission. The following members of the board comprise the Audit Committee:

Sl. No.	Name of Member	Status in the Organization	Status in the Committee
1.	Mr. Ali Imam Majumder	Independent Director	Chairman
2.	Ms. Rokia Afzal Rahman	Chairman	Member
3.	Mr. M. Hafizuddin Khan	Director	Member
4.	Mr. Siddiqur Rahman Choudhury	Independent Director	Member
5.	Ms. Parveen Mahmud FCA	Director	Member

The Chairman of the Committee, Mr. Ali Imam Majumder, is one of the Independent Directors of the company. He is a retired bureaucrat and held different senior positions of the Government of the Peoples Republic of Bangladesh during his long service life. He possesses extensive experiences in the field of Administration, Finance and Management.

The Managing Director attends in the Audit Committee meetings by invitation. The Company Secretary functions as the Secretary of the Committee.

Scope of work of the Audit Committee

The scope of work of the Audit Committee of MFL is determined by directives from its principal regulators, the Bangladesh Bank (BB), the Bangladesh Securities and Exchange Commission (BSEC) and the Board. These include, but are not limited to, exercising oversight over:

a) The internal control system and risk management process of the company;
b) Financial reporting;
c) The activities of Internal Control and Compliance (ICC) department;
d) Interaction with external auditors (hiring and performance);
e) Compliance with regulatory requirements;
f) Other responsibilities; e.g. review management letter issued by auditor, inspection report of Bangladesh Bank, etc.

The Committee presents a summary of its activities to shareholders and other interested parties by means of this report. The Chairman of the Audit Committee attends all general meetings of the Company's shareholders to answer any questions on the Committee's activities.

Meetings

During the year four meetings of the Committee were held. The Managing Director attended the meetings by invitation. Members of the senior management of the company were invited to participate at meetings as and when required. The proceedings of the Audit Committee meetings are regularly reported to the Board of Directors.

Activities

As set out by Bangladesh Bank and Bangladesh Securities and Exchange Commission, in addition to other responsibilities, the Committee is responsible for the following matters:

i) Financial reporting:

The Committee supports the Board of Directors to discharge their responsibilities for preparation of Financial Statements by:

- reviewing the systems and procedures to ensure that all transactions are completely and accurately recorded in the books of accounts;
- determining the most appropriate accounting policies;
- strict adherence and compliance with the Guidelines of Bangladesh Bank, Bangladesh Financial Reporting Standards and recommended best accounting practices; and
- reviewing the Annual Financial Statements and the Quarterly Financial Statements prepared for publication, prior to submission to the Board.

ii) Internal Controls and Risk Management:

The Board believes, with the concurrence of the Audit Committee, that the systems of internal control, including financial, operational and compliance control and risk management system maintained by the Company's management that was in place throughout the financial year and up to the date of this report, is adequate to meet the needs of the company in its current business environment. However, the Board also notes that no system of internal controls can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision making, human error, losses, fraud or other irregularities. The Committee

- reviews the processes for identification, recording, evaluation and management of all significant risks throughout the company and other entities of the group;
- evaluates the procedures made by the management for building a suitable management information system (MIS) including computerization system and its application;
- considers the internal control strategies recommended by internal auditor and external auditor and
- reviews the existing risk management procedures for ensuring an effective internal checking system.

iii) Internal audit:

- The Audit Committee approves the terms of reference of internal audit, audit plan and reviews the effectiveness of the internal audit functions.
- The Committee supports the internal audit team to work on the adequacy of the system of internal control, risk based audit approach and ensures that no unjustified restrictions or limitations are made.
- The Committee also reviews the findings and recommendations made by the internal auditors for removing and controlling the irregularities detected.

iv) External audit:

- The committee reviews the auditing performance of the external auditors and their audit reports;
- It also reviews the findings and recommendations made by the external auditor for removing the irregularities detected and takes necessary actions;
- It make recommendation to the Board regarding appointment of the external auditors.

M/S Aziz Halim Khair Choudhury, Chartered Accountants acted as external auditor for the year according to their appointment at the 21st Annual General Meeting by the shareholders.

The external auditors are not engaged by the Company on any material non-audit work such as:

a) Appraisal or valuation services or fairness opinions;
b) Financial information systems design and implementation;
c) Book-keeping or other services related to the accounting records or financial statement; and Internal audit services;
d) Broker-dealer services;
e) Internal audit services, etc.

M/S Aziz Halim Khair Choudhury, Chartered Accountants completed audit of the company for the third year and as per regulatory requirement they are not eligible for re-appointed for 2018. New audit firms, therefore, are invited and the committee in its 72nd meeting held on April 15, 2018 recomended M/S Mahfel Huq & Co, Chartered Accountants to appoint as auditors of the company for 2018. The Board in its 289th meeting held on April 15, 2018 considered the appointment of Mahfel Huq & Co, Chartered Accountants as auditors of the company for the year 2018 at fee of Tk. 1,50,000.00 including tax and vat. The issue will be placed before the shareholders in 22nd AGM of the company for approval.

v) Regulatory Compliance:

The Committee ensures that Company's procedures are in place to ensure compliance with laws and regulations formed by the regulatory authorities (Bangladesh Bank and other bodies) and internal policies approved by the Board. The Committee monitors due compliance with all requirements through different reports submitted to it.

vi) Other responsibilities:

Audit committee examines the management letter submitted by external auditor, inspection report of Bangladesh Bank, internal audit report and any other report that they think to be reviewed. It also reports to the board regarding findings, recommendations, regularization of error and omissions, fraud and forgeries and other irregularities as detected. It also performs other oversight functions as requested by the board and evaluates its performance on regular basis. The Committee also reviews the financial statements of subsidiary Company.

Acknowledgment

The Audit Committee of the Board expressed its sincere thanks to the members of the Board, Management and the auditors for their relentless support in carrying out the Committee's duties and responsibilities.



Ali Imam Majumder
Chairman, Audit Committee.

Certificate on Compliance of Conditions of Corporate Governance Guidelines to the Shareholders of MIDAS Financing Limited for the year ended 31st December 2017.

We have examined the compliance of condition of corporate governance guidelines of the Bangladesh Securities and Exchange Commission ("BSEC") by MIDAS Financing Limited (the "Non-Banking Financial Institution") as stipulated in the BSEC notification no SEC/CMRRCD/2006-158/134/Admin/44 dated 07 August 2012 and subsequent modification SEC/CMRRCD/2006158/147/Admin/48 dated 21 July 2013.

Management's Responsibilities

Those charged with governance and management of MIDAS Financing Limited are responsible for complying with the conditions of corporate governance guidelines as stated in the aforesaid notification and reporting of the status of compliance in the Annual Report.

Our Responsibilities

Our examination for the purpose of issuing this certification was limited to the checking of procedures and implementations thereof, adopted by MIDAS Financing Limited for ensuring the compliance of conditions of corporate governance and correct reporting of compliance status on the attached statement on the basis of evidence gathered and representation received.

Conclusion

To the best of our information and according to the explanations given to us, we certify that MIDAS Financing Limited has complied with the conditions of corporate governance stipulated in the above mentioned BSEC notification and reported thereon.

Howlader Maria & Co.
Chartered Accountants

Dhaka, 20th May 2018

BSEC guidelines for Corporate Governance: Compliance Status **Annexure-I**

Status of Compliance with the conditions imposed by Bangladesh Securities and Exchange Commission (BSEC)'s notification no. SEC/CMRRCD/2006-158/134/Admin/44, dated August 07, 2012, issued under section 2CC of the Securities and Exchange Ordinance, 1969, is presented below:

(Report under Condition Number 7.00)

Condition No.	Title	Compliance Status		Remarks
		Complied	Not Complied	
1.	**Board of Directors**			
1.1	Board Size (number of Directors-minimum 5 and maximum 20)	✓		
1.2	**Independent Directors**			
1.2 (i)	Independent Director(s) (at least one fifth of total number of Directors shall be Independent Director)	✓		
1.2 (ii)	**Independent Director means-**			
1.2 (ii) (a)	Who either does not hold any share in the company or hold less than one percent (1%) shares of the total paid-up shares of the company	✓		
1.2 (ii) (b)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds 1% or more shares of the total paid up shares of the company, and his/her family members should not mention shares of the company	✓		
1.2 (ii) (c)	Who does not have any other relationship, whether pecuniary or, otherwise with the company or its subsidiary/associate companies	✓		
1.2 (ii) (d)	Who is not a member, director or officer of any Stock Exchange	✓		
1.2 (ii) (e)	Who is not a shareholder, director or officer of any member of Stock Exchange or an intermediary of the capital market	✓		
1.2 (ii) (f)	Who is / was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm	✓		
1.2 (ii) (g)	Who shall not be an Independent Director in more than 3 (three) listed companies	✓		
1.2 (ii) (h)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBFI)	✓		
1.2 (ii)(i)	Who has not been convicted for a criminal offence involving moral turpitude	✓		
1.2 (iii)	The Independent Director(s) shall be appointed by the Board of Directors and approved by the shareholders in the Annual General Meeting (AGM)	✓		
1.2 (iv)	The post of Independent Director(s) cannot remain vacant for more than 90 (ninety) days	✓		
1.2 (v)	The Board of Directors shall lay down a code of conduct for all the members of the Board of Directors and annual compliance of the code to be recorded	✓		

1.2 (vi)	The tenure of office of an Independent Director shall be for a period of 3 (three) years, which may be extended for 1 (one) term only	✓		
1.3	**Qualification of Independent Director**			
1.3 (i)	Independent Director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business	✓		
1.3 (ii)	The person should be a Business Leader/Corporate Leader/Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professional like Chartered Accountant, Cost & Management Accountant, and Chartered Secretary. The Independent Director must have at least 12 (twelve) years of corporate management/professional experiences	✓		
1.3 (iii)	In special cases, the above qualifications may be relaxed subject to prior approval of the Commission			N/A
1.4	Chairman of the Board of Directors & Chief Executive Officer should be different person. The BOD should clearly define the roll and responsibilities of the Chairman and CEO	✓		
1.5	**The Directors' Report to Shareholders shall include**			
1.5 (i)	Industry outlook and possible future developments in the industry	✓		
1.5 (ii)	Segment-wise or product wise-performance	✓		
1.5 (iii)	Risks and concerns	✓		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin	✓		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss			N/A
1.5 (vi)	Basis for related party transactions - a statement of all related party transactions should be disclosed in the annual report	✓		
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments			N/A
1.5 (viii)	An explanation, if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.			N/A
1.5 (ix)	If significant variance occurs between Quarterly Financial performance and Annual Financial Statements, the management shall explain the variance on their Annual Report	✓		
1.5 (x)	Remuneration to directors including independent directors	✓		
1.5 (xi)	The Financial Statements prepared by the management of the company presence fairly its financial position, the result of its operations, cash flows and changes in equity	✓		
1.5 (xii)	Proper books of account of the company have been maintained	✓		
1.5 (xiii)	Appropriate accounting policies have been consistently applied in preparation of the financial statements and the accounting estimates are based on reasonable and prudent judgment	✓		

1.5 (xiv)	International Accounting Standards (IAS) /Bangladesh Accounting Standards (BAS) /International Financial Reporting Standards (IFRS) /Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure from those standards has been adequately disclosed	✓		
1.5 (xv)	The system of Internal Control is sound in design and has been effectively implemented and monitored	✓		
1.5 (xvi)	There is no significant doubt upon the company's ability to continue as a going concern. If company is not considered to be a going concern, the fact along with reasons thereof should be disclosed	✓		
1.5 (xvii)	Significant deviation from the last year's operating results of the company shall be highlighted and the reasons thereof should be explained	✓		
1.5 (xviii)	Key operating and financial data of at least 05 (five) preceding years shall be summarized	✓		
1.5 (xix)	If the company has not declared dividend (cash or stock) for the year, the reason shall be given			N/A
1.5 (xx)	Number of board meetings held during the year and attendance by each director shall be disclosed	✓		
1.5 (xxi)	The pattern of shareholding shall be reported to disclose the aggregate number of shares.	✓		
1.5(xxi)(a)	Parents/Subsidiary/Associate Companies and other related parties (name wise details)	✓		
1.5(xxi)(b)	Directors, Chief Executive Officer, Chief Financial Officer, Company Secretary, Head of Internal Audit and their spouse and minor children (name wise details)	✓		
1.5(xxi)(c)	Executives (top 5 (five)) salaried employees of the Company, other than the Directors, CEO, CFO, Company Secretary and Head of Internal Audit	✓		
1.5(xxi)(d)	Shareholders holding 10% (ten percent) or more voting interest (name wise details)	✓		
1.5 (xxii)	Appointment/Reappointment of Directors	✓		
1.5(xxii)(a)	A brief resume of the director	✓		
1.5(xxii)(b)	Nature of his/her expertise in specific functional areas	✓		
1.5(xxii)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board	✓		
2	**Chief Financial Officer (CFO), Head of Internal Audit (Internal Control & Compliance) and Company Secretary (CS)**			
2.1	The company shall appoint a Chief Financial Officer (CFO), a Head of Internal Audit (Internal Control & Compliance) and a Company Secretary (CS). The Board of Directors should clearly define the respective roles, responsibilities, and the duties of the CFO, Head of Internal Audit and CS	✓		

2.2	CFO and the Company Secretary shall attend the meeting of the Board of Directors	✓		
3	**Audit Committee**			
3 (i)	The company shall have an Audit Committee as sub-committee of the Board of Directors	✓		
3 (ii)	The Audit Committee shall assist the Board of Directors to ensure that the financial statements reflect true and fair view of the financial position of the company and a good monitoring system within the business are in place	✓		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing	✓		
3.1	**Constitution of the Audit Committee**			
3.1 (i)	The Audit Committee should be composed of at least 3 (three) members	✓		
3.1 (ii)	The Board of Directors shall appoint the members of the Audit Committee who shall be Directors of the company and shall include at least 1 (One) Independent Director	✓		
3.1 (iii)	All members of the Audit Committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience	✓		
3.1 (iv)	When the term of service of the committee members expires or there is any circumstances causing a committee member to be unable to hold office until expiration of the term of services, thus making the number of the committee members lower of the prescribed number of 3 (three) member, the Board of Directors shall appoint the new committee member(s) to fill up the vacancy(ies) immediately or not later than 1 (One) month from the date of the vacancy (ies) in the committee to ensure continuity of the performance of work of the Audit Committee			N/A
3.1 (v)	The Company Secretary shall act as the Secretary of the Committee	✓		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) Independent Director	✓		
3.2	**Chairman of the Audit Committee**			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Committee, who shall be an Independent Director	✓		
3.2 (ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM)	✓		
3.3	**Role of the Audit Committee**			
3.3 (i)	Oversee the financial reporting process	✓		
3.3 (ii)	Monitor choice of accounting policies and principles	✓		
3.3 (iii)	Monitor Internal Control Risk management process	✓		
3.3 (iv)	Oversee hiring and performance of external auditors	✓		

3.3 (v)	Review, along with the management, the annual financial statements before submission to the Board of Directors for approval	✓		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the Board Directors for approval	✓		
3.3 (vii)	Review the adequacy of internal audit function	✓		
3.3 (viii)	Review statement of significant related party transactions submitted by the management	✓		
3.3 (ix)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors	✓		
3.3 (x)	When money is raised through Initial Public Offering (IPO)/ Repeat Public Offering (RPO) / Rights issue, the company disclosed to the Audit Committee about the uses/ applications of funds by major categories (Capital Expenditure, Sales & Marketing Expenses, Working Capital etc.), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company prepares a Statement of Fund utilized for the purposes other than those stated in the office documents / prospectus			N/A
3.4	**Reporting of the Audit Committee**			
3.4.1	**Reporting to the Board of Directors**			
	The Audit Committee shall report on its activities to the Board of Directors	✓		
	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-			
3.4.1 (a)	Conflict of interest			N/A
3.4.1 (b)	Suspected or presumed fraud or irregularity or materials defect in the internal control system			N/A
3.4.1 (c)	Suspected infringement of laws, including securities related laws, rules and regulations			N/A
3.4.1 (d)	Reporting of any other matter which shall be disclosed to the Board of Directors immediately			N/A
3.4.2	**Reporting to Authorities** If any report which has material impact on the financial position & results of operation which has been discussed with the Board of Directors and the management that any rectification is necessary and which is unreasonably ignored, the Audit Committee shall report such findings to the Commission upon reporting of such matters to the Board of Directors three times or completion of a period of 6 (six) month from the date of first reporting to the Board of Directors whichever is earlier			N/A
3.5	**Reporting to Shareholders and General Investors** Report on activities carried out by the Audit Committee including any report made to the Board of Directors under condition 3.4.1 (ii) above during the year, shall be signed by the Chairman of the Audit Committee and disclosed in the Annual Report of the Company	✓		

4	**External/Statutory Auditors shall not be engaged to perform the following services of the company:**			
4 (i)	Appraisal or valuation services or fairness opinion	✓		
4 (ii)	Financial Information System Design and implementation	✓		
4 (iii)	Book Keeping or other services related to the accounting records or financial statements	✓		
4 (iv)	Broker-Dealer services	✓		
4 (v)	Actuarial services	✓		
4 (vi)	Internal Audit services	✓		
4 (vii)	Any other services that the Audit Committee determines	✓		
4 (viii)	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company	✓		
4 (ix)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition No. 7	✓		
5	**Subsidiary Company**			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company	✓		
5 (ii)	At least 1 (one) Independent Director on the Board of Directors of the holding company shall be Director on the Board of Directors of the subsidiary company	✓		
5 (iii)	The minutes of the Board of Directors meeting of the subsidiary company shall be placed for review at the following Board of Directors meeting of the holding company.	✓		
5 (iv)	The minutes of the respective Board of Directors meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company too	✓		
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company	✓		
6	**Duties of Chief Executive Officer (CEO) and Chief Financial Officer (CFO)**			
	The CEO and CFO shall certify to the Board of Directors that:			
	They have reviewed financial statements for the year and that to the best of their knowledge and belief:			
6 (i) (a)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading	✓		
6 (i) (b)	These statements together present a true and fair view of the company's financial position and are in compliance with existing accounting/reporting standards and applicable laws	✓		
6 (ii)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct	✓		

7	**Reporting and Compliance of Corporate Governance:**			
7 (i)	The Company shall obtain a certificate from a practicing Professional Accountant/Secretary (Chartered Accountant/Cost & Management Accountants/Chartered Secretary) regarding compliance of conditions of Corporate Governance Guidelines of the Commission and shall send the same to the shareholders along with the Annual Report on a yearly basis	✓		
7 (ii)	The Board of Directors of the company shall state, in accordance with the Annexure of notification Number: SEC/CMRRCD/2006-158/134/Admin/44, dated 07 August 2012 in the Directors' Report whether the company has complied with these conditions	✓		

Compliance Report on BSEC's Notification **Annexure -II**

Compliance of Section 1.5(xx)

Board of Directors meeting held during the year 2017 and attendance by each Director:

Sl. No.	Composition of the Board	Meeting held	Attended
1	Ms. Rokia Afzal Rahman (Chairman)	13	13
2	Mr. M. Hafizuddin Khan (Director)	13	11
3	Mr. Ali Imam Majumder (Independent Director)	13	13
4	Mr. Siddiqur Rahman Choudhury (Independent Director)	13	12
5	Mr. Abdul Karim (Director)	13	11
6	Mr. Mohammed Nasir Uddin Chowdhury (Director)	13	8
7	Mr. S. M. Azad Hossain (Director)	13	13
8	Mr. Md. Shamsul Alam (Director)	13	13
9	Mr. Md. Shahedul Alam (Director)	13	11
10	Mr. Bazlur Rahman Khan (Director)	13	2
11	Mr. Md. Ikramullah (Director)	13	6

Notes:

- Mr. M. Hafizuddin Khan, was appointed as Representative Director of Micro Industries Development Assistance and Services (MIDAS) with effect from 28.02.2017. Mr. Khan replaced Late Mr. Mirza Ali Behrouze Ispahani.
- Mr. Abdul Karim was appointed as Representative Director of MIDAS with effect from 28.02.2017 Mr. Karim replaced Mr. Bazlur Rahman Khan.
- Mr. Mohammed Nasir Uddin Chowdhury was appointed as Representative Director of LankaBangla Finance Ltd. instead of Mr. Mohammad Khairul Anam Chowdhury with effect from 28.02.2017.
- MIDAS withdrew its nomination of Mr. Md. Ikramullah and nominated Ms. Parveen Mahmud FCA with effect from 28.12.2017.

Executive Committee meeting held during the year 2017 and attendance by each Director:

Sl. No.	Composition of the Committee	Meeting held	Attended
1	Mr. Mohammed Nasir Uddin Chowdhury	13	8
2	Ms. Rokia Afzal Rahman	13	12
3	Mr. Ali Imam Majumder	13	12
4	Mr. Md. Shamsul Alam	13	13
5	Mr. Md. Ikramullah	13	6
6	Mr. M. Hafizuddin Khan	13	1

Notes:

- MIDAS withdraw its nomination of Mr. Md. Ikramullah and nominated Ms. Parveen Mahmud FCA to the Board of the company with effect from 28.12.2017.

Audit Committee meeting held during the year 2017 and attendance by each Director:

Sl. No.	Composition of the Committee	Meeting held	Attended
1	Mr. Ali Imam Majumder (Independent Director)	4	4
2	Ms. Rokia Afzal Rahman (Chairman)	4	4
3	Mr. M. Hafizuddin Khan (Director)	4	4
4	Mr. Siddiqur Rahman Choudhury (Independent Director)	4	4
5	Mr. Md Ikramullah	4	1

Notes:

- MIDAS withdraw its nomination of Mr. Md. Ikramullah and nominated Ms. Parveen Mahmud FCA with effect from 28.12.2017.

Compliance of Section 1.5(xxi)
The Pattern of Shareholding
a) Parent/Subsidiary/Associated companies and other related party:

Name	Number of Share	Shares Held
Parent/Subsidiary/Associated companies and related party	0	0%

b) (i) Directors and their spouse and minor children:

Name	Designation	Number of share	Amount (Taka)	Shares Held
Ms. Rokia Afzal Rahman	Nominated By MIDAS	1,192,554	11,925,540	0.99%
Mr. Ali Imam Majumder	Independent Director	0	0	0%
Mr. Siddiqur Rahman Choudhury	Independent Director	0	0	0%
Mr. Abdul Karim	Nominated By MIDAS	0	0	0%

Mr. Mohammed Nasir Uddin Chowdhury	Nominated by Lanka Bangla Finance Limited	6,831,000	68,310,000	5.68%
Mr. S. M. Azad Hossain	Representative of general shareholders group	2,00,000	2,000,000	0.17%
Mr. Md. Shamsul Alam	Representative of general shareholders group	10,946	109,460	0.01%
Mr. Md. Shahedul Alam	Representative of general shareholders group	1,909,320	19,093,200	1.59%
Ms. Parveen Mahmud FCA	Nominated By MIDAS	0	0	0%
Mr. M. Hafizuddin Khan	Nominated By MIDAS	0	0	0%
Mr. Shafique-ul-Azam	Managing Director	0	0	0%

b) (ii) Chief Financial Officer, Company Secretary, Head of Internal Audit and their spouse and minor children:

Name	Designation	Number of share	Amount (Taka)	Shares Held
Ms. Nasreen Ahmed	Chief Financial Officer	737	7,370	0.00%
Md. Abdul Wadud	Company Secretary	0	0	0%
Mr. Ahmed Ibne Majid Khan	Head of Internal Audit	0	0	0%

c) Executives (Top five salaried employees of the company, other than Directors, CEO, CFO and Head of Internal Audit)

Name	Designation	Number of share	Amount (Taka)	Shares Held
Mr. Atiar Rahman Ansary	GM, Monitoring and Recovery	2908	29,080	0.00%
Mr. Monirul Islam	GM, Business Development	0	0	0%
Ms. Morsheda Hasin	AGM, CAD	0	0	0%
Mr. Shameem Ahmed	AGM	0	0	0%
Mr. Sk Monirul Alam	AGM, Incharge of Khulna Branch	0	0	0%

d) Shareholding ten percent (10%) or more voting interest in the company:

Name	Designation	Number of share	Amount (Taka)	Shares Held
MIDAS	Sponsor	36,139,766	361,397,660	30.05%
Lanka Bangla Investment Limited	General Shareholder	1,60,00,000	160,000,000	13.30%

Disclosures under Pillar III - Market Discipline

A) Scope of Application

Qualitative Disclosures:

(a) The Name of the top corporate entity in the group to which this guidelines applies:

MIDAS Financing Limited.

(b) An outline of differences in the basis of consolidated for accounting and regulatory purpose with a brief description of the entities within the group (a) that are fully consolidated; (b) that are given a deduction treatment; and (c) that are neither consolidated nor deducted (e.g where the investment is risk weighted):

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) which is fully consolidated.

(c) Any restrictions, or other major impediments, on transfer of funds or regulatory capital within the group:
Not applicable.

Quantitative Disclosures:

(d) The aggregate amount of capital deficiencies in all subsidiaries are not included in the consolidation that are deducted and the name(s) of such subsidiaries:
Not applicable.

B) Capital Structure

Qualitative Disclosures:

(a) Summary information on terms and conditions of the main features of all capital instruments, especially in the case of capital instruments eligible for inclusion in Tier-I or Tier-II.

As per the guidelines of Bangladesh Bank, Tier-I and Tier-II Capital of the Company consists of as per following:

Tier -I	Tier -II
Fully Paid up Capital	General provision
Share premium account	Revaluation reserves
Statutory reserve	50% of revaluation reserve of fixed assets
Retained earnings	45% of revaluation reserve on securities All other preference shares

Quantitative Disclosures:

(b) The amount of Tier-I capital, with separate disclosure of:

Particulars	Amount in Crore Taka
Paid up capital	120.27
Non-repayable share premium account	-
Statutory reserve	8.02
General Reserve & other reserve	-
Retained earning	15.76
Dividend equalization account	-
Total Tier -I capital	**144.05**

(c) The total amount of Tier-II capital	7.87
(d) Other deductions from capital	-
(e) Total eligible capital	151.92

C) Capital Adequacy

Qualitative Disclosures:

A summary discussion of MFL's approach to assessing the adequacy of its capital to support current and future activities.

Risk Weighted Assets (RWA) and Capital Adequacy Ratio (CAR)

MFL has applied Standard approach for computation of Capital Charge for Credit Risk and Market Risk while Basic Indicator Approach for Operation Risk. Total Risk Weighted Assets (RWA) of the Company is determined by multiplying capital charge for market risk and operational risk by reciprocal of the minimum capital adequacy ratio and adding the resulted figures to the sum of risk weighted assets for credit risk. Total RWA is then used as denominator while total Eligible Capital as numerator to derive Capital Adequacy Ratio.

Strategy to Achieve the Required Capital Adequacy:

- Rigorous monitoring of overdue loans to bring those under 90 days overdue
- Financing clients having good rating as per Company's policy
- Using benefit of credit risk mitigation by taking eligible collaterals against transactions
- Raise fresh capital by issuing bonus share/right issue.

Quantitative Disclosures:

Particulars	Amount in Crore Taka
(a) Capital requirement for Credit Risk	819.78
(b) Capital requirement for Market Risk	56.74
(c) Capital requirement for Operational Risk	46.28

Total and Tier -I capital ratio

Particulars	Consolidated	Stand Alone
CAR on Total capital basis (%)	16.46%	16.66%
CAR on Tier 1 capital basis (%)	15.61%	15.79%

D) Credit Risk

Qualitative Disclosures:

(a) The general qualitative disclosure requirement with respect to credit risk including:

- Definitions of past due and impaired (for accounting purposes);
  As per the Bangladesh Bank's Prudential Guideline on Capital Adequacy and Market Discipline for Financial Institutions, the unsecured portion of any claim or exposure (other than claims secured by residential property) that is past due for 90 days or more, net of specific provisions (including partial write-off) will be risk weighted as per risk weights of respective balance sheet exposures. For the purpose of defining the net exposure of the past due loan, eligible financial collateral (if any) may be considered for Credit Risk Mitigation.
- Description of approaches followed for specific and general allowances and statistical methods;

Particulars	Rate
General provision on unclassified loan, leases	1%
General provision on unclassified SME loan, leases	0.25%
General provision on special mention account	5%
Specific provision on substandard loan, leases	20%
Specific provision on doubtful loan, leases	50%
Specific provision on bad/loss loan, leases	100%

Discussion on FI's credit risk management policy

Implementation of various strategies to minimize risk:

To encounter and mitigate credit risk, the following control measures are taken place at MFL:

- Looking into payment performance of customer before financing;
- Strong follow up of compliance of credit policies by appraiser and credit department;
- Taking collateral, performing valuation and legal vetting on the proposed collateral;
- Seeking legal opinion from external lawyers for any legal issues if required;
- Regular review of market situation and industry exposures;
- Insurance coverage for funded assets;
- Annual review of clients.

In addition to the industry best practices for assessing, identifying and measuring risks, MFL also considers Guideline for Managing Core Risks of Financial Institutions issued by Bangladesh Bank for management of risks.

Approved Credit Policy by the Board of Directors

The Board of Directors has approved the credit policy for the company where major policy guidelines, growth strategy, exposure limits and risk management strategies have been described /stated. Credit policy is regularly updated to cope up with the changing global, environmental and domestic scenarios.

Separate Credit Administration Department

An independent Credit Administration Department is in place, at MFL, to scrutinize all loans from risk-weighted point of view and assist the management in creating a high quality portfolio and maximize returns from assets. The Credit department assesses credit risks and suggests mitigations and ensures that adequate security documents are in place before sanction of loan and before disbursement of loans.

Special Recovery and Collection Team

A strong recovery team monitors the performance of the loans and advances, identifies early sign of delinquencies in portfolio and takes corrective measures to mitigate risks, improve loan quality and to ensure recovery of loans in a timely manner including legal actions.

Independent Internal Compliance Department (ICC)

Appropriate internal control measures are in place at MFL. An Internal Compliance Department has been established to ensure compliance with all internal guidelines, Bangladesh Bank guidelines, operational procedures and adequacy of internal control and documentation procedures.

Credit Evaluation

To mitigate credit risk, MFL search for credit reports from Credit Information Bureau (CIB) of Bangladesh Bank. The report is scrutinized by Credit Admin Department and Loan Operation Department to understand the liability condition and repayment behavior of the client. Depending on the reports, opinions are taken from the concerned related parties for better understanding about client's credit worthiness.

Credit Approval Process

To ensure both speedy service and mitigation of credit risk, the approval process is maintained through a multilayer system. Depending on the size of the loan, a multilayer approval system is designed. As smaller loan are very frequent and comparatively less risky, lower sanctioning authority is set to improve processing time and associated risk. Biggest loans require scrutiny as the associated risk is higher hence sanctioning authority is higher as well.

Credit Quality and Portfolio Management

MFL believes in diversification in terms of products as well as sectors. To mitigate the Credit Risk, the company diversifies its loan exposure to different sectors confirming the Central Bank's requirements. Threshold limit is set for any sector so that any adverse impact on any industry has minimum effect on MFL's total return. Central Bank's instructions are strictly followed in determining Single Borrower/Large Loan limit. Significant concentration of credit in terms of group/sector or geographical location is carefully avoided to minimize risk.

Early Warning System

Performance of loans is regularly monitored to trigger early warning system to address the loans and advances whose performance show any deteriorating trend. It helps the company to grow its credit portfolio with ultimate objective of protecting the interest of the stakeholders.

Methods used to measure Credit Risk

As per the directives of Bangladesh Bank, 'The Standardize Approach' is applied by the company to measure its Credit Risk.

Quantitative Disclosures:

(b) Total gross credit risk exposures broken down by major types of credit exposure

Particulars	Amount in crore Taka
Lease finance	88.28
Term finance	748.71
Housing finance	140.44
Staff Loan	2.74
Consumer credit	0.28
Interest receivable	29.49
Total	**1,009.94**

(c) Geographical distribution of exposures, broken down in significant areas by major types of credit exposure

Area	Amount in crore Taka
Dhaka	641.98
Chittagong	264.56
Khulna	50.14
Rajshahi	53.26
Total	**1,009.94**

(d) Industry or counterparty type distribution of exposures, broken down by major types of credit exposure

Particulars	Amount in crore Taka
Trade and Commerce	253.65
Garments and Knitwear	41.38
Textile	91.47
Food Production/Processing Industries	42.86
Leather & Leather Goods	3.60
Iron, Steel & Engineering	65.16
Pharmaceuticals and Chemicals	14.49
Telecommunication/Information Technology	0.74
Paper, Printing and Packaging	10.99
Jute & Jute Products	0.64
Ship Manufacturing Industry	24.25
Transport & Communication	4.23
Agriculture	13.34
Real Estate & Housing	144.10
Merchant Banking /Loan against Lien of Securities	7.11
Others	2 88.61
In-house Employees' Loan	3.33
Total	**1,009.94**

(e) Residual contractual maturity breakdown of the whole portfolio, broken down by major types of credit exposure

Particulars	Amount in crore Taka
Repayable on demand	90.10
Not more than 3 months	64.81
Over 3 months but not more that 1 year	180.42
Over 1 year but not more than 5 years	450.37
Over 5 years	224.24
Total	**1,009.94**

(f) By major industry or counterparty type:

i) Amount of impaired loans and if available, past due loans, provided separately

Particulars	Amount in crore Taka
Gross non -performing assets (NPA)	102.34
NPAs to gross loans and advances (%)	9.92%

ii) Specific and general provisions

Particulars	Amount in crore Taka
Provision on classified loans and advances	7.88
Provision on unclassified loans and advances	32.29
Provision for off balance sheet exposures	-
Total	**40.17**

iii) Charges for specific allowances and charge - offs during the year.

(g) Gross Non - Performing Assets (NPAs)

Movement of Non - Performing Assets (NPAs)

Particulars	Amount in crore Taka
Opening Balance	107.22
Additions	-
Reductions	(4.86)
Closing Balance	**102.34**

Movement of Specific Provisions for NPAs

Particulars	Amount in crore Taka
Opening Balance	40.66
Provisions made during the period	3.28
Write -off	(11.65)
Written -back of excess provisions	-
Closing Balance	**32.29**

E) Equities: Banking book positions

Qualitative Disclosures:

a) The general qualitative disclosure requirement with respect to equity risk, including: Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons;

Investment in equity securities are broadly categorized into two parts:

i) Quoted Securities that are traded in the secondary markets. (Trading Book Assets).
ii) Unquoted Securities that are valued at cost price.

Discussion of important policies covering the valuation and accounting of equity holdings in the banking book positions. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices. Both quoted unquoted securities are valued at cost and necessary provisions are maintained is the prices fall below the cost price.

Quantitative Disclosures:

b) Value disclosed in the balance sheet of investments, as well as the fair value of those investments, for quoted securities, a comparison to publicly quoted share value where the share price is materially different from fair value.

Particulars	Amount in crore Taka
Quoted shares (Market price)	28.37
Quoted shares (Cost price)	30.94
Unquoted shares	3.74
Total unrealized gains (Losses)	2.58
Total latent revaluation gains (Losses)	-
Any amounts of the above included in Tier 2 Capital	-
Total	**34.68**

Capital requirements broken down by appropriate equity groupings, consistent with FI's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory provisions regarding regulatory capital requirements.

Specific Risk-Market value of investment in equities is BDT 28.37 crore. Capital requirement is 10% of the said value which stands at BDT 2.84 crore.

General Risk – Market value of investment in equities is BDT 28.37 crore. Capital requirement is 10% of the said value which stands at BDT 2.84 crore.

F) Interest rate in the banking book

Qualitative Disclosures:

a) The general qualitative disclosure requirement including the nature of interest risk and key assumptions, including assumptions regarding loan prepayments and behavior of non-maturity deposits.

Interest rate risk in the banking book arises from mismatches between the future yield of assets and their funding cost. Assets Liability Committee (ALCO) monitors the interest rate movement on a regular basis. MFL measures the interest rate risk by calculating maturity gap between Risk Sensitive Assets (RSA) and Risk Sensitive Liabilities (RSL) i.e. a positive maturity gap affect company's profitability positively with the increment of interest rate and negative maturity gap affects company's profitability adversely with the increment of interest rate.

Quantitative Disclosures:

b) The increase (decline) in earning or economic value (or relevant measure used by management) for upward and downward rate shocks according to management's method for measuring interest rate risk broken down by currency (as relevant).

Interest Rate Risk-Increase in Interest Rate: (BDT in Crore) Where applicable

Amount in crore in Taka

Particulars	Maturity wise Distribution of Assets Liabilities				
	1 to 30/31 day (One month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year
A. Total Rate Sensitive Liabilities (A)	206.61	162.42	158.23	99.76	118.32
B. Total Rate Sensitive Assets (B)	159.21	123.69	150.09	99.49	120.64
C. Mismatch	- 47.41	- 38.74	- 8.14	- 0.27	2.32
D. Cumulative Mismatch	- 47.41	- 86.14	- 94.29	- 94.56	- 92.24
E. Mismatch (%)	-22.94%	-23.85%	-5.15%	-0.27%	1.96%

Interest Rate Risk			
Magnitude of Shock	**Minor**	**Moderate**	**Major**
	2%	**4%**	**6%**
Change in the Value of Bond Portfolio (BDT in Crore)	-	-	-
Net Interest Income (BDT in Crore)	- 1.84	-3.69	- 5.53
Revised Regulatory Capital (BDT in Crore)	150.08	148.23	146.39
Risk Weighted Assets (BDT in Crore)	922.79	922.79	922.79
Revised CAR (%)	16.26 %	16.06%	15.86 %

G) Market Risk

Qualitative Disclosures:

Views of BOD on trading/investment activities

All the Market risk related policies/guidelines are duly approved by BOD. The BOD sets limits, reviews and updates the compliance on regular basis aiming to mitigate market risk.

Method used to measure Market risk

Market risk is the probability of losing assets in balance sheet and off-balance sheet position arising out of volatility in market variables i.e. interest rate, exchange rate and prices of securities. In order to calculate the market risk for trading book purposes the company uses Standardize (rule based) Approach. Capital charge for interest rate risk and foreign exchange risk is not applicable to our company as because we do not have such balance sheet items.

Market Risk Management System

A system for managing Market Risk is in place where guideline has been given regarding long-term, short-term funding, liquidity contingency plan, local regulatory compliance, etc. Treasury manages the Market risk with the help of Asset Liability Management Committee (ALCO) and Asset Liability Management (ALM) Desk in the following manner:

Interest Risk Management

Treasury Department reviews the risk of changes in the income of the company as a result of movements in the market interest rates. In the normal course of business, MFL tries to minimize the mismatches between the duration of interest rate sensitive assets and liabilities. Effective Interest Rate Risk Management is done as under:

Market analysis

Market analysis over interest rate movements are reviewed by the Treasury Department of the company. The type and level of mismatch interest rate risk of the company is managed and monitored from two perspectives, being an economic value perspective and earning value perspective.

GAP analysis

ALCO has established guidelines in line with central bank's policy for the management of assets and liabilities, monitoring and minimizing interest rate risks at an acceptable level. ALCO in its regular monthly meeting analyzes Interest Rate Sensitivity by computing GAP i.e. the difference between rate sensitive assets and rate sensitive liabilities and takes decision of enhancing or reducing the GAP according to prevailing market situation aiming to mitigate interest rate risk.

Continuous Monitoring

Company's treasury manages and controls day-to-day trading activities under the supervision of ALCO that ensures continuous monitoring of the level of assumed risks.

Equity Risk Management

Equity Risk is the risk of loss due to adverse change in the market place of equities held by the Company.

Equity Risk is managed by the following manner

MFL minimizes the equity risks by portfolio diversification as per investment policy of the Company. The entire portfolio is managed by MIDAS Financing Limited.

Quantitative Disclosures

The capital requirements for Market Risk:

Particulars	Amount in crore Taka
Interest rate risk	-
Equity position risk	56.74
Foreign Exchange Position and Commodity risk (if any)	-

H) Operational Risk:

Qualitative disclosure:

Views of Board on the system to reduce Operational Risk

All the policies and guidelines of internal control and compliances are established as per advice of the Board. The Board delegates its authority to Executive Committee and Managing Director. Audit Committee of the Board oversees the activities of internal Control and compliance as per good governance guideline issued by Bangladesh Securities and Exchange Commission.

Performance gap of executives and staff

MFL's recruitment policy is based on retaining and attracting the most suitable people at all levels of the business and this is reflected in our objective approach to recruitment and selection. The approach is based on the requirements of the job (both now and in future), matching the ability and potential of the individual. Qualification, skills and competency form our basis for nurturing talent. Favorable job responsibilities are increasingly attracting greater participation from different level of employees in the MFL family. We aim to foster a sense of pride in working for MFL and to be the employer of choice. As such there exists no performance gap in MFL.

Potential external events

No such potential external event exists to raise operational risk of MFL at the time of reporting.

Policies and Procedure for mitigating operational risk

MFL has also established a strong Internal Control and Compliance Department (ICC) to address operational risk and to frame and implement policies to deter such risks. ICC Department assesses operational risk across the company as a whole and ensures that appropriate framework exists to identify, assess and manage operational risk.

Approach to calculating capital charge for operational risk

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and system or from external events. MFL uses basic indicator approach for calculating capital charge against operational risk i.e. 15% of average positive annual gross income of the company over last three years.

Quantitative Disclosures:

Capital requirement for operational risk

Particulars	Amount in crore Taka
Capital requirement for operational risk	46.28

Value Added Statement

Value Added statement represents the value created by MIDAS Financing Limited and its subsidiary through operational activities and shows how it was distributed among the stakeholders to meet various obligation and reward those responsible for its creation. A portion of added value has also been retained in the company for future investment and expansion.

Taka in Million

Particulars	For the year ended December 31, 2017		For the 18 months ended December 31, 2016	
	Amount	%	Amount	%
Value added				
Net interest income	299.73	77.29%	361.58	65.91%
Investment Income	79.25	20.44%	70.48	12.85%
Fees and Other income	83.68	21.58%	151.73	27.66%
Operating expenses except salary & allowances, depreciation & amortization	(39.46)	-10.18%	(77.18)	-14.07%
Provision for loan, advances & investments	(35.42)	-9.13%	41.96	7.65%
Total value added by the Company	**387.78**	**100.00%**	**548.57**	**100.00%**
Distribution of value added				
Employees salary & allowances	115.39	29.76%	172.07	31.37%
Provider of capital - Dividend	120.27	31.02%	-	0.00%
Government - Income Tax	36.85	9.50%	84.04	15.32%
Retained for business growth:				
Earning retained in the Business	97.68	25.19%	267.21	48.71%
Depreciation and amortization	17.59	4.54%	25.25	4.60%
Total distribution	**387.78**	**100%**	**548.57**	**100%**

Market Value Added (MVA) Statement

Market Value Added statement reflects the company's performance evaluated by the market through the shares. MVA is the difference between total market value and total book value of the share of the company. A high MVA indicates that the company has created substantial wealth for its shareholders.

Particulars	2017	2016
Number of shares outstanding at the close of business	120,268,676	120,268,676
Market value per share (Taka)	44.70	28.00
Market Value of shares outstanding (Taka in Million)	5,376.01	3,367.52
Book Value of shares outstanding(Taka in Million)	1,202.69	1,202.69
Market Value added (Taka in Million)	4,173.32	2,164.84

Economic Value Added (EVA) Statement

Economic Value Added(EVA) statatement is value based financial performance measure which reflects the absolute amount of shareholders' value created or destroyed during each period. It provides a measurement of company's economic success or failure over a period of time. Company which earn higher returns than cost of capital create value, and company which earn lower cost of capital are deemed harmful for shareholders value.

EVA is calculated by applying following formula: EVA= Net Operating Profit-Tax-Cost of Capital.

Taka in Million

Particulars	**2017**	**2016 (18 Months)**
Net Operating Profit	290.22	309.29
Provision for taxes	36.85	84.04
A) Net Operating Profit after tax (NOPAT)	253.37	225.25
Capital employed		
Shareholder's equity	1,440.52	1,154.04
Accumulated provision for doubtful accounts and future losses	420.29	477.36
Total Capital employed	1,860.81	1,631.40
B) Average capital employed*	1,746.11	1,582.44
Charges for capital		
Average Capital employed (B)	1,746.11	1,582.44
Cost of equity (%)**	9.24%	8.89%
C) Capital charge	161.34	140.68
Economic Value added (A-C)	92.03	84.57

* Average shareholders equity has been derived from average of current year and previous year.

** Cost of equity reflects shareholders' expected return. Ultimately, this is the opportunity cost for shareholders for investing their funds in the company. Interest on 10 years Government Treasury Bond plus a standard risk premium has been assumed to be the cost of equity.

Album

AGM


Our Mission
মাইডাস ফাইন্যান্সিং লিমিটেড
MIDAS FINANCING LTD.
Our Vision







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Achievements









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CSR


মাইডাস ফাইন্যান্সিং লিমিটেড


শীতার্ত দরিদ্র মানুষের মাঝে কম্বল বিতরণ অনুষ্ঠান
মাইডাস ফাইন্যান্সিং লিমিটেড




BRATING INTERNATIONAL DAY OF PERSONS WITH DISABILITIES 2017
"SUSTAINABLE DEVELOPMENT GOALS AND DISABILITY"



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Managers' Conference





MIDAS Financing Limited



Auditors' Report and Audited Financial Statements

AHKC
AZIZ HALIM KHAIR CHOUDHURY
CHARTERED ACCOUNTANTS
EXCLUSIVE CORRESPONDENT FIRM OF PKF INTERNATIONAL

Independent Auditors' Report to the Shareholders of
MIDAS Financing Limited and its Subsidiary

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of MIDAS Financing Limited (the 'Group') and its subsidiary as well as the separate financial statements of MIDAS Financing Limited (the 'Company'), which comprise the consolidated and separate Balance Sheets for the year ended 31 December 2017 and the Consolidated and the separate Profit and Loss accounts, consolidated and separate statements of changes in equity and consolidated and separate cash flow statements for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements and Internal Controls

Management is responsible for the preparation of the consolidated financial statements of the Group and also the separate financial statements of the Company that give a true and fair view in accordance with Bangladesh Financial Reporting Standards (BFRSs), the Financial Institutions Act 1993, the rules and regulations issued by Bangladesh Bank, Bangladesh Securities and Exchange rules 1987, 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements of the Group and the separate financial statement is of the Company based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements of the Group and separate financial statements of the Company are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements of the Group and the separate financial statements of the Company. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements of the Group and the separate financial statements of the Company, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements of the Group and the seperate financial statements of the Company that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements of the Group and also separate financial statements of the Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Opinion

In our opinion, the consolidated financial statements of the Group and the separate financial statements of the Company give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Company for the year ended December 31, 2017 and of the consolidated and the separate financial performance and cash flows of the Company for the year then ended in accordance with Bangladesh Financial Reporting Standards (BFRS) and comply with the applicable sections of the Financial Institutions Act 1993, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Emphasis of Matter

We draw attention to the following matters though our opinion is not qualified in respect of the same:

We draw attention to Note 16 & 17(a) to the financial statements for the years 2017 and 2016 which describe that the group has transferred an amount of Taka 40.00 million this year and 120.00 million last year to retained earnings from statutory reserve account, which if not been transferred, the balance in retained earnings/(loss) account would have been Taka (2.40) million instead of existing Taka 157.60 million.

Report on Other Legal and Regulatory Requirements

We also report that:

(a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

(b) financial statements of a subsidiary company, MIDAS Investment Limited, have been audited by Mahfel Huq & Co. Chartered Accountants and have been properly reflected in the consolidated financial statements and issued unqualified reports;

(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 examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;

(d) the consolidated balance sheet and consolidated profit and loss account of the Group and the separate balance sheet and profit and loss account of the Company together with annexed note from 1 to 38 dealt with by the report are in agreement with the books of account and returns, so far as it appeared from our examination on a test basis;

(e) the expenditure incurred during the year were for the purposes of the business of the Company;

(f) the Company has complied with relevant laws pertaining to capital and reserves and found satisfactory except as stated above;

(g) the consolidated financial statements of the Group and the seperate financial statements of the Company have been drawn up in conformity with prevailing rules, regulations and accounting standards as well as with related guidance issued by Bangladesh Bank;

(h) adequate provisions have been made for advances which are, in our opinion, doubtful of recovery;

(i) the records and statements submitted by the branches have been properly maintained and consolidated in the financial statements;

(j) the information and explanations required by us have been received and found satisfactory; and

(k) we have reviewed over 80% of the risk weighted assets of the Company and we have spent over 1630 person hours for this audit.

Dr. Tamishd S.A. Choudhury

Aziz Halim Khair Choudhury
Chartered Accountants

Dhaka,
April 15, 2018

MIDAS Financing Limited and its subsidiary

Consolidated Balance Sheet

As at December 31, 2017

Particulars	Note	Amount in Taka	
		Dec 31, 2017	Dec 31, 2016
PROPERTY AND ASSETS			
Cash		**195,587,763**	**150,450,172**
Cash in hand	3(a)	14,749,782	10,881,991
Balance with Bangladesh Bank and its agent	3(b)	180,837,981	139,568,181
Balance with other banks and financial institutions		**314,624,699**	**474,416,305**
Inside Bangladesh	4(a)	314,624,699	474,416,305
Outside Bangladesh		-	-
Money at call and short notice	5	**-**	**-**
Investments		**346,801,198**	**266,064,975**
Government		-	-
Others	6(a)	346,801,198	266,064,975
Lease, loans and advances	7(a)	**10,099,435,603**	**8,771,092,786**
Fixed assets including land, building, furniture and fixtures	8(a)	**499,654,700**	**512,586,301**
Other assets	9(a)	**281,069,208**	**169,146,822**
Non-banking assets	10	**80,765,467**	**52,700,000**
Total Assets		**11,817,938,638**	**10,396,457,360**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	**1,394,821,193**	**1,336,884,759**
Deposits and other accounts		**7,742,485,146**	**6,656,210,874**
Term deposits	12(a)	7,725,037,322	6,637,383,599
Other deposits	12(b)	17,447,824	18,827,275
Other liabilities	13(a)	**1,240,111,777**	**1,249,316,825**
Total Liabilities		**10,377,418,116**	**9,242,412,458**
Capital/Shareholders' equity		**1,440,518,429**	**1,154,042,735**
Paid-up capital	14.2	1,202,686,760	1,202,686,760
General reserve	15	-	-
Statutory reserve	16	80,227,958	61,072,846
Retained earnings	17(a)	157,603,711	(109,716,871)
Non-controlling interest		**2,093**	**2,167**
Total Liabilities & Shareholders' Equity		**11,817,938,638**	**10,396,457,360**

Consolidated Off - Balance Sheet Items

Particulars	Note	Amount in Taka	
		Dec 31, 2017	Dec 31, 2016
OFF - BALANCE SHEET EXPOSURES			
Contingent liabilities	18.1		
Acceptances and endorsements		-	-
Letters of guarantee		200,000,000	75,000,000
Irrevocable letters of credit		-	-
Bills for collection		-	-
		200,000,000	**75,000,000**
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		1,364,618,248	1,105,598,190
Claims against the bank not acknowledged as debts		-	-
Total		**1,364,618,248**	**1,105,598,190**
TOTAL OFF BALANCE SHEET ITEMS INCLUDING CONTINGENT LIABILITIES		**1,564,618,248**	**1,180,598,190**
Net Assets Value (NAV) Per Share		**11.98**	9.60

The annexed notes 1 to 38 form an integral part of this consolidated financial statements.

Chairman **Director** **Director** **Managing Director** **Company Secretary**

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

Dhaka,
April 15, 2018

Dr. Tamishd S.A. Choudhury.
Aziz Halim Khair Choudhury
Chartered Accountants

MIDAS Financing Limited and its subsidiary

Consolidated Profit and Loss Account

For the year ended December 31, 2017

Particulars	Note	Amount in Taka	
		Jan 01, 2017 to Dec 31, 2017	July 01, 2015 to Dec 31, 2016
Interest income	20(a)	1,072,106,375	1,228,754,324
Interest on deposits & borrowings, etc.	21(a)	772,373,827	867,171,632
Net interest income		**299,732,548**	**361,582,692**
Income from Investment	22(a)	79,251,782	70,479,319
Commission, exchange and brokerage		1,000,000	375,000
Other operating income	23(a)	82,682,327	151,361,022
Total operating income		**462,666,657**	**583,798,033**
Salary and allowances	24(a)	109,045,336	162,397,008
Rent, taxes, insurances, electricity, etc.	25(a)	12,504,238	29,764,653
Legal expenses	26(a)	7,989,702	10,051,965
Postage, stamp, telecommunication, etc.	27(a)	2,968,414	5,744,579
Stationery, printing, advertisements, etc.	28(a)	3,272,981	6,007,076
Managing Director's salary and benefits	29	6,343,996	9,675,414
Directors' fees and expenses	30(a)	1,920,550	2,549,324
Auditors' fees		162,278	263,916
Depreciation and repair of company's assets	31(a)	19,844,926	36,383,117
Other expenses	32(a)	8,392,513	11,669,993
Total operating expenses		**172,444,935**	**274,507,045**
Profit before Provision		**290,221,722**	**309,290,988**
General provisions	33(a)	22,751,405	16,837,885
Specific provisions	33(b)	32,731,579	(110,512,893)
Provisions for diminution in value of investments	33 (c)	8,391,559	8,818,561
Other provisions	33(f)	(28,452,369)	42,892,533
Total Provision		**35,422,174**	**(41,963,914)**
Total profit before tax		**254,799,548**	**351,254,902**
Current tax	33(d)	40,808,125	80,709,023
Deferred tax	33(e)	(3,962,690)	3,327,632
		36,845,435	**84,036,655**
Net profit after tax		**217,954,113**	**267,218,247**
Attributable to			
Shareholders of the Company		217,953,967	267,218,043
Non-controlling interest		146	204
		217,954,113	**267,218,247**
Appropriations to			
General reserve	15	-	-
Statutory reserve	16	45,450,766	55,830,012
		45,450,766	**55,830,012**
Retained surplus		**172,503,201**	**211,388,234**
Earnings Per Share (EPS)	34(a)	**1.81**	**2.22**

The annexed notes 1 to 38 form an integral part of this consolidated financial statements.

Chairman **Director** **Director** **Managing Director** **Company Secretary**

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

Dhaka,
April 15, 2018

Dr. Tamishd S.A. Choudhury.
Aziz Halim Khair Choudhury
Chartered Accountants

MIDAS Financing Limited and its subsidiary

Consolidated Cash Flow Statement

For the year ended December 31, 2017

Particulars	Note	Amount in Taka	
		Jan 01, 2017 to Dec 31, 2017	July 01, 2015 to Dec 31, 2016
Cash Flow from Operating Activities			
Interest received		1,035,084,327	1,219,321,069
Interest paid		(694,372,488)	(725,432,417)
Dividend received		7,706,502	13,688,940
Fees & commission received		1,000,000	375,000
Recoveries of loans previously written off		10,696,999	22,026,195
Cash payments to employees		(115,389,332)	(172,072,422)
Cash payments to suppliers		(3,272,981)	(6,007,076)
Income tax paid		(50,521,917)	(74,018,312)
Received from other operating activities		153,734,107	208,151,101
Payments for other operating activities		(36,187,866)	(71,190,493)
Operating profit before changes in operating assets & liabilities		**308,477,351**	**414,841,586**
Changes in operating assets and liabilities			
Purchases/Sale of trading securities		(80,736,223)	(19,719,699)
Loans and lease finance to customers		(1,444,825,398)	(3,839,312,562)
Other assets		20,267,622	(33,881,576)
Deposits from Banks & individuals		1,086,274,272	3,471,180,192
Other liabilities		(57,878,317)	50,280,552
Sub Total		**(476,898,045)**	**(371,453,093)**
A) Net Cash from Operating Activities		**(168,420,694)**	**43,388,492**
Cash flow from Investing Activities			
Sales proceeds of Property, Plant & Equipments		493,400	-
Purchases of Property, Plant & Equipments		(4,663,155)	(7,042,377)
B) Net Cash from Investing Activities		**(4,169,755)**	**(7,042,377)**
Cash flow from Financing Activities			
Increase/(decrease) of borrowings		57,936,434	285,481,196
C) Net Cash from Financing Activities		**57,936,434**	**285,481,196**
D) Net increase/(decrease) in cash & cash equivalents (A+B+C)		**(114,654,015)**	**321,827,311**
E) Cash and cash equivalents at the beginning of the year		**624,866,477**	**303,039,166**
F) Cash and cash equivalents at the end of the year (D+E)		**510,212,462**	**624,866,477**
Net operating cash flow per share (NOCFPS)		**(1.40)**	**0.36**
Cash and cash equivalents at end of the year			
Cash in hand (Including foreign currencies)	3(a)	14,749,782	10,881,991
Balance with Bangladesh Bank and its agent Bank (s)	3(b)	180,837,981	139,568,181
Balance with other banks and financial institutions	4(a)	314,624,699	474,416,305
		510,212,462	**624,866,477**

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

Chairman **Director** **Director** **Managing Director** **Company Secretary**

Dhaka,
April 15, 2018

MIDAS Financing Limited and its subsidiary

Consolidated Statement of Changes in Equity

For the year ended December 31, 2017

Amount in Taka

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total	Non Controlling Interest	Total Equity
Balance as at January 01, 2017	**1,202,686,760**	**61,072,846**	**(109,716,871)**	**1,154,042,735**	**2,167**	**1,154,044,902**
Prior year adjustments	-	13,704,346	54,817,381	68,521,727	-	68,521,727
Restated balance as at January 01, 2017	**1,202,686,760**	**74,777,192**	**(54,899,490)**	**1,222,564,462**	**2,167**	**1,222,566,629**
Items involved in changes in equity						
Profit/(Loss) for the period	-	-	217,953,967	217,953,967	146	217,954,113
Transfer from statutory reserve	-	(40,000,000)	40,000,000	-	-	-
Transfer to statutory reserve	-	45,450,766	(45,450,766)	-	-	-
Dividend	-	-	-	-	(220)	(220)
Balance as at December 31, 2017	**1,202,686,760**	**80,227,958**	**157,603,711**	**1,440,518,429**	**2,093**	**1,440,520,522**
Balance as at December 31, 2016	**1,202,686,760**	**61,072,846**	**(109,716,871)**	**1,154,042,735**	**2,167**	**1,154,044,902**

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

Chairman **Director** **Director** **Managing Director** **Company Secretary**

Dhaka,
April 15, 2018

MIDAS Financing Limited

Balance Sheet

As at December 31, 2017

Particulars	Note	Amount in Taka	
		Dec 31, 2017	Dec 31, 2016
PROPERTY AND ASSETS			
Cash		**195,582,326**	**150,440,172**
Cash in hand	**3.1**	14,744,345	10,871,991
Balance with Bangladesh Bank and its agent	**3.2**	180,837,981	139,568,181
Balance with other banks and financial institutions		**303,631,994**	**474,016,469**
Inside Bangladesh	**4.1**	303,631,994	474,016,469
Outside Bangladesh		-	-
Money at call and short notice	**5**	**-**	**-**
Investments		**273,725,149**	**227,173,029**
Government		-	-
Others	**6**	273,725,149	227,173,029
Lease, loans and advances	**7**	**10,315,899,131**	**8,958,918,638**
Fixed assets including land, building, furniture and fixtures	**8**	**303,926,690**	**312,181,249**
Other assets	**9**	**473,240,221**	**379,883,130**
Non-banking assets	**10**	**80,765,467**	**52,700,000**
Total Assets		**11,946,770,978**	**10,555,312,686**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	**11**	**1,394,821,193**	**1,336,884,759**
Deposits and other accounts		**7,947,485,146**	**6,874,287,259**
Term deposits	**12.1**	7,930,037,322	6,855,459,984
Other deposits		17,447,824	18,827,275
Other liabilities	**13**	**1,172,279,060**	**1,207,730,646**
Total Liabilities		**10,514,585,399**	**9,418,902,664**
Capital/Shareholders' equity		**1,432,185,579**	**1,136,410,022**
Paid-up capital	**14.2**	1,202,686,760	1,202,686,760
General reserve	**15**	-	-
Statutory reserve	**16**	80,227,958	61,072,846
Retained earnings	**17**	149,270,861	(127,349,584)
Total Liabilities & Shareholders' Equity		**11,946,770,978**	**10,555,312,686**

Off- Balance Sheet Items

Particulars	Note	Amount in Taka	
		Dec 31, 2017	Dec 31, 2016
OFF - BALANCE SHEET EXPOSURES			
Contingent liabilities	**18.1**		
Acceptances and endorsements		-	-
Letters of guarantee		200,000,000	75,000,000
Irrevocable letters of credit		-	-
Bills for collection		-	-
		200,000,000	**75,000,000**
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		1,364,618,248	1,105,598,190
Claims against the Bank not acknowledged as debts		-	-
		1,364,618,248	**1,105,598,190**
TOTAL OFF BALANCE SHEET ITEMS INCLUDING CONTINGENT LIABILITIES		**1,564,618,248**	**1,180,598,190**
Net Assets Value (NAV) Per Share		**11.91**	**9.45**

The annexed notes 1 to 38 form an integral part of this financial statements.

Chairman **Director** **Director** **Managing Director** **Company Secretary**

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

Dhaka,
April 15, 2018

Aziz Halim Khair Choudhury
Chartered Accountants

MIDAS Financing Limited

Profit and Loss Account

For the year ended December 31, 2017

Particulars	Note	Amount in Taka	
		Jan 01, 2017 to Dec 31, 2017	July 01, 2015 to Dec 31, 2016
Interest income	20	1,097,907,498	1,259,338,401
Interest on deposits & borrowings, etc.	21	791,915,607	900,983,286
Net interest income		**305,991,891**	**358,355,115**
Income from Investment	22	92,560,500	106,457,255
Commission, exchange and brokerage		1,000,000	375,000
Other operating income	23	53,093,140	108,931,272
Total operating income		**452,645,532**	**574,118,642**
Salary and allowances	24	106,126,368	158,896,346
Rent, taxes, insurances, electricity, etc.	25	9,786,946	27,703,790
Legal expenses	26	7,917,252	9,759,613
Postage, stamp, telecommunication, etc.	27	2,932,541	5,744,395
Stationery, printing, advertisements, etc.	28	3,050,971	5,928,031
Managing Director's salary and benefits	29	6,343,996	9,675,414
Directors' fees and expenses	30	1,765,005	2,411,824
Auditors' fees		127,778	221,111
Depreciation and repair of company's assets	31	14,311,392	28,586,825
Other expenses	32	7,557,752	11,453,613
Total operating expenses		**159,920,002**	**260,380,962**
Profit before Provision		**292,725,529**	**313,737,680**
General provisions		22,751,405	16,837,885
Specific provisions		32,731,579	(110,512,893)
Provisions for diminution in value of investments		3,926,204	9,694,904
Other provisions		(28,452,369)	41,218,293
Total Provision	33	**30,956,819**	**(42,761,811)**
Profit before tax		**261,768,710**	**356,499,491**
Current tax		38,455,551	74,114,935
Deferred tax		(3,940,671)	3,234,498
		34,514,880	**77,349,433**
Net profit after taxation		**227,253,830**	**279,150,058**
Appropriations to			
General reserve	15	-	-
Statutory reserve	16	45,450,766	55,830,012
		45,450,766	55,830,012
Retained surplus		**181,803,064**	**223,320,047**
Earnings Per Share (EPS)	34	**1.89**	**2.32**

The annexed notes 1 to 38 form an integral part of this financial statements.

Chairman **Director** **Director** **Managing Director** **Company Secretary**

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

Dr. Jamshed S.A. Choudhury.

Aziz Halim Khair Choudhury
Chartered Accountants

Dhaka,
April 15, 2018

MIDAS Financing Limited

Cash Flow Statement

For the year ended December 31, 2017

Particulars	Note	Amount in Taka	
		Jan 01, 2017 to Dec 31, 2017	July 01, 2015 to Dec 31, 2016
Cash Flow from Operating Activities			
Interest received		1,060,885,450	1,249,905,147
Interest paid		(713,914,268)	(759,244,071)
Dividend received		19,575,497	49,667,176
Fees & commission received		1,000,000	375,000
Recoveries of loans previously written off		10,696,999	22,026,195
Cash payments to employees		(112,470,364)	(168,571,760)
Cash payments to suppliers		(3,050,971)	(5,928,031)
Income tax paid		(36,096,751)	(65,244,811)
Received from other operating activities		110,584,863	165,721,351
Payments for other operating activities		(32,128,025)	(68,270,845)
Operating profit before changes in operating assets & liabilities		**305,082,430**	**420,435,351**
Changes in Operating Assets and Liabilities			
Purchases/Sale of trading securities		(46,552,120)	(19,221,855)
Loans and lease finance to customers		(1,473,463,074)	(3,850,899,776)
Other assets		24,407,750	(35,721,407)
Deposits from banks & individuals		1,073,197,887	3,471,749,575
Other liabilities		(62,328,946)	55,643,710
Sub Total		**(484,738,503)**	**(378,449,753)**
A) Net Cash from Operating Activities		**(179,656,072)**	**41,985,598**
Cash flow from Investing Activities			
Sales proceeds of Property, Plant & Equipments		493,400	-
Purchases of Property, Plant & Equipments		(4,016,083)	(6,035,572)
B) Net Cash from Investing Activities		**(3,522,683)**	**(6,035,572)**
Cash flow from Financing Activities			
Increase/(decrease) of borrowings		57,936,434	285,481,197
C) Net Cash from Financing Activities		**57,936,434**	**285,481,197**
D) Net increase/(decrease) in cash & cash equivalents (A+B+C)		**(125,242,321)**	**321,431,224**
E) Cash and cash equivalents at the beginning of the year		**624,456,641**	**303,025,417**
F) Cash and cash equivalents at the end of the year (D+E)		**499,214,320**	**624,456,641**
Net operating cash flow per share (NOCFPS)		**(1.49)**	**0.35**
Cash and cash equivalents at end of the year			
Cash in hand (Including foreign currencies)	3.1	14,744,345	10,871,991
Balance with Bangladesh Bank and its agent Bank (s)	3.2	180,837,981	139,568,181
Balance with other banks and financial institutions	4	303,631,994	474,016,468
		499,214,320	**624,456,641**

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

Chairman **Director** **Director** **Managing Director** **Company Secretary**

Dhaka,
April 15, 2018

MIDAS Financing Limited

Statement of Changes in Equity

For the year ended December 31, 2017 **Amount in Taka**

Particulars	Paid-up Capital	Statutory Reserve	Retained Earnings	Total Equity
Balance as at January 01, 2017	**1,202,686,760**	**61,072,846**	**(127,349,584)**	**1,136,410,022**
Prior year adjustments	-	13,704,346	54,817,381	68,521,727
Restated balance as at January 01, 2017	**1,202,686,760**	**74,777,192**	**(72,532,203)**	**1,204,931,749**
Items involved in changes in equity				
Profit/(Loss) for the period	-	-	227,253,830	227,253,830
Transfer from statutory reserve	-	(40,000,000)	40,000,000	-
Transfer to statutory reserve	-	45,450,766	(45,450,766)	-
Balance as at December 31, 2017	**1,202,686,760**	**80,227,958**	**149,270,861**	**1,432,185,579**
Balance as at December 31, 2016	**1,202,686,760**	**61,072,846**	**(127,349,584)**	**1,136,410,022**

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

Chairman **Director** **Director** **Managing Director** **Company Secretary**

Dhaka,
April 15, 2018

MIDAS Financing Limited

Liquidity Statement

As at December 31, 2017

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	14,744,345	-	-	-	-	14,744,345
Balance with Bangladesh Bank and its agent	180,837,981	-	-	-	-	180,837,981
Balance with other banks and financial institutions	43,631,994	95,000,000	165,000,000	-	-	303,631,994
Money at call and short notice	-	-	-	-	-	-
Investments	12,557,785	55,254,254	87,904,495	95,439,165	22,569,450	273,725,149
Lease, loans and advances	900,951,346	648,085,461	1,804,194,519	4,720,218,556	2,242,449,249	10,315,899,131
Fixed assets including land, building, furniture and fixtures	1,022,553	2,045,107	9,202,981	64,420,869	227,235,179	303,926,690
Other assets	115,932,192	7,522,633	8,177,171	69,962,549	271,645,676	473,240,221
Non-banking assets	28,267,913	28,267,913	24,229,641	-	-	80,765,467
Total Assets (i)	**1,297,946,110**	**836,175,368**	**2,098,708,807**	**4,950,041,139**	**2,763,899,554**	**11,946,770,978**
Liabilities						
Borrowings from other banks, financial institutions and agents	237,925,350	96,372,179	117,108,558	943,415,106	-	1,394,821,193
Deposits and other accounts	545,630,181	532,025,310	1,596,075,930	3,884,978,749	1,388,774,976	7,947,485,146
Other liabilities	428,601,979	86,380,366	259,141,099	210,967,847	187,187,768	1,172,279,060
Total Liabilities (ii)	**1,212,157,510**	**714,777,855**	**1,972,325,587**	**5,039,361,702**	**1,575,962,744**	**10,514,585,399**
Net Liquidity Gap (i-ii)	**85,788,600**	**121,397,513**	**126,383,220**	**(89,320,563)**	**1,187,936,810**	**1,432,185,579**

MIDAS Financing Limited and its subsidiary

Notes to the Consolidated and separate financial statements
As at and for the year ended December 31, 2017

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 is listed with Dhaka Stock Exchange Ltd. since October 26, 2002 and Chittagong Stock Exchange Ltd. since July 27, 2004 and its shares have been quoted and transacted in stock exchanges in dematerialized form through Central Depository Bangladesh Limited (CDBL) from March 23, 2005. 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
- 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

Bangladesh Accounting Standard (BAS) and Bangladesh Financial Reporting Standards (BFRS), the Companies Act, 1994, the Securities & Exchange Rules 1987, the listing of DSE & CSE regulations and other laws & regulations applicable in Bangladesh.

2.2 Prior year adjustment

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

2.3 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.

2.4 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 Bangladesh 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".

2.5 Risk and uncertainty for use of estimates (Provisions)

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

In accordance with the guidelines as prescribed by Bangladesh Accounting Standards (BAS) 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.

2.6 Reporting period

These financial statements cover 12 (Twelve) months period starting form January 01, 2017 to December 31, 2017. The last audited financial statements were presented for a period of 18 (Eighteen) months ending December 31, 2016 as per direction of BSEC to facilitate the adoption of reporting period of January to December in compliance to the requirement of the National Board of Revenue.

2.7 Comparative Information

As per section 9(f) of Finance Act 2015 the financial year of MFL has been changed to January-December instead of July-June. On its way to conversion the company prepared its last financial statements for a period of eighteen (18) months from July 2015 to December 2016 and accordingly the financial statements are audited and published. During the year 2017 financial statements of MFL and its subsidiary have been prepared for Twelve (12) months (January to December) and comparative figures have been presented as per last audited financial statements of eighteen (18) months. As a result comparative figures of last year are not entirely comparable with the current years presentation (referred to para 36 of BAS-1).

2.8 Functional and presentation currency

These financial statements are presented in Taka, which is the company's functional currency.

2.9 Cash flow statement

Cash flow statement can been prepared using either direct method or the indirect methodas per BAS 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 BRPD Circular 14, cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.

2.10 Accounting for leases

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

2.11 Fixed assets (property, plant and equipment) and depreciation

2.11.1 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 Bangladesh Accounting Standard (BAS) 16: "Property, Plant and Equipment".

2.11.2 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.

Assets category	Method	Rate of Depreciation
Land		Nill
Building	Straight Line	2.5%
Office Equipment	Reducing Balance	18%
Computer Equipment	Reducing Balance	18%
Furniture & Fixtures	Reducing Balance	10%
Motor Vehicle	Reducing Balance	20%
Intangible Assets-System & software	Reducing Balance	30%

2.11.3 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 BAS-16.

2.12 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.

2.13 Investments in securities

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

2.14 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% of the post tax profit in compliance with the regulation. During the period, the Company transferred Taka 4 (Four) crore from statutory reserve to retained earnings for the purpose of reduction of negative retained earnings. The said transfer was merely a book transfer and did not affect total equity of the Company. Bangladesh Bank was duly informed about the transfer as per the relevant provision of law.

2.15 Employees benefit obligation

(a) Defined contribution plan

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

(b) Gratuity

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

2.16 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%

2.17 Income Tax

2.17.1 Current tax

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

2.17.2 Deferred tax

Pursuant to Bangladesh Accounting Standard (BAS) 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.

2.18 Revenue recognition

Interest income from loans and other sources is recognized on an accrual basis of accounting. Moment of recognition, amount to be recognized and disclosure requirements of revenue has been made as per BAS 18.

2.18.1 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.

2.18.2 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.

2.18.3 Fees base income

Fees base incomes are taken to income on cash basis.

2.18.4 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.

2.18.5 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.

2.19 Borrowing Costs

Borrowing costs are recognized as expenses in the period in which they incur in accordance with BAS 23 "Borrowing Cost".

2.20 Interest suspense account

Accrued interest on lease, term finance, real estate finance, hire purchase agreement duly classified as per relevant Bangladesh Bank BRPD Circular are not recognized as income rather transferred to interest suspense accounts as complied with Bangladesh Bank guidelines. Recovery of overdue credited to interest suspense account is recognized as income on cash basis.

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 BAS 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.

2.23 Related party disclosure

As per Bangladesh Accounting Standards (BAS) 24"Related Party Disclosures", parties are considered to be related if one of the parties has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm's length basis at commercial rates with related parties. Related party disclosures have been given in Note 37.

2.24 Events after the Reporting Period

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

2.25 Contingent liabilities and contingent assets

BFRS : There is no concept of off-balance sheet items in any BFRS; 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.

2.26 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 bases:

a) Balance with other banks and financial institutions are on the basis of their maturity terms.
b) Investment are on the basis of their residual maturity terms.
c) Lease loans and advances are on the basis of their repayment/maturity schedule.
d) Fixed assets are on the basis of their useful lives.
e) Other assets are on the basis of their adjustment terms.
f) Borrowings from other banks and financial institutions as per their maturity/repayment terms.
g) Investment are on the basis of their residual maturity terms.
h) Other long term liabilities on the basis of their maturity terms.
i) Other liabilities are on the basis of their settlement of terms.

2.27 BASEL II and its implementation

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

2.28 Status of Compliance of Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS)

BAS Title	BAS 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
Construction Contracts	11	N/A
Income Taxes	12	Applied
Property, Plant & Equipments	16	Applied
Leases	17	Applied
Revenue	18	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	N/A
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit plans	26	N/A
Separate Financial Statements	27	Applied
Investments in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyperinflationary Economics	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
Financial Instruments: Recognition and Measurement	39	Applied*
Investment Property	40	Applied*
Agriculture	41	N/A

BFRS Title	BFRS No.	Status
First-time adoption of International Financial Reporting Standards	1	N/A
Share-Based Payment	2	N/A
Business Combinations	3	N/A
Insurance Contracts	4	N/A
Non-Current Assets Held for Sale and Discontinued Operations	5	Applied*
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied*
Operating Segments	8	N/A
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	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.

2.29 General

a. Figures appearing in these financial statements and notes have been rounded off to the nearest Taka.

b. Previous year's figures have been rearranged/restated/reclassified, where necessary, in order to conform to current period's presentation.

Note	Particulars	Ref. Note	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
3	**Cash**			
	Cash in hand	3.1	14,744,345	10,871,991
	Balance with Bangladesh Bank and its agent	3.2	180,837,981	139,568,181
			195,582,326	**150,440,172**
3.1	**Cash in hand (Including foreign currencies)**			
	In local currency		14,744,345	10,871,991
	In foreign currency		-	-
			14,744,345	**10,871,991**
3.2	**Balance with Bangladesh Bank and its agent (including foreign currencies)**			
	In local currency		180,837,981	139,568,181
	In foreign currency		-	-
			180,837,981	**139,568,181**

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	177,857,559	129,425,677
	Actual reserve maintained	180,837,981	139,568,181
	Surplus	**2,980,422**	**10,142,504**
3.5	**Statutory liquidity reserve (SLR)**		
	Required reserve (including CRR)	376,998,687	275,958,734
	Actual reserve held (including CRR) 3.6	499,214,320	624,456,641
	Surplus	**122,215,633**	**348,497,907**
3.6	**Actual reserve held (including CRR)**		
	Cash in hand 3.1	14,744,345	10,871,991
	Balance with Bangladesh Bank 3.2	180,837,981	139,568,181
	Balance with other bank and financial institutions 4	303,631,994	474,016,469
		499,214,320	**624,456,641**
3(a)	**Consolidated cash**		
	Cash in hand		
	MIDAS Financing Ltd. 3.1	14,744,345	10,871,991
	MIDAS Investment Ltd.	5,437	10,000
		14,749,782	**10,881,991**
3(b)	**Balance with Bangladesh Bank and its agents**		
	MIDAS Financing Ltd. 3.2	180,837,981	139,568,181
	MIDAS Investment Ltd.	-	-
		180,837,981	**139,568,181**
		195,587,763	**150,450,172**

Note	Particulars	Ref. Note	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
4	**Balance with other banks and financial institutions**			
	Inside Bangladesh	4.1	303,631,994	474,016,469
	Outside Bangladesh		-	-
			303,631,994	**474,016,469**
4.1	**Inside Bangladesh**			
	STD accounts			
	Standard Bank Ltd.		31,767,185	11,062,773
	United Commercial Bank Ltd.		1,320,188	10,164,072
	IFIC Bank Ltd.		64,177	458,164
	Janata Bank Ltd.		6,210	145,602
	Mercantile Bank Ltd.		26,731	25,366
	Uttara Bank Ltd.		46,069	45,755
	Agrani Bank Ltd.		198,751	201,721
	AB Bank Ltd.		972,483	1,518,795
	Dutch Bangla Bank Ltd.		1,178,839	221,894
	Prime Bank Ltd.		1	1
	One Bank Ltd.		900,258	5,046,021
	Premier Bank Ltd.		1,700,126	2,462,687
	Pubali Bank Ltd.		2,228,096	1,396,626
	Jamuna Bank Ltd		3,199,058	1,241,429
	Shahjalal Islami Bank Ltd.		1,763	2,913
	Mutual Trust Bank Ltd.		22,059	22,651
			43,631,994	**34,016,469**
	Term deposits			
	United Commercial Bank Ltd.		55,000,000	55,000,000
	Jamuna Bank Ltd.		50,000,000	50,000,000
	Premier Leasing & Finance Ltd.		40,000,000	50,000,000
	Bangladesh Industrial Finance and Investment Company Ltd.		20,000,000	40,000,000
	International Leasing & Financial Services Ltd.		-	50,000,000
	Dutch Bangla Bank Ltd.		45,000,000	45,000,000
	The City Bank Ltd.		50,000,000	50,000,000
	Social Islami Bank Ltd.		-	100,000,000
			260,000,000	**440,000,000**
			303,631,994	**474,016,469**
4.2	**Maturity grouping of balance with other banks and financial institutions**			
	On demand		43,631,994	34,016,469
	Not more than 3 months		95,000,000	90,000,000
	More than 3 months but less than 1 year		165,000,000	350,000,000
	More than 1 year but less than 5 years		-	-
	More than 5 years		-	-
			303,631,994	**474,016,469**
4(a)	**Consolidated balance with other banks and financial institutions**			
	Inside Bangladesh			
	MIDAS Financing Ltd.	4.1	303,631,994	474,016,469
	MIDAS Investment Ltd.		215,992,705	218,476,221
	Adjustment for consolidation		(205,000,000)	(218,076,385)
			314,624,699	**474,416,305**
	Outside Bangladesh			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
			-	-
			314,624,699	**474,416,305**

Note	Particulars	Ref. Note	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
5	**Money at call and short notice**		-	-
6	**Investment**			
	a) Government Securities		-	-
	b) Other Investments			
	Investment in listed securities	6.1	251,155,699	204,603,579
	Investment in unlisted securities	6.2	22,569,450	22,569,450
			273,725,149	**227,173,029**
6.1	**Investment in listed securities (sector wise)**			
	Bank		2,751,039	17,106,518
	Financial Institutions		-	4,497,450
	Tannery Industries		16,775,512	-
	Mutual Fund		3,062,640	3,062,640
	Textile		79,668,092	-
	Pharmaceutical and Chemicals		127,669,088	152,478,287
	Fuel and Power		17,440,980	27,373,074
	Cements		1,798,116	-
	Engineering		127,046	85,610
	Information Technology		1,863,186	-
			251,155,699	**204,603,579**

Details of listed securities are given below

Sector	Number of shares	Market Price Dec 31, 2017	Cost Price	Cost Price
Bank	100,000	2,640,000	2,751,039	17,106,518
Financial Institutions	-	-	-	4,497,450
Tannery Industries	110,000	16,346,000	16,775,512	-
Mutual Fund	300,000	2,520,000	3,062,640	3,062,640
Textile	1,060,000	65,402,000	79,668,092	-
Pharmaceutical and Chemicals	1,153,000	121,074,400	127,669,088	152,478,287
Fuel and Power	154,105	16,812,855	17,440,980	27,373,074
Cements	13,800	2,104,500	1,798,116	-
Engineering	13,975	967,315	127,046	85,610
Information Technology	47,774	4,667,520	1,863,186	-
		232,534,590	**251,155,699**	**204,603,579**

6.2	**Investment in unlisted securities**	**Number of shares**		
	Central Depository Bangladesh Ltd.	571,181	4,569,450	4,569,450
	Financial Excellence Ltd.	300,000	3,000,000	3,000,000
	Lankabangla Securities Ltd.	88,935	5,000,000	5,000,000
	Bangladesh Ventures Ltd.	1,050,000	10,000,000	10,000,000
			22,569,450	**22,569,450**
6.3	**Maturity grouping of investment**			
	On demand		12,557,785	10,230,179
	Not more than 3 months		55,254,254	45,012,787
	More than 3 months but less than 1 year		87,904,495	71,611,253
	More than 1 year but less than 5 years		95,439,165	77,749,360
	More than 5 years		22,569,450	22,569,450
			273,725,149	**227,173,029**
6(a)	**Consolidated investment**			
	a) Government Securities			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
			-	-

Note	Particulars	Ref. Note	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
	b) Other Investment			
	MIDAS Financing Ltd.			
	Investment in listed securities	6.1	251,155,699	204,603,579
	Investment in unlisted securities	6.2	22,569,450	22,569,450
			273,725,149	**227,173,029**
	MIDAS Investment Ltd.			
	Investment in listed securities		58,362,569	28,891,946
	Investment in unlisted securities		14,713,480	10,000,000
			73,076,049	**38,891,946**
			346,801,198	**266,064,975**
7	**Lease, Loans and Advances**			
	a) Inside Bangladesh			
	i) Lease finance		882,777,345	895,918,615
	ii) Term finance		7,703,692,856	6,453,357,896
	iii) Housing finance		1,404,378,728	1,298,418,636
	iv) Staff Loan		27,367,094	21,424,185
	v) Consumer credit		2,816,361	3,150,733
	vi) Interest receivable		294,866,747	286,648,573
	Total lease, loans and advances inside Bangladesh		**10,315,899,131**	**8,958,918,638**
	b) Outside Bangladesh		-	-
			-	-
	Total Lease, Loans and Advance (a+b)		**10,315,899,131**	**8,958,918,638**
7.a.i	**Lease finance**			
	Opening balance		895,918,615	933,223,078
	Add: Addition during the year		317,900,000	425,250,000
			1,213,818,615	**1,358,473,078**
	Less: Realization during the year		323,671,786	462,554,463
	Less: Write off		7,369,484	-
	Closing balance		**882,777,345**	**895,918,615**
7.a.ii	**Term finance**			
	Opening balance		6,453,357,896	3,270,140,408
	Add: Addition during the year		4,399,451,603	6,061,229,833
			10,852,809,499	**9,331,370,241**
	Less: Realization during the year		3,040,003,546	2,792,693,409
	Less: Write off		109,113,097	85,318,936
	Closing balance		**7,703,692,856**	**6,453,357,896**
7.a.iii	**Housing finance**			
	Opening balance		1,298,418,636	753,295,815
	Add: Addition during the year		402,776,336	842,624,967
			1,701,194,972	**1,595,920,782**
	Less: Realization during the year		296,816,244	297,502,146
	Closing balance		**1,404,378,728**	**1,298,418,636**
7.a.iv	**Staff loan**			
	Opening balance		21,424,185	17,575,597
	Add: Addition during the year		12,147,709	16,745,000
			33,571,894	**34,320,597**
	Less: Realization during the year		6,204,800	12,896,412
	Closing balance		**27,367,094**	**21,424,185**

Note	Particulars	Ref. Note	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
7.a.v	**Consumer Credit**			
	Opening balance		3,150,733	3,087,158
	Add: Addition during the year		885,000	1,265,000
			4,035,733	**4,352,158**
	Less: Realization during the year		1,219,372	1,201,425
	Closing balance		**2,816,361**	**3,150,733**
7.a.vi	**Interest Receivable**			
	Lease finance		69,171,433	67,671,030
	Term finance		182,849,233	189,641,339
	Housing finance		36,625,317	23,580,444
	Consumer credit		309,680	309,680
	Staff Loan		5,911,084	5,446,080
			294,866,747	**286,648,573**
	During the year Tk. 1,933,439.00 against lease finance interest receivable and Tk. 36,598,613.00 against term finance interest receivable have been written off.			
7.1	**Residual maturity grouping of lease, loans and advances**			
	Receivable on demand		900,951,346	761,060,828
	Not more than 3 months		648,085,461	683,212,722
	Over 3 months but not more than 1 year		1,804,194,519	1,371,440,348
	Over 1 year but not more than 5 years		4,720,218,556	4,347,611,170
	Over 5 years		2,242,449,249	1,795,593,570
			10,315,899,131	**8,958,918,638**
7.2	**Investments on the basis of significant concentration**			
	Lease, loan and advances to the institutions in which Directors have interest		2,813,630	548,474
	Lease, loan and advances to Chief Executives and other senior executives		33,278,178	26,870,265
	Lease, loan and advances to customer groups		10,279,807,323	8,931,499,899
			10,315,899,131	**8,958,918,638**
7.3	**Investments allowed to Group exceeding 15% of NBFI's total capital**			
	Total capital of the company		1,432,185,579	1,136,410,022
	15% of company's total capital		214,827,837	170,461,503
	Total outstanding amount to such customers at end of the year	:	1,681,422,572	2,393,456,632
	Number of such types of customers	:	6	11
	Amount of Classified lease, loans and advances thereon	:	-	-

7.4 Sector-wise classification of lease, loans and advances

Sector	As at December 31, 2017		As at December 31, 2016	
	Amount	Composition	Amount	Composition
Trade and Commerce	2,536,501,729	24.59%	1,998,965,949	22.38%
Industry:				
Garments and Knitwear	413,792,055	4.01%	415,606,065	4.65%
Textile	914,693,458	8.87%	964,247,089	10.79%
Food Production/Processing	428,597,235	4.15%	440,340,033	4.93%
Leather & Leather Goods	35,968,920	0.35%	39,240,158	0.44%
Iron, Steel & Engineering	651,643,025	6.32%	105,976,154	1.19%
Pharmaceuticals and Chemicals	144,869,017	1.40%	133,580,414	1.50%
Telecommunication/Informatio	7,356,290	0.07%	7,975,487	0.09%
Paper, Printing and Packaging	109,940,638	1.07%	54,174,411	0.61%
Jute & Jute Products	6,376,025	0.06%	1,926,757	0.02%
Ship Manufacturing Industry	242,543,527	2.35%	67,446,655	0.76%
Power, Gas, Water & Sanitary	-	0.00%	10,946	0.00%
Transport & Communication	42,334,921	0.41%	77,749,474	0.87%
Agriculture	133,382,187	1.29%	134,960,168	1.51%
Real Estate & Housing	1,441,004,045	13.97%	1,321,999,080	14.80%
Merchant Banking and Loan against Term Deposit	292,867,598	2.84%	250,959,694	2.81%
Others	2,880,750,283	27.93%	2,916,889,839	32.36%
In-house Employees' Loan	33,278,178	0.32%	26,870,265	0.30%
Total	10,315,899,131	100%	8,958,918,638	100.00%

Note	Particulars

7.5 Geographical location-wise lease, loans and advances

Division	As at December 31, 2017		As at 31 December 2016	
	Amount	Composition	Amount	Composition
Dhaka	6,636,328,814	64.33%	5,484,221,638	61.22%
Chattogram	2,645,563,135	25.65%	2,525,553,298	28.19%
Khulna	501,384,634	4.86%	466,770,729	5.21%
Rajshahi	532,622,548	5.16%	482,372,973	5.38%
Total	**10,315,899,131**	**100%**	**8,958,918,638**	**100%**

7.6 Grouping of lease, loans and advances as per classification rules of Bangladesh Bank

Status	As at December 31, 2017		As at 31 December 2016	
	Amount	Composition	Amount	Composition
Unclassified	8,801,117,597	85.32%	7,686,405,338	85.80%
Special mention account (SMA)	491,314,928	4.76%	200,462,365	2.24%
Substandard	136,142,293	1.32%	213,700,343	2.39%
Doubtful	183,095,217	1.77%	169,757,770	1.89%
Bad or loss	704,229,096	6.83%	688,592,822	7.69%
Total	**10,315,899,131**	**100%**	**8,958,918,638**	**100.00%**

7.7 Particulars of provision for lease, loans and advances

Status	Basis for Provision	Rate	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
Unclassified	4,364,372,773	1%	43,643,728	36,178,478
Unclassified (SME)	4,436,744,824	0.25%	11,091,862	10,106,065
Special mention account	481,164,750	5%	24,058,238	9,757,879
			78,793,827	**56,042,422**
Substandard	71,263,290	20%	14,252,658	15,015,634
Doubtful	45,749,729	50%	22,874,865	24,783,942
Bad or loss	285,748,975	100%	285,748,975	366,827,923
			322,876,498	**406,627,499**
Required provision for lease, loans and advances			**401,670,325**	**462,669,921**
Required provision for diminution in value of investment			**18,621,109**	**14,694,904**
Total provision required			**420,291,434**	**477,364,825**
Total provision maintained			**420,291,434**	**477,364,825**
Excess/(short) provision at Dec 31, 2017			**-**	**-**

7.8 Particulars of lease, loans and advances

(i)	Debts considered good in respect of which the MFL is fully secured	1,826,334,433	1,905,135,241
(ii)	Debts considered good for which the MFL holds no other security other than the debtor's personal guarantee;	257,602,134	235,725,703
(iii)	Debts considered good and secured by personal security of one or more parties in addition to the personal security of the debtors;	8,231,962,564	6,818,057,694
		10,315,899,131	**8,958,918,638**
(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;	33,278,178	26,870,265
(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 37.5);	2,813,630	548,474
(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;	3,000,000	5,000,000
(viii)	Maximum total amount of advances including temporary advances granted during the period to the companies or firms in which the directors of the MFL are interested as directors, partners or managing agents or in the case of private companies as members;	-	-
(ix)	Receivable from other NBFI's;	-	-

Note	Particulars	Ref. Note	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
(x)	Total amount of advance on which Profit is not credited;		704,229,096	688,592,822
(xi)	Cumulative amount of written off loans and advances:			
	Opening Balance		308,949,340	212,016,673
	Add: Amount Written off during the year		155,014,633	118,958,862
	Less: Amount received of during the year		10,696,999	22,026,195
	Balance of written off loans and advances yet to be recovered		**453,266,974**	**308,949,340**
7(a)	**Consolidated lease, loans and advances**			
	Inside Bangladesh			
	MIDAS Financing Ltd.		10,315,899,131	8,958,918,638
	MIDAS Investment Ltd.		5,376,679	-
	Adjustment for Consolidation		(221,840,207)	(187,825,852)
			10,099,435,603	**8,771,092,786**
	Outside Bangladesh			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
			-	-
			10,099,435,603	**8,771,092,786**
8	**Fixed assets including premises, furniture & fixtures**			
	Free hold assets		303,361,080	311,373,236
	Intangible assets		565,610	808,013
			303,926,690	**312,181,249**
	A schedule of fixed assets including land, building, furniture and fixtures is given in Annexure-A			
8(a)	**Consolidated fixed assets including premises, furniture & fixtures**			
	MIDAS Financing Ltd.	8	303,926,690	312,181,249
	MIDAS Investment Ltd.		195,728,010	200,405,052
			499,654,700	**512,586,301**
	A schedule of consolidated fixed assets including land, building, furniture and fixtures is given in Annexure-B			
9	**Others assets**			
	Interest receivable on FDR		3,315,793	6,177,345
	Investment in MIDAS Investment Ltd.		249,998,000	249,998,000
	Receivable from MIDAS-Admin. expenses		-	113,098
	Advance against purchase of shares		6,949,271	30,032,275
	Advance income tax	9.1	70,047,252	33,950,500
	Advance against expenditure		36,500	238,508
	Advance office rent		6,307,580	4,894,430
	Security deposit	9.2	633,500	633,500
	Receivable against legal expenses		1,869,591	1,869,592
	Stamp, stationary. etc, in hand		445,054	616,739
	Asset held for sale		11,250,246	39,315,713
	Receivable from rental income & others		9,679,226	12,043,429
	Dividend receivable		14,999,880	-
	Over due interest receivable		97,708,328	-
			473,240,221	**379,883,130**

Note	Particulars	Ref. Note	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
9.1	**Advance income tax**			
	Opening Balance		33,950,500	124,537,760
	Add: Addition during the year		36,096,752	53,775,349
			70,047,252	**178,313,109**
	Less : Adjustment during the year		-	144,362,609
			70,047,252	**33,950,500**
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
			633,500	**633,500**
9.3	**Maturity grouping of other assets**			
	Receivable on demand		115,932,192	11,119,460
	Not more than 3 months		7,522,633	7,653,270
	Over 3 months but not more than 1 year		8,177,171	19,875,073
	Over 1 year but not more than 5 years		69,962,549	80,418,676
	Over 5 years		271,645,676	260,816,650
			473,240,221	**379,883,130**
9(a)	**Consolidated others assets**			
	MIDAS Financing Ltd.	9	473,240,221	379,883,130
	MIDAS Investment Ltd.		57,826,987	39,261,692
	Adjustment for consolidation		(249,998,000)	(249,998,000)
			281,069,208	**169,146,822**
10	**Non-banking assets**			
	Habib Vegitable Product Ltd.		52,700,000	52,700,000
	Biswas Febrics Ltd.		28,065,467	-
			80,765,467	**52,700,000**
	MIDAS Financing limited has been awarded absolute ownership on 1 mortgaged property (Land) in the year of 2014-15 through verdict of honorable court under sec. 33(7) of Artha Rin Adalat Ain, 2003. The same asset against loan of Habib Vegitable product Ltd was recorded at Tk. 52,700,000.00 as non-banking assets. In 2017 the Company also get verdict against the loan of Tk. 28,065,467.00 of Biswas Febrics Ltd. This assets was also recorded as non banking assets.			
11	**Borrowings from other banks, financial institutions and agents**			
	Secured		891,700,679	916,051,408
	Unsecured		503,120,515	420,833,351
			1,394,821,194	**1,336,884,759**
	In Bangladesh		1,394,821,193	1,336,884,759
	Outside Bangladesh		-	-
			1,394,821,193	**1,336,884,759**
11.1	**In Bangladesh**			
	Term loan from other Banks & FIs	11.2	820,127,784	868,315,288
	Refinance against SME loan from Bangladesh Bank		57,925,601	110,338,845
	Refinance against housing loan from Bangladesh Bank		12,105,264	13,700,500
	Loan from SME foundation		25,500,000	9,500,000
	Loan from BYEA		126,820	126,820
	Short term loan from Banks & FIs	11.3	259,035,724	104,903,305
	Call loan	11.4	220,000,000	230,000,000
			1,394,821,193	**1,336,884,759**

Note	Particulars	Ref. Note	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
11.2	**Term loan from other Banks & FIs**			
	Uttara Bank Ltd.		-	385,670,597
	One Bank Ltd.		103,330,772	184,602,047
	Jamuna Bank Ltd.		-	200,000,000
	Midland Bank Ltd.		123,963,233	98,042,644
	The UAE Bangladesh Investment Company Ltd.		50,000,000	-
	Madhumoti Bank Ltd.		144,006,603	-
	National Housing Finance & Investment Ltd.		150,000,000	-
	Shahjalal Islami Bank Ltd.		248,827,176	
			820,127,784	**868,315,288**
11.3	**Short term loan from Banks & FIs**			
	Standard Bank Ltd.		54,150,952	7,788,663
	Bangladesh Development Bank Ltd.		-	15,016
	Pubali Bank Ltd.		32,070,837	(842,553)
	United Commercial Bank Ltd.		24,985,154	35,925,803
	Jamuna Bank Ltd.		61,842,406	11,810,316
	The City Bank Ltd.		45,671,122	20,026,799
	Dutch Bangla Bank Ltd.		40,238,847	30,179,261
	Modhumoti Bank Ltd.		76,406	-
			259,035,724	**104,903,305**
11.4	**Call loan**			
	Standard Bank Ltd.		50,000,000	40,000,000
	Mutual Trust Bank Ltd.		-	100,000,000
	Sonali Bank Ltd.		170,000,000	90,000,000
			220,000,000	**230,000,000**
11.5	**Maturity grouping of borrowings from other banks, financial institutions and agents**			
	Repayable on demand		220,126,820	230,000,000
	Within 1 month		17,798,530	77,413,928
	Over 1 months but not more than 6 months		96,372,179	205,000,432
	Over 6 months but not more than 1 year		117,108,558	385,400,118
	Over 1 year but not more than 5 years		943,415,106	394,561,669
	Over 5 years		-	44,508,612
			1,394,821,193	**1,336,884,759**
11(a)	**Consolidated borrowings from other banks, financial institutions and agents**			
	Inside Bangladesh			
	MIDAS Financing Ltd.	11	1,394,821,193	1,336,884,759
	MIDAS Investment Ltd.		221,840,207	187,825,852
	Adjustment for consolidation		(221,840,207)	(187,825,852)
			1,394,821,193	**1,336,884,759**
	Outside Bangladesh			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
			-	-
			1,394,821,193	**1,336,884,759**
12	**Deposits and other accounts**			
	Term deposits	12.1	7,930,037,322	6,855,459,984
	Security deposits & earnest money		4,844,268	4,844,268
	Advance lease rental		12,603,556	13,983,007
			17,447,824	18,827,275
			7,947,485,146	**6,874,287,259**

Note	Particulars	Ref. Note	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
12.1	**Term deposits**			
	General deposits		6,870,037,322	5,385,459,984
	Deposit from other Banks and Financial institutions	12.2	1,060,000,000	1,470,000,000
			7,930,037,322	**6,855,459,984**
12.2	**Term Deposits from other banks and financial institutions**			
	Shahjalal Islami Bank Ltd.		300,000,000	300,000,000
	Modhumoti Bank Ltd.		200,000,000	-
	Agrani Bank Ltd.		200,000,000	-
	South Bangla Agriculture & Commercial Bank Ltd.		100,000,000	100,000,000
	Mutual Trust Bank Ltd.		-	100,000,000
	National Housing Finance Company Ltd.		100,000,000	150,000,000
	Social Islami Bank Ltd.		-	400,000,000
	National Fiance Ltd.		60,000,000	-
	United Finance Ltd.		-	100,000,000
	LankaBangla Finance Ltd.		100,000,000	250,000,000
	GSP Finance Company (BD) Ltd.		-	70,000,000
			1,060,000,000	**1,470,000,000**
12.3	**Maturity analysis of deposits and other accounts**			
	Repayable on demand		19,089,786	25,054,968
	Within 1 month		526,540,395	662,425,914
	Over 1 months but not more than 6 months		401,633,096	3,641,906,313
	Over 6 months but not more than 1 year		1,726,468,144	2,116,704,109
	Over 1 year but not more than 5 years		3,884,978,749	278,949,795
	Over 5 years		1,388,774,976	149,246,160
			7,947,485,146	**6,874,287,259**
12(a)	**Consolidated deposits and other accounts**			
	Term deposits			
	MIDAS Financing Ltd.	12.1	7,930,037,322	6,855,459,984
	MIDAS Investment Ltd.		-	-
	Adjustment for Consolidation		(205,000,000)	(218,076,385)
			7,725,037,322	**6,637,383,599**
12(b)	**Other deposits**			
	MIDAS Financing Ltd.		17,447,824	18,827,275
	MIDAS Investment Ltd.		-	-
			17,447,824	**18,827,275**
			7,742,485,146	**6,656,210,874**
13	**Other liabilities**			
	Provision for lease, loans & advances	13.1	401,670,324	462,669,921
	Provision for investment in securities	13.2	18,621,109	14,694,904
	Provision for taxation	13.3	106,482,545	68,026,994
	Provision for deferred tax	13.4	19,863,349	23,804,020
	Interest payable on borrowings		18,914,279	17,872,464
	Interest payable on deposits		353,710,929	276,751,405
	Advance against installment		43,615,104	69,227,381
	Advance rent from MIDAS Centre & NGS		7,264,950	27,975,390
	Payable & provision against expenditure	13.5	9,560,827	7,425,157
	Interest suspense	13.6	179,922,818	198,064,717
	Provision for rental income & others		12,652,826	41,218,293
			1,172,279,060	**1,207,730,646**

Note	Particulars	Ref. Note	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
13.1	**Provision for lease, loans & advances**			
	(a) General provision on unclassified loans and advances:			
	Provision held at the beginning of the year		56,042,422	39,204,537
	Net charge to profit & loss account	33	22,751,405	16,837,885
	Balance at the end of the year		**78,793,827**	**56,042,422**
	(b) Provision on classified lease, loans and advances:			
	Provision held at the beginning of the year		406,627,499	602,459,328
	Net charge to profit & loss account	33	32,731,579	(110,512,893)
	Less: Write off during the year		(116,482,581)	(85,318,936)
	Provision held at the end of the year		**322,876,497**	**406,627,499**
	Total provision		**401,670,324**	**462,669,921**
13.2	**Provision for investment in securities**			
	Provision held at the beginning of the year		14,694,904	5,000,000
	Addition/(Adjustment) during the year		3,926,205	9,694,904
	Balance at the end of the year		**18,621,109**	**14,694,904**
13.3	**Provision for taxation**			
	Balance at the beginning of the year		68,026,994	135,933,957
	Provision made during the year		38,455,551	74,114,935
	Adjustment during the year		-	(142,021,898)
	Balance at the end of the year		**106,482,545**	**68,026,994**
13.4	**Provision for deferred tax**			
	Balance at the beginning of the year		23,804,019	20,569,522
	Provision made during the year		(3,940,670)	3,234,497
	Adjustment during the year		-	-
	Balance at the end of the year		**19,863,349**	**23,804,019**

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 Bangladesh Accounting Standard (BAS) 12.

Deferred tax liability is arrived at as follows:

	Carrying amount at Balance Sheet	Tax Base	Taxable temporary difference
	Taka	Taka	Taka
Fixed assets net of depreciation as on Dec 31, 2017	**303,926,690**	**254,268,319**	**49,658,372**
Applicable Tax Rate			**0.40**
a) Deferred tax liability as on December 31, 2017			**19,863,349**
b) Deferred tax liability as on December 31, 2016			**23,804,019**
Deferred tax (income)/expenses accounted for during the year			**(3,940,670)**

13.5	**Payable & provision against expenditure**		
	Payable to CDBL	25,151	127,658
	Payable against utilities	5,404,000	1,323,914
	Liability for others	731,018	909,891
	Audit fees	127,778	108,611
	Withholding Vat, tax & excise duty	4,922	3,205,651
	CIB fees	1,398,366	814,636
	Provision against legal & other charges	1,869,592	934,796
		9,560,827	**7,425,157**

Note	Particulars	Ref. Note	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
13.6	**Interest suspense**			
	Income Suspense-Lease		58,005,106	59,799,577
	Income Suspense-Term finance		103,048,050	125,345,613
	Income Suspense-CCS		309,680	309,680
	Income Suspense - Housing		18,559,982	12,609,847
			179,922,818	**198,064,717**
	Movement of Interest suspense account			
	Balance at the beginning of the year		198,064,717	185,734,785
	Add: Transferred to interest suspense during the year		20,390,153	45,969,857
			218,454,870	**231,704,642**
	Less: Write off during the year		38,532,052	33,639,925
			179,922,818	**198,064,717**
13.7	**Maturity grouping of other liabilities**			
	Repayable on demand		363,271,756	284,176,562
	Within 1 month		65,330,224	54,539,182
	Over 1 month but not more than 6 months		132,212,694	122,570,732
	Over 6 months but not more than 1 year		213,308,771	271,379,032
	Over 1 year but not more than 5 years		210,967,847	246,294,195
	Over 5 years		187,187,768	228,770,943
			1,172,279,060	**1,207,730,646**
13(a)	**Consolidated other liabilities**			
	MIDAS Financing Ltd.	13	1,172,279,060	1,207,730,646
	MIDAS Investment Ltd.		67,832,717	41,586,179
	Adjustment for consolidation		-	-
			1,240,111,777	**1,249,316,825**
14	**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**			
	120,268,676 fully paid ordinary shares of Tk. 10 each subscribed and paid up by the sponsor Shareholders & General Shareholders		**1,202,686,760**	**1,202,686,760**
	Sponsor shareholders group		394,585,940	394,585,940
	General shareholders group		808,100,820	808,100,820
			1,202,686,760	**1,202,686,760**
	General shareholders group			
	Non resident		25,864,780	25,655,020
	Companies & institutions		412,052,580	438,243,550
	General public		370,183,460	344,202,250
			808,100,820	**808,100,820**

Note	Particulars

Classification of shareholders by holding

	No. of Shareholders	No. of shares	Percentage of holding shares
Less than 500 shares	1,271	193,958	0.16%
501 to 5,000 shares	1,322	2,648,606	2.20%
5,001 to 10,000 shares	222	1,641,518	1.36%
10,001 to 20,000 shares	151	2,209,796	1.84%
20,001 to 30,000 shares	59	1,497,462	1.25%
30,001 to 40,000 shares	38	1,329,056	1.11%
40,001 to 50,000 shares	20	924,807	0.77%
50,001 to 1,00,000 shares	51	3,554,251	2.96%
1,00,001 & above shares	82	106,269,222	88.35%
Total	**3,216**	**120,268,676**	**100%**

		Ref. Note	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
14.3	**Capital adequacy - As per BASEL-II**			
	a) Core Capital (Tier-I)			
	Paid-up capital	14.2	1,202,686,760	1,202,686,760
	Statutory reserve	16	80,227,958	61,072,846
	Retained earnings	17	149,270,861	(127,349,583)
			1,432,185,579	**1,136,410,023**
	b) Supplementary Capital (Tier-II)			
	General provision	13.1 (a)	**78,793,827**	**56,042,422**
	c) Total eligible capital (a + b)		**1,510,979,406**	**1,192,452,445**
	Total assets including off-balance sheet exposures		**13,511,389,225**	**11,735,910,877**
	d) Total risk weighted assets		**9,071,042,207**	**6,165,078,895**
	e) Required capital based on risk weighted assets (10% of d)		**907,104,221**	**616,507,890**
	f) Surplus (c-e)		**603,875,185**	**575,944,555**
	Capital Adequacy Ratio (%)		**16.66**	**19.34**
15	**General reserve**			
	Opening balance		-	-
	Add: Addition during the year		-	-
			-	-
16	**Statutory reserve**			
	Opening balance		61,072,846	125,242,834
	Add: Prior year adjustment		13,704,346	-
	Add: Addition during the year		45,450,766	55,830,012
	Less: Transfer to retained earning		(40,000,000)	(120,000,000)
	Closing balance		**80,227,958**	**61,072,846**

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. During the period the Company transferred Taka 4 (Four) crore from statutory reserve to retained earnings for the purpose of reduction of negative retained earnings. The said transfer was merely a book transfer and did not affect total equity of the Company. Bangladesh Bank was duly informed about the transfer as per the relevant provision of Law.

Note	Particulars	Ref. Note	Amount in Taka	
			Dec 31, 2017	Dec 31, 2016
17	**Retained Earnings**			
	Opening balance		(127,349,584)	(470,669,630)
	Add: Prior year adjustment		54,817,381	-
	Add: Profit after Tax		227,253,830	279,150,058
	Less: Transfer to statutory reserve		(45,450,766)	(55,830,012)
	Add: Transfer from statutory reserve		40,000,000	120,000,000
	Closing balance		**149,270,861**	**(127,349,584)**
	During the period a prior year adjustment was made to Retained earnings and Statutory reserve for accurate reflection of the calculation of prior year over due interest receivable. The same was done in line with the requirement of Bangladesh Accounting Standards (BAS-8): Accounting Policies, Changes in Accounting Estimates and Errors.			
17(a)	**Consolidated retained earnings**			
	Opening balance		(109,716,871)	(441,104,901)
	Add: Prior year adjustment		54,817,381	-
	Add: Profit after Tax		217,953,967	267,218,042
	Less: Transfer to statutory reserve		(45,450,766)	(55,830,012)
	Add: Transfer from statutory reserve		40,000,000	120,000,000
	Closing balance		**157,603,711**	**(109,716,871)**
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		200,000,000	75,000,000
	Irrevocable letters of credit		-	-
	Bills for collection		-	-
	Total		**200,000,000**	**75,000,000**
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		1,364,618,248	1,105,598,190
	Claims against the bank not acknowledged as debts		-	-
	Total		**1,364,618,248**	**1,105,598,190**

Note	Particulars	Ref. Note	Amount in Taka	
			Jan 01, 2017 to Dec 31, 2017	July 01, 2015 to Dec 31, 2016
19	**Profit and Loss Account**			
	Income			
	Interest income	20	1,097,907,498	1,259,338,401
	Dividend income	22	34,575,377	49,667,176
	Commission, exchange and brokerage		1,000,000	375,000
	Gains less losses arising from investment securities	22	57,985,123	56,790,079
	Other operating income	23	53,093,140	108,931,272
			1,244,561,138	**1,475,101,928**
	Expenses:			
	Interest on deposits & borrowings, etc.	21	791,915,607	900,983,286
	Administrative expenses		140,091,608	231,317,023
	Other operating expenses	32	7,557,752	11,453,613
	Depreciation on fixed assets	31(a)	12,270,641	17,610,326
			951,835,608	1,161,364,248
			292,725,530	**313,737,680**
20	**Interest income**			
	Interest on lease, loans & advances	20.1	1,069,424,802	1,215,426,075
	Interest on placement with other Banks & FIs	20.2	28,482,696	43,912,326
			1,097,907,498	**1,259,338,401**
20.1	**Interest on lease, loans and advances**			
	Interest income on lease finance		108,912,655	156,077,174
	Interest income on term finance		772,989,977	833,947,316
	Interest on housing finance		185,632,898	222,392,534
	Interest on consumer credit		200,683	352,554
	Interest on staff loan		1,688,589	2,656,497
			1,069,424,802	**1,215,426,075**
20.2	**Interest on placement with other Banks & FIs**			
	Interest on FDR		22,398,685	41,806,437
	Interest on STD accounts		865,149	1,753,807
	Interest Income-Short term Lending		5,218,862	352,082
			28,482,696	**43,912,326**
20 (a)	**Consolidated interest income**			
	Interest on lease, loans and advances			
	MIDAS Financing Ltd.	20.1	1,069,424,802	1,215,426,075
	MIDAS Investment Ltd.		233,795	-
	Adjustment for consolidation		(26,034,918)	(30,584,077)
			1,043,623,679	**1,184,841,998**
	Interest on placement with other Banks & FIs			
	MIDAS Financing Ltd.	20.2	28,482,696	43,912,326
	MIDAS Investment Ltd.		19,565,710	33,811,654
	Adjustment for consolidation		(19,565,710)	(33,811,654)
			28,482,696	**43,912,326**
			1,072,106,375	**1,228,754,324**

Note	Particulars	Ref. Note	Amount in Taka	
			Jan 01, 2017 to Dec 31, 2017	July 01, 2015 to Dec 31, 2016
21	**Interest on deposits and borrowings, etc.**			
	Interest paid on deposits		681,635,074	744,226,725
	Interest paid on borrowings	21.1	110,280,533	156,756,561
			791,915,607	**900,983,286**
21.1	**Interest paid on borrowings**			
	Interest Expenses on Bank Loan		93,367,179	111,025,986
	Interest Expenses on Call Loan		10,283,750	29,971,431
	Interest Expenses on Re-financing loan		3,750,780	13,935,300
	Borrowing Cost		2,878,824	1,823,844
			110,280,533	**156,756,561**
21(a)	**Consolidated Interest on deposit and borrowing, etc.**			
	Interest paid on deposits			
	MIDAS Financing Ltd.		681,635,074	744,226,725
	MIDAS Investment Ltd.		23,930	-
	Adjustment for consolidation		(19,565,710)	(33,811,654)
			662,093,294	**710,415,071**
	Interest paid on borrowings			
	MIDAS Financing Ltd.		110,280,533	156,756,561
	MIDAS Investment Ltd.		26,034,918	30,584,078
	Adjustment for consolidation		(26,034,918)	(30,584,078)
			110,280,533	**156,756,561**
			772,373,827	**867,171,632**
22	**Income from Investment**			
	Income from investment in shares		57,985,123	56,790,079
	Dividend income		34,575,377	49,667,176
			92,560,500	**106,457,255**
22(a)	**Consolidated income from investment**			
	Income from investment in shares			
	MIDAS Financing Ltd.	22	57,985,123	56,790,079
	MIDAS Investment Ltd.		13,560,057	(96,557)
			71,545,180	**56,693,522**
	Dividend income			
	MIDAS Financing Ltd.		34,575,377	49,667,176
	MIDAS Investment Ltd.		631,005	1,618,321
			35,206,382	**51,285,497**
	Dividend from subsidiary		(27,499,780)	(37,499,700)
			79,251,782	**70,479,319**
23	**Other operating income**			
	Transfer price for leased asset		342,977	565,908
	Processing and other fees		10,418,010	19,243,752
	Sale of application form		953,775	1,791,068
	Rental income-MIDAS centre & Nahar green		40,451,687	86,001,601
	Other income	23.1	492,578	1,328,943
	Gain on sale of fixed assets		434,113	-
			53,093,140	**108,931,272**

Note	Particulars	Ref. Note	Amount in Taka	
			Jan 01, 2017 to Dec 31, 2017	July 01, 2015 to Dec 31, 2016
23.1	**Other income**			
	Notice pay		129,500	797,345
	News paper & other sales		3,500	16,200
	Miscellaneous income from deposits		296,237	248,142
	Miscellaneous income others		63,341	267,256
			492,578	**1,328,943**
23(a)	**Consolidated other operating income**			
	MIDAS Financing Ltd.	23	53,093,140	108,931,272
	MIDAS Investment Ltd.		29,589,187	42,429,750
			82,682,327	**151,361,022**
24	**Salary and allowances**		**106,126,368**	**158,896,346**
24(a)	**Consolidated salary & allowances**			
	MIDAS Financing Ltd.	24	106,126,368	158,896,346
	MIDAS Investment Ltd.		2,918,968	3,500,662
			109,045,336	**162,397,008**
25	**Rent, taxes, insurances, electricity, etc.**			
	Rates & taxes		1,703,224	3,695,732
	Office rent		4,510,911	6,300,417
	Insurance		255,852	466,899
	Utilities		3,316,959	17,240,742
			9,786,946	**27,703,790**
25(a)	**Consolidated rent, taxes, insurance, electricity, etc.**			
	MIDAS Financing Ltd.	25	9,786,946	27,703,790
	MIDAS Investment Ltd.		2,717,292	2,060,863
			12,504,238	**29,764,653**
26	**Legal expenses**			
	Legal/professional fees		3,531,065	4,973,625
	Other legal expenses		4,386,187	4,785,988
			7,917,252	**9,759,613**
26(a)	**Consolidated legal expenses**			
	MIDAS Financing Ltd.	26	7,917,252	9,759,613
	MIDAS Investment Ltd.		72,450	292,352
			7,989,702	**10,051,965**
27	**Postage, stamp, telecommunication, etc.**			
	Postage & courier expenses		195,674	323,108
	Telephone, mobile, fax and internet		2,736,867	5,421,287
			2,932,541	**5,744,395**
27(a)	**Consolidated postage, stamps, telecommunication, etc.**			
	MIDAS Financing Ltd.	27	2,932,541	5,744,395
	MIDAS Investment Ltd.		35,873	184
			2,968,414	**5,744,579**

Note	Particulars	Ref. Note	Amount in Taka	
			Jan 01, 2017 to Dec 31, 2017	July 01, 2015 to Dec 31, 2016
28	**Stationery, printing, advertisements, etc.**			
	Stationary		760,674	1,715,748
	Printing		1,004,698	2,081,322
	Advertisement and publicity		1,229,983	1,991,525
	Signboard and banner		55,616	139,436
			3,050,971	**5,928,031**
28(a)	**Consolidated stationery, printing, advertisements, etc.**			
	MIDAS Financing Ltd.	28	3,050,971	5,928,031
	MIDAS Investment Ltd.		222,010	79,045
			3,272,981	**6,007,076**
29	**Managing Director's salary and benefits**		**6,343,996**	**9,675,414**
30	**Directors' fees and expenses**			
	Honorarium for attending meeting		1,674,400	2,258,117
	Incidental expenses for attending meeting		90,605	153,707
			1,765,005	**2,411,824**
	Total 13 nos of Board Meeting, 4 nos of Audit Committee Meeting and 13 nos of Executive Committee (EC) Meeting were held during the period of January 01, 2017 to December 31, 2017. Each Director was paid Tk.8,000 for attending in each meeting.			
30(a)	**Consolidated directors' fees and expenses**			
	MIDAS Financing Ltd.		1,765,005	2,411,824
	MIDAS Investment Ltd.		155,545	137,500
			1,920,550	**2,549,324**
31	**Depreciation and repair of company's assets**			
	i) Depreciation of company's assets (Annexure A)			
	Building		8,156,074	11,440,081
	Office equipment		691,793	1,339,058
	Office furniture		1,750,910	2,319,845
	Motor vehicle		402,093	507,906
	Intengible asset		242,403	531,262
	Computer equipment		1,027,367	1,472,174
			12,270,641	**17,610,326**
	ii) Repair of company's assets			
	Office repair and maintenance		1,381,127	9,969,622
	Car maintenance		659,624	1,006,877
			2,040,751	**10,976,499**
			14,311,392	**28,586,825**

Note	Particulars	Ref. Note	Amount in Taka	
			Jan 01, 2017 to Dec 31, 2017	July 01, 2015 to Dec 31, 2016
31(a)	**Consolidated depreciation and repair of company's assets**			
	a) Depreciation of company's assets (Annexure B)			
	MIDAS Financing Ltd.	31(i)	12,270,641	17,610,326
	MIDAS Investment Ltd.		5,324,114	7,643,977
			17,594,755	**25,254,303**
	b) Repair of company's assets			
	MIDAS Financing Ltd.	31(ii)	2,040,751	10,976,499
	MIDAS Investment Ltd.		209,420	152,315
			2,250,171	**11,128,814**
			19,844,926	**36,383,117**
32	**Other expenses**			
	Fuel		998,771	1,606,606
	Traveling and conveyance		1,427,767	3,189,182
	Public relation and AGM expenses		801,783	345,808
	News paper & periodicals		59,753	83,007
	Business promotion & development		-	80,340
	Entertainment		945,968	1,415,530
	Training, seminar & w/shop		504,909	810,675
	Membership fees & subscription		1,353,574	858,200
	Bank charge		881,910	1,038,223
	Share management expenses		36,575	1,506,222
	Miscellaneous expenses		350,384	519,820
	Loss on sale of fixed assets		196,359	-
			7,557,752	**11,453,613**
32(a)	**Consolidated other expenses**			
	MIDAS Financing Ltd.	32	7,557,752	11,453,613
	MIDAS Investment Ltd.		834,761	216,380
			8,392,513	**11,669,993**
33	**Provision against lease, loans, advances and others**			
	General provisions	13.1 (a)	22,751,405	16,837,885
	Specific provisions	13.1 (b)	32,731,579	(110,512,893)
	Provisions for diminution in value of investments	13.2	3,926,204	9,694,904
	Other provisions		(28,452,369)	41,218,293
			30,956,819	**(42,761,811)**
33(a)	**Consolidated provision against loans, lease finance & others**			
	General provisions			
	MIDAS Financing Ltd.		22,751,405	16,837,885
	MIDAS Investment Ltd.		-	
			22,751,405	**16,837,885**
33(b)	**Specific provisions**			
	MIDAS Financing Ltd.		32,731,579	(110,512,893)
	MIDAS Investment Ltd.		-	
			32,731,579	**(110,512,893)**

Note	Particulars	Ref. Note	Amount in Taka	
			Jan 01, 2017 to Dec 31, 2017	July 01, 2015 to Dec 31, 2016
33 (c)	**Provisions for diminution in value of investments**			
	MIDAS Financing Ltd.		3,926,204	9,694,904
	MIDAS Investment Ltd.		4,465,355	(876,343)
			8,391,559	**8,818,561**
33(d)	**Current tax**			
	MIDAS Financing Ltd.		38,455,551	74,114,935
	MIDAS Investment Ltd.		2,352,574	6,594,088
			40,808,125	**80,709,023**
33(e)	**Deferred tax**			
	MIDAS Financing Ltd.		(3,940,671)	3,234,498
	MIDAS Investment Ltd.		(22,019)	93,134
			(3,962,690)	**3,327,632**
33(f)	**Other provisions**			
	MIDAS Financing Ltd.		(28,452,369)	41,218,293
	MIDAS Investment Ltd.		-	1,674,240
			(28,452,369)	**42,892,533**
34	**Earnings per share (EPS)**			
	Net profit after tax		227,253,830	279,150,058
	Number of ordinary shares outstanding (Denominator)		120,268,676	120,268,676
	Earnings Per Share		**1.89**	**2.32**
34(a)	**Consolidated Earnings per share (EPS)**			
	Consolidated net profit		217,954,113	267,218,246
	Number of ordinary shares outstanding (Denominator)		120,268,676	120,268,676
	Earnings per share		**1.81**	**2.22**

35 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 195 (In the year 2017 it was 205).

36 Audit Committee

a) Particulars of audit committee

The audit Committee of the Board of Directors consisted of the following 4 (four) members of the Board:

Name	Educational Qualification	Status with MFL	Status with the Committee
Mr. Ali Imam Majumder	M.Sc. in Mathematics	Independent Director	Chairman
Ms. Rokia A. Rahman	Graduation in Banking from Karachi, Pakistan	Chairman	Member
Mr. Siddiqur Rahman Choudhury	B.Sc. (Hons), M.Sc. (D.U.) Diploma in Public Financial Management (University of Connecticut, USA)	Independent Director	Member
Mr. M. Hafizuddin Khan	B.A. (Hons) and M.A. in Political Science from D.U.	Director	Member
Mr. Md. Ikramullah*	B.Sc. Engg.(Elect), M.S. (Telecom Engineering)	Director	Member

*MIDAS withdrew its nomination of Mr. Md. Ikramullah with effect from December 28, 2017.

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

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

Sl.	Meeting No	Date of Meetings	No of Attendances
1	67th Meeting	07.05.2017	4
2	68th Meeting	27.07.2017	5
3	69th Meeting	26.10.2017	4
4	70th Meeting	31.12.2017	4

c) Meeting of Audit Committee

During the period January 1, 2017 to December 31, 2017, the Audit Committee of the Board conducted 4 (Four) meetings. In those meetings, among others, the committee reviewed/discussed the following issues:

i) Audit plan for the year;
ii) Company's Internal Administrative Policy;
iii) Quarterly loan, lease classification and recovery position;
iv) Financial statements and Annual Report of the Company;
v) Quarterly and Half-yearly financial statements of the Company;
vi) Internal and External (including Bangladesh Bank) Inspection & Audit Reports;
vii) Internal control systems and procedures;
viii) Financial statements of subsidiary company;
ix) Compliance of legal and regulatory requirements.

37 Related Party Disclosures:

37.1 Name of the Directors and their interest in different entities

Name of Directors	Status with MFL	Entities where they have interest	Position
Ms. Rokia A. Rahman	Chairman (Nominated by MIDAS)	R.R. Cold Storage Ltd.	Chairman & MD
		Mediaworld Ltd.	Chairman
		Arlinks Ltd.	Chairman
		Mediastar Ltd.	Director
		Aris Holdings Ltd.	Chairman
		Imaan Cold Storage Ltd.	Director
		ABC Radio	Director
		Bangladesh Lamps Ltd.	Independent Director
		Grameen Phone Ltd.	Independent Director
		Marico Bangladesh Ltd.	Independent Director
		MIDAS	Director
		BRAC	Governing Body Member
		Banchte Shekha, Jessore	Chairperson
		Grameen Telecom Trust	Board Member
		Transparency International - Bangladesh (TIB)	Member of Board of Trustees
		Presidency University	Member of Board of Trustees
Mr. Abdul Karim	Director (Nominated by MIDAS)	MIDAS	Director
		SEP Bangladesh	Treasurer
		VERC	Treasurer
Mr. M. Hafizuddin Khan	Director (Nominated by MIDAS)	MIDAS	Director
Ms. Parveen Mahmud*	Director (Nominated by MIDAS)	Shasha Denims Ltd.	Chairman
		Shasha Textiles Ltd.	Chairman
		Shasha Spinning Ltd.	Chairman
		Shasha Apparels Ltd.	Chairman
		Shasha Millners & Textiles Ltd.	Board Member
		Shasha Construction Ltd.	Board Member
		Saburo Indigo Ltd.	Chairman
		Linde Bangladesh Ltd.	Board Member, Chairman-Audit Committee
		BRAC	Association Member & Audit Committee
		BRAC International	Board Member, Chairman-Audit Committee
		Campaign for Popular Education (CAMPE)	Board Member & Audit Committee Member
		Palli Karma Sahayak Foundation (PKSF)	Board Member
		Under Privileged Children Education Program (UCEP) Bangladesh	Association Member
		Manusher Jonno Foundation (MJF)	Board Member
		MIDAS	Chairman
		Rangpur Dinajpur Rural Services (RDRS) - Bangladesh	Board Member
		Ghashful	Board Member
		Grameen Phone Ltd.	Board Member
		Grameen Telecom Trust	Managing Director
		Grameen Capital Management Ltd.	Board Member
		Grameen Danone Foods Ltd.	Board Member
		Grameen Krishi Foundation	Board Member
		Grameen Fisheries and Livestock Ltd.	Board Member
		Grameen Health Care Services Ltd.	Board Member
		Grameen Fabrics & Fashions Ltd.	Board Member
		Grameen Knitwear Ltd.	Board Member
		Grameen Distribution Ltd.	Board Member
		Grameen Shamgori Ltd.	Board Member
		Grameen Samajik Byabsha Ltd.	Board Member

Name of Directors	Status with MFL	Entities where they have interest	Position
Mr. Mohammed Nasir Uddin Chowdhury	Director (Nominated by LankaBangla Finance Ltd.)	LankaBangla Securities Ltd.	Managing Director
		LankaBangla Investment Ltd.	Director
		BD Venture Ltd.	Director
		Bengal Meat Ltd.	Director
		Eastern Cables Ltd.	Director
		FinExcel Ltd.	Vice Chairman
Mr. S.M. Azad Hossain	Director (General Share holder Group)	Nur-Nahar Spinning Mills Ltd.	Executive Director
Mr. Md. Shamsul Alam	Director (General Share holder Group)	Intech Online Ltd.	Director
		Arafat Agro Trade	Proprietor
Mr. Md. Shahedul Alam	Director (General Share holder Group)	RADIO VISION	Partner
		Hay Agro (Pvt) Ltd.	Chairman
		SBL Capital Managemnt Ltd.	Director
Mr. Ali Imam Majumder	Independent Director	MIDAS Investment Ltd.	Director
Mr. Siddiqur Rahman Choudhury	Independent Director	Social Marketing Company Ltd.	Chairman
		SMC Enterprise Ltd.	Chairman

*MIDAS withdrew its nomination of Mr. Md. Ikramullah and nominated Ms. Parveen Mahmud as representative Director. Ms. Parveen Mahmud was appointed as Director with effect from December 28, 2017.

37.2 Significant Contracts where MFL is a party and wherein Directors have interest: Nil

37.3 Shares issued to Directors & Executives without consideration or issued at discount: Nil

37.4 Lending Policies to related parties:

Lending to related parties is effected as per requirements of 4th Schedule Section 14 of the Financial Institutions Act, 1993

37.5 Investment (Lease, Loans and Advances) to Directors and related Concern, (Note-7.2):

Sl.	Name of the Party	Related By	Nature of Investment	Amount in Tk.	Status
i)	Ms. Rokia Afzal Rahman	Sponsor shareholder	Auto loan	2,813,630	Standard
ii)	MIDAS Investment Ltd	Subsidiary company	STL & LTD	221,840,207	Standard
				224,653,837	

38 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 38.1.

38.1 Proposed Dividend

The Board of Directors in its 289th Board Meeting held on April 15, 2018 has recommended to the shareholders @10% (percent) Stock Dividend for the year ended December 31, 2017. This will be considered for approval of shareholders at 22nd Annual General Meeting (AGM) of the Company.

MIDAS Financing Limited

Fixed assets including land, building, furniture and fixtures

ANNEXURE-A

For the year ended December 31, 2017

Amount in Taka

Particulars	COST				Rate of Dep	DEPRECIATION/AMORTIZATION				Written down value as on Dec 31, 2017
	Balance as on Jan 1, 2017	Addition/transfer during the period	Disposal/ adjustment during the year	Balance as on Dec 31, 2017		Balance as on Jan 1, 2017	Charged for the period	Adjustment/ Transfer during the Year	Balance as on Dec 31, 2017	
I. Free holds assets										
Land	19,505,978	-	-	19,505,978		-	-	-	-	19,505,978
Building	326,242,920	-	-	326,242,920	2.5%	61,713,240	8,156,074	-	69,869,314	256,373,606
Office equipment	9,258,554	841,854	427,000	9,673,408	18%	5,683,013	691,793	282,530	6,092,276	3,581,132
Furniture & fixtures	28,277,335	964,830	24,500	29,217,665	10%	11,385,974	1,750,910	12,010	13,124,874	16,092,791
Motor vehicle	8,498,105	2,165,663	2,544,225	8,119,543	20%	7,192,060	402,093	2,527,338	5,066,815	3,052,728
Computer equipment	14,482,370	362,648	499,966	14,345,052	18%	8,917,740	1,027,367	354,901	9,590,206	4,754,846
Sub Total	**406,265,262**	**4,334,995**	**3,495,691**	**407,104,566**		**94,892,027**	**12,028,238**	**3,176,779**	**103,743,486**	**303,361,080**
II. Intangible assets										
System & software	1,339,275	-	-	1,339,275	30%	531,262	242,403	-	773,665	565,610
Total as on Dec 31, 2017	**407,604,537**	**4,334,995**	**3,495,691**	**408,443,841**		**95,423,289**	**12,270,642**	**3,176,779**	**104,517,152**	**303,926,690**
Total as on Dec 31, 2016	**401,568,966**	**6,035,572**	**-**	**407,604,538**		**77,812,963**	**17,610,326**	**-**	**95,423,289**	**312,181,249**

MIDAS Financing Limited and its subsidiary

Consolidated Fixed assets including land, building, furniture and fixtures

ANNEXURE-B

For the year ended December 31, 2017

Amount in Taka

Particulars	COST				DEPRECIATION/AMORTIZATION				Written down value as on Dec 31, 2017
	Balance as on Jan 1, 2017	Addition/transfer during the period	Disposal/ adjustment during the year	Balance as on Dec 31, 2017	Balance as on Jan 1, 2017	Charged for the period	Adjustment/ Transfer during the Year	Balance as on Dec 31, 2017	
I. Free holds assets									
Land	37,161,905	-	-	37,161,905	-	-	-	-	37,161,905
Building	524,854,965	-	-	524,854,965	78,537,760	13,121,375	-	91,659,135	433,195,830
Office equipment	9,372,474	871,279	427,000	9,816,753	5,707,401	715,558	282,530	6,140,429	3,676,324
Furniture & fixtures	29,153,686	1,105,874	24,500	30,235,060	11,512,914	1,894,843	12,010	13,395,747	16,839,313
Motor vehicle	8,498,105	2,165,663	2,544,225	8,119,543	7,192,060	402,093	2,527,338	5,066,815	3,052,728
Computer equipment	14,999,549	839,253	499,966	15,338,836	9,312,262	1,218,482	354,901	10,175,843	5,162,992
Sub Total	**624,040,684**	**4,982,069**	**3,495,691**	**625,527,062**	**112,262,397**	**17,352,352**	**3,176,779**	**126,437,970**	**499,089,091**
II. Intangible assets									
System & software	1,339,275	-	-	1,339,275	531,262	242,403	-	773,665	565,610
Total as on Dec 31, 2017	**625,379,959**	**4,982,069**	**3,495,691**	**626,866,337**	**112,793,659**	**17,594,756**	**3,176,779**	**127,211,636**	**499,654,700**
Total as on Dec 31, 2016	**618,337,583**	**7,042,376**	**-**	**625,379,959**	**87,539,356**	**25,254,303**	**-**	**112,793,659**	**512,586,301**

MIDAS Financing Limited

Highlight as required by Bangladesh Bank

SL #	PARTICULARS	As at and for the year ended on Dec 31, 2017	As at and for 18 month ended on Dec 31, 2016 (as per last audited report)
1	Paid up capital	1,202,686,760	1,202,686,760
2	Total capital	1,432,185,579	1,136,410,022
3	Capital surplus where as required capital 100 crore	202,686,760	202,686,760
4	Total assets	11,946,770,980	10,555,312,686
5	Total deposit	7,947,485,146	6,874,287,259
6	Total lease, loans and advances	10,315,899,131	8,958,918,638
7	Total contingent liabilities and commitments	1,564,618,248	1,180,598,190
8	Loans to deposit ratio (total loan/total deposit)	129.80%	130.33%
9	Percentage of classified loan against total loans	9.92%	12.00%
10	Profit after tax and provision	227,253,830	279,150,058
11	Classified lease, loans and advances during the year	1,023,466,606	1,072,050,935
12	Provisions kept against classified lease, loans and advances	322,876,497	406,627,499
13	Provision surplus/(deficit) against classified lease, loans and advances	-	-
14	Cost of fund	9.16%	9.36%
15	Interest earning assets	10,619,531,125	9,432,935,107
16	Non-interest earning assets	1,327,239,855	1,122,377,579
17	Return on investment (ROI)	11.39%	11.33%
18	Return on assets (ROA)	2.02%	2.64%
19	Income from investment	92,560,500	106,457,255
20	Earnings per share	1.89	2.32
21	Operating profit per share	2.43	2.96
22	Price earning ratio (Times)	23.66	8.05
23	Net assets value per share	11.91	9.45



MIDAS Investment Limited



Auditors' Report and Audited Financial Statements

Mahfel Huq & Co.
Chartered Accountants
The first registered accounting firm in independent Bangladesh

An independent member firm of AGN International

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INDEPENDENT AUDITORS' REPORT

to the Shareholders' of
MIDAS INVESTMENT LIMITED

Report on the Financial Statement

We have audited the accompanying financial statement of MIDAS INVESTMENT LIMITED which comprises the statement of Financial Position as at December 31, 2017 and the Statement of Profit or Loss and other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year than ended December 31, 2017, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statement

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BASs). Bangladesh Financial Reporting Standards (BFRSs), the Companies Act 1994, and other applicable laws & regulation 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.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing (BSAs). Those standards require that we comply with relevant ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessment, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Mahfel Huq & Co. is an independent member firm of AGN International, UK. AGN Internatioal is an a worldwide association of separate and independent accounting and consulting firms. Each member of AGN operates under its own local or national name and remains automonus.

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Opinion

In our opinion, the financial statements prepared in accordance with Bangladesh Accounting Standards (BASs) and Bangladesh Financial Reporting Standards (BFRSs) give a true and fair view of the state of the affairs of financial position of the MIDAS INVESTMENT LIMITED as at December 31, 2017 and of the results of its operations and its cash flows for the year ended and comply with the requirements of the Companies Act. 1994, the Security and Exchanges Rules 1987 and other applicable laws and regulations.

Report on Other Legal and Regulatory Requirement:

a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;

b) In our opinion, proper books of account as required by law have been kept by the company so far as it appeared from our examination of those books;

c) The company's statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and

d) The expenditure was incurred for the purpose of the company's business.

Place: Dhaka,

Dated: 29 March 2018

Mahfel Huq & Co.
Chartered Accountants

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MIDAS INVESTMENT LIMITED

Statement of Financial Position

As at December 31, 2017

Particulars	Notes	Amount in Taka December 31, 2017	Amount in Taka December 31, 2016
ASSETS			
Non-current Assets			
Property, Plant and Equipment	3	39,128,010	39,393,784
Building (Investment Property)	3.1	156,600,001	161,011,268
Long-term Investment	4	205,000,000	218,076,385
Total non-current assets		**400,728,011**	**418,481,437**
Current Assets			
Cash and Bank balance	5	10,998,142	409,836
Advance Income Tax		35,432,323	21,007,157
Investment in Securities	6	73,076,049	38,891,946
Investment in Margin Loan		5,376,679	-
Rental Income Receivable	7	20,049,658	18,050,810
Other Assets	8	2,345,005	203,725
Total current assets		**147,277,856**	**78,563,474**
Total Assets		**548,005,868**	**497,044,911**
EQUITY AND LIABILITIES			
Shareholders' Equity			
Share Capital	9	250,000,000	250,000,000
Retained Earnings	10	8,332,941	17,632,879
Total Equity		**258,332,941**	**267,632,879**
Liabilities			
Non-current Liabilities			
Long-term Loan	11	196,840,207	187,825,852
Total Non-current Liabilities		**196,840,207**	**187,825,852**
Current Liabilities			
Short-term Loan	11.1	25,000,000	-
Liability against Expenses	12	34,500	17,250
Provision for Taxation	13	29,822,045	27,469,471
Other Liabilities	14	37,976,174	14,099,459
Total Current Liabilities		**92,832,719**	**41,586,180**
Total Liabilities		**289,672,926**	**229,412,032**
Total Equity and Liabilities		**548,005,868**	**497,044,911**

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

Chairman **Director** **Chief Executive Officer** **Company Secretary**

Signed in terms of our separate report of even date annexed

Place: Dhaka,
Dated: 29 March 2018

Mahfel Huq & Co.
Chartered Accountants

MIDAS INVESTMENT LIMITED

Statement of Profit and Loss and other Comprehensive Income

For the year ended December 31, 2017

Particulars	Notes	Amount in Taka 2017	Amount in Taka 2016 (July-Dec)
Operating Income	15	233,795	-
Less: Operating Expenses		23,930	-
Operating Income		**209,865**	-
Income from Investment in Securities	16	14,191,062	(2,068,727)
Other Income	17	23,119,979	15,361,746
Total Income		**37,520,906**	**13,293,019**
Administrative Expenses			
Salary and Allowances		2,918,968	1,115,952
Utilities Expenses		336,298	-
Bank charges & Excise duty		23,841	1,694
Legal & Professional fees		72,450	56,027
Audit fees		34,500	17,250
Regulatory fees and charges	18	465,726	256,790
Printing & Stationary	19	179,806	20,252
Postage, Stamp and Telecommunication	20	125,873	184
Directors' fee		155,545	112,500
Depreciation	21	5,324,114	2,596,117
Other Expenses	22	2,887,812	229,536
Total administrative expenses		**12,524,934**	**4,406,302**
Profit before provision		**24,995,972**	**8,886,717**
Provision for investment in share	23	4,465,355	(1,922,813)
Profit before taxation		**20,530,617**	**10,809,530**
Tax expenses:			
Current tax		2,352,574	1,500,000
Deferred tax	14.2	(22,019)	(447,493)
		2,330,555	**1,052,507**
Profit for the year		**18,200,062**	**9,757,023**
Earnings Per Share (Taka)	24	**0.73**	**0.39**

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

Chairman **Director** **Chief Executive Officer** **Company Secretary**

Signed in terms of our separate report of even date annexed

Place: Dhaka,
Dated: 29 March 2018

Mahfel Huq & Co.
Chartered Accountants

MIDAS INVESTMENT LIMITED

Statement of Changes in Shareholders' Equity

For the year ended December 31, 2017 **Amount in Taka**

Particulars	Share Capital	Reserve	Retained Earnings	Total
Balance as at Jan 01, 2017	250,000,000	-	17,632,879	267,632,879
Profit for the period	-	-	18,200,062	18,200,062
Cash Dividend paid-2016	-	-	(12,500,000)	(12,500,000)
Interim Dividend-2017	-		(15,000,000)	(15,000,000)
Balance as at December 31, 2017	**250,000,000**	-	**8,332,941**	**258,332,941**
Balance as at December 31, 2016	**250,000,000**	-	**17,632,879**	**267,632,879**

Chairman **Director** **Chief Executive Officer** **Company Secretary**

Signed in terms of our separate report of even date annexed

Place: Dhaka,
Dated: 29 March 2018

Mahfel Huq & Co.
Chartered Accountants

MIDAS INVESTMENT LIMITED

Statement of Cash Flow

For the year ended December 31, 2017

Particulars	Amount in Taka 2017	Amount in Taka 2016 (July-Dec)
A) Cash flows from Operating Activities		
Fees & Commission Received	209,865	-
Interest received from TDR	19,565,710	10,399,797
Interest paid against borrowing	(26,034,918)	(9,466,551)
Profit/(Loss) from share investment	14,191,062	(2,068,727)
Cash payment to employees	(2,918,968)	(1,115,952)
Cash Payment to Others	(4,281,851)	(694,234)
Income Tax Paid	(14,425,166)	(1,679,532)
Received from other Income	29,589,186	14,428,500
Operating profit before changes in Operating Assets & Liabilities:	**15,894,920**	**9,803,301.00**
Changes in Operating Assets and Liabilities		
Purchase / Sale of Trading Securities	(39,560,782)	(2,720,391)
Other Assets	(4,140,128)	2,445,902
Other liabilities	4,450,630	321,400
Sub Total	**(39,250,281)**	**46,911**
Net cash flows from operating activities (Total of "A"):	**(23,355,361)**	**9,850,212**
B) Cash flows from Investing Activities		
Purchase / Sale of Property, Plant & Equipment	(647,073)	(1,006,804)
Term Deposits with MFL	13,076,384	
Net Cash used by investing activities (Total of "B"):	**12,429,311**	**(1,006,804)**
C) Cash flows From Financing Activities		
Increase/(decrease) of borrowings	34,014,355	28,530,769
Dividend	(12,500,000)	(37,500,000)
Net Cash used by Financing Activities (Total of "C"):	**21,514,355**	**(8,969,231)**
D) Net Increase/ (Decrease) in cash & cash equivalents (A+B+C)	**10,588,306**	**(125,823)**
E) Opening cash and cash-equivalents	**409,836**	**535,659**
F) Closing cash cash-equivalents (D+E)*	**10,998,142**	**409,836**
*** Closing cash and cash-equivalents**		
Cash in hand	5,437	10,000
Cash at bank	10,992,705	399,836
Total:	**10,998,142**	**409,836**

Chairman **Director** **Chief Executive Officer** **Company Secretary**

Signed in terms of our separate report of even date annexed

Place: Dhaka,
Dated: 29 March 2018

Mahfel Huq & Co.
Chartered Accountants

MIDAS INVESTMENT LIMITED

Notes to the financial statements
As at and for the year ended on December 31, 2017

1.00 Company and it's activities

1.01 Corporate information

MIDAS Investment Limited is a subsidiary company of MIDAS Financing Limited. The Company was incorporated under the Cornpanies Act 1994 dated 09 April, 2012 bearing Registration No C-100772/12 with the Registrar of Joint Stock Companies & Firms. The registered office of the company is at MIDAS Centre (6th floor), House – 05, Road- 16 (New), Dhanmondi, Dhaka-1209. MIDAS Investment Limited is a Full -fledged Merchant Banker & Portfolio Manager under the Registration Certificate No-MB91/2016 dated 06 September 2016.

1.02 Company's Activities

The Company has been formed with a view to operating Merchant Banking activities.

2.00 Significant Accounting Policies

2.01 Statement of compliance

The financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business following accrual basis of accounting except for cash flow statement. In preparation of these financial statements the company followed respective provisions of The Companies Act 1994, The Securities and Exchange Rules, 1987 and Bangladesh Accounting Standard (BAS) and/or Bangladesh Financial Reporting Standards (BFRS) and other applicable laws and regulations.

2.02 Basis of Preparation and Presentation of Financial Statements

The financial statements have been prepared and the disclosure have been made in accordance with the requirements of Bangladesh Accounting Standards (BAS), Securities and Exchange Rules, 1987 and other applicable laws and regulations. No adjustment has been made for inflationary factor affecting the financial statements.

2.03 Use of estimates and judgment

Preparation of the financial statements in conformity with BAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies that affect the reported amounts of the revenue and expenses, assets and liabilities. Due to involvement of inherent uncertainty in making estimates, actual results could be different from those estimates.

2.04 Cash flow statement

The cash flow statement is prepared using the direct method as stipulated in Bangladesh Accounting Standard (BAS)-7 "Statement of Cash Flows". Cash and cash equivalents for cash flow statements comprises mainly of cash in hand and balances at banks.

2.05 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and cash at bank.

2.06 Property plant & Equipment

Recognition

An item is recognized as an asset when it is probable that future economic benefit associated with the asset will flow to the enterprise and the cost of the assets to the enterprise can be measured reliably. The cost of an item of fixed assets includes its purchase price (easel discounts and rebates),

including import duties and taxes, and any directly attributable cost of bringing the asset to working condition for its intended use.

Measurement

Fixed assets for own use are stated initially at cost and subsequently at cost less accumulated depreciation and any accumulated impairment losses or at a re-valued amount less any accumulated depreciation and subsequent accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure of fixed assets are added to the carrying amount of the asset, when it is probable that future economic benefits, exceeding its present standard of performance, will flow to the company and the cost of the item can be measured reliably All other costs are recognized in profit and loss account as expense.

Depreciation

Components of an asset with differing patterns of benefits are depreciated separately. Depreciation is charged to amortized the cost of assets, over their estimated useful lives, using the straight-line method in accordance with BAS-16 “Property, Plant and Equipment”. Full year depreciation is charged on additions irrespective of date when the related assets are put into use. On the other hand, no depreciation has been charged on the month of disposal.

The company follows the straight-line method of depreciation applying annual rates stated as follows:

Land	0%
Building	2.50%
Motor vehicles	20%
Office decoration	15%
Office equipment	20%
Furniture and fixtures	15%
Computers & Accessories	33%

Disposal

The gain or loss arising out of disposal or retirement of fixed assets is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognized in profit and loss account.

2.07 Impairment of Assets

The carrying amount of the companies assets are reviewed at each balance sheet date whenever there is any indication of impairment. If any such indication exist, the assets recoverable amounts are estimated. An impairment loss is recognized whenever the carrying amount of the assets or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the Profit and Loss Account.

2.08 Revenue Recognition (BAS-18," Revenue")

Revenue is recognized only when it is measurable and probable that the economic benefits associated with the transaction will follow to the company and in accordance with Bangladesh Accounting Standard (BAS)-18, "Revenue", unless otherwise mentioned or otherwise guided by the separate BAS/BFRS.

2.09 Financial instruments

Non-derivative financial instruments comprise investments in shares and TDR/FDR, trade receivables, cash and cash equivalents, margin loans, share capital and interest -bearing borrowings.

2.10 Financial assets at fair value through profit or loss

The financial asset is classified at fair value through profit or loss if it is classified as held for trading is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Company manages such investments and makes purchase and sale decisions based on their fair value in accordance with the Company's investment strategy. Attributable transaction costs are recognised in profit or loss as incurred. Financial assets are measured at fair value through profit or loss, and changes therein are recognised in profit or loss. Financial assets designated at fair value through profit or loss comprise equity securities that otherwise would have been classified as available for sale.

2.11 Provision on investment

As per requirements of BAS 39 investment in shares and securities generally falls either under “at fair value through profit and loss account” or under “available for sale” where any change in the fair value (as measured in accordance with BFRS 13) at the year-end is taken to profit and loss account or revaluation reserve respectively.

2.12 Income and expenditures

Income and expenditures are recognised on accrual basis. Income is only recognised if its realization is reasonably certain.

2.13 Employee benefits

The Company Maintains a defined contributory Provident Fund for its employees. Both the employees and MIDAS Investment Limited makes equal contribution to the Fund.

2.14 Borrowing cost

All borrowing costs are recognized as expenses in the period in which they incurred in accordance with benchmark treatment of Bangladesh Accounting Standard, BAS-23, "Borrowing Costs".

2.15 Taxation

Tax expense comprises current and deferred tax.

2.15.1 Current tax

Provision for current tax is made on the basis of the profit for the year as adjusted for taxation purpose in accordance with the provision of Income Tax Ordinance, 1984 and amendments made thereto from time to time.

2.15.2 Deferred tax

The Company accounts for deferred tax as per Bangladesh Accounting Standard (BAS)-12 “Income Taxes”. Deferred tax is provided using the balance sheet method for all temporary timing differences arising between the tax base of assets and liabilities and their carrying value for financial reporting purposes. Tax rate prevailing at the balance sheet date is used to determine deferred tax.

2.16 Reporting period

Since inception MIDAS Investment Limited had maintained its reporting period from July to June in line with reporting period of Parent company, MIDAS Financing Limited. As per section 9(F) of Finance Act 2015, MIDAS Financing Limited was required to change its reporting period from July-June to January-December. Further, Finance Act 2016 required to change the reporting period of subsidiary in line with the Parent company. Therefore, Financial year of MIDAS Investment Limited was also changed.

Financial statements of MIDAS Investment Limited for 2017 have been prepared for 12 Months commencing from January 01, 2017 and ending on December 31, 2017. Comparative figure were presented as per last audited Financial statements (July 2016 to December 2016). As a result comparative figure of last period are not entirely comparable with the current year's presentation (Referred to para 36 of BAS-1).

2.17 Reporting Currency and level of Precision

The financial statements are expressed in Bangladeshi Taka Currency and rounded off to the nearest integer.

2.18 Earnings Per Share (EPS)

The Company calculates Earnings per share (EPS) in accordance with Bangladesh Accounting Standards (BAS)-33, "Earnings Per Share" which is shown in the face of the Profit and Loss Account and disclosures have been given in note 24.

2.19 Reconciliation of inter-company account

Accounts with regard to inter-company are reconciled regularly and there are no material differences which may affect the financial statements significantly.

2.20 Related party disclosure

As per Bangladesh Accounting Standards (BAS) 24 “Related Party Disclosures”, parties are considered to be related if one of the party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. The Company carried out transactions in the ordinary course of business on an arm’s length basis at commercial rates with its related parties. Related party disclosures have been given in note 25.

2.21 Offsetting

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

2.22 Contingencies

Contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

2.23 Uniform accounting policies

The financial statements of MIDAS Financing Limited and MIDAS Investment Limited have been prepared in accordance with uniform policies of accounting.

2.24 Proposed dividend

Proposed dividend has not been recognised as a liability in the balance sheet in accordance with Bangladesh Accounting Standards (BAS)-10 “Events After the Balance Sheet Date”.

2.25 Events after the balance sheet date

All material events occurring after the balance sheet date has been considered and where necessary, adjusted for or disclosed in note 28.

		Amount in Taka December 31, 2017	Amount in Taka December 31, 2016
3.	**Property, Plant and Equipment**		
	Land	17,655,927	17,655,927
	Building	22,161,338	22,161,338
	Furniture & fixtures	481,940	340,896
	Office decoration	535,455	535,455
	Office equipment	143,345	113,920
	Computer & accessories	993,783	517,179
	Property, plant and equipment at cost	**41,971,788**	**41,324,715**
	Less: Accumulated Depriciation	2,843,778	1,930,932
	Written down value (WDV)	**39,128,010**	**39,393,784**
3.1	**Building (Investment Property)**	176,450,707	176,450,707
	Less: Accumulated Depriciation	19,850,706	15,439,439
	Written down value (WDV)	**156,600,001**	**161,011,268**
	Detail of Property, Plant and Equipment are presented in Annexure-A		
4.	**Long-term Investments**		
	Term deposits with MFL (2921)	205,000,000	205,000,000
	Term deposits with MFL (2580)	-	13,076,385
		205,000,000	**218,076,385**
5.	**Cash and Bank balance**		
	Cash in hand	5,437	10,000
	Pubali Bank Ltd - Dhaka # 4557	71,344	171,563
	Standard Bank Limited-Dhaka # 6114	1,466,122	228,273
	Mercantile Bank A/C	4,967,894	-
	Bank Alfalah Ltd. A/c-4144	4,487,346	-
		10,998,142	**409,836**
6.	**Investment in Securities**		
	Investments in marketable securities-Listed	58,362,569	28,891,946
	Investments in marketable securities-Non-listed	14,713,480	10,000,000
		73,076,049	**38,891,946**
7.	**Rental Income Receivable**		
	Office space	18,676,593	15,867,800
	Garage space	147,000	216,000
	Service charge	1,226,065	1,967,010
		20,049,658	**18,050,810**

		Amount in Taka December 31, 2017	Amount in Taka December 31, 2016
8.	**Other Assets**		
	Advance against purchase of shares	76,209	3,721
	Refundable Security Deposit-CDBL	200,000	200,000
	Advance against misc. expenses	-	4
	Advance against Purchase/Service	550,000	-
	Receivable from -HmC	10,000	-
	Receivable from -MFL	131,018	-
	Employee loan	1,377,778	-
		2,345,005	203,725
9.	**Share Capital**		
	Authorised Capital		
	100,000,000 ordinary shares of Tk.10/- each	**1,000,000,000**	**1,000,000,000**
	Issued, subscribed and paid up capital		
	25,000,000 Ordinary shares of Tk. 10/- each fully paid up.	**250,000,000**	**250,000,000**

Detail shareholdings

Sl #	Name of Shareholders	No. of Shares	% of Shareholding	December 31, 2017	December 31, 2016
1.	MIDAS Financing Limited	24,999,800	99.9992%	249,998,000	249,998,000
2.	Md. Fazlul Hoque	100	0.0004%	1,000	1,000
3.	Mr. Syed Tareque Md Ali	100	0.0004%	1,000	1,000
		25,000,000	100%	**250,000,000**	**250,000,000**

10.	**Retained Earnings**		
	Opening balance	17,632,879	45,375,856
	Dividend Paid	(12,500,000)	(37,500,000)
	Profit for the year	18,200,062	9,757,023
	Interim Dividend for 2017	(15,000,000)	-
		8,332,941	**17,632,879**
11	**Long-term Loan**		
	Opening balance	187,825,852	159,295,083
	Add: Addition during the period	16,205,723	38,571,082
		204,031,575	197,866,165
	Less: Adjustment during the period	7,191,368	10,040,313
		196,840,207	**187,825,852**
11.1	**Short-term Loan (STL)**	25,000,000	-
		25,000,000	-

		Amount in Taka December 31, 2017	Amount in Taka December 31, 2016
12	**Liability against Expenses**		
	Liabilities for audit fees	34,500	17,250
		34,500	**17,250**
13	**Provision for Taxation**		
	Opening balance	27,469,471	25,969,471
	Add: Addition during the period	2,352,574	1,500,000
		29,822,045	**27,469,471**
	Less: Adjustment during the period	-	-
		29,822,045	**27,469,471**
14	**Other Liabilities**		
	Withholding AIT payable	3,006,558	1,623
	Withholding VAT payable	6,600	5,922
	Advance rent -HmC	86,000	-
	Refundable security money(14.3)	5,333,000	5,333,000
	Provision for investment in share (14.1)	7,261,785	2,796,429
	Payable to Clients	55,389	-
	Payable to Panel Broker	53,517	-
	Service charge payable to MFL	2,385,805	1,967,010
	Interest expense payable(DO2921)	4,030,420	987,363
	Interest expense payable(MFL-STL)	540,971	-
	Deferred Taxes (14.2)	1,295,408	1,317,427
	Dividend Payable	12,000,012	-
	Provision for Rental Income	1,674,240	1,674,240
	Other Liabilities	246,468	1,445
	Directors Fee payable	-	15,000
		37,976,174	**14,099,459**
14.1	**Provision for Investment in Share**		
	Opening balance	2,796,429	4,719,242
	Add: Addition/(adjustment) during the period	4,465,355	(1,922,813)
		7,261,785	**2,796,429**
14.2	**Deferred Taxes**		
	Opening balance	1,317,427	1,764,920
	Add: Addition during the period	(22,019)	(447,493)
		1,295,408	**1,317,427**
14.3	**Refundable Security money**		
	Security Deposit - TIB	4,575,000	4,575,000
	Security Deposit - Brandwin Group Ltd.	758,000	758,000
		5,333,000	**5,333,000**

		Amount in Taka 2017	Amount in Taka 2016 (July -Dec)
15	**Operating Income**		
	Brokerage Commission	103,619	-
	Management Fee	11,694	-
	Margin Interest Income	105,482	-
	BO Account Fee	13,000	-
	Total amount	**233,795**	-
16	**Income from Investment in Securities**		
	Dividend Income	631,005	265,475
	Profit /(loss) on sale of Securities	13,560,057	(2,334,202)
	Total amount	**14,191,062**	**(2,068,727)**
17	**Other Income**		
	Rental income-Office space	29,368,400	14,392,500
	Rental income-Garage space	72,000	36,000
	Interest Income on Staff Loan	46,611	-
	Bank Interest Income SND A/C	102,175	-
	Net Interest Income (Note-17.1)	(6,469,208)	933,246
	Total amount	**23,119,979**	**15,361,746**
17.1	**Net Interest Income**		
	Interest income on TDR (D02921)	18,421,526	9,795,014
	Interest income on TDR (D02580)	1,144,184	604,783
	Total Interest Income on TDR	**19,565,710**	**10,399,797**
	Less:		
	Interest on Loan against TDR (D02580)	289,659	14,494
	Interest exp. on STL- MFL	540,971	-
	Interest on Loan against TDR (D02921)	25,204,288	9,452,057
	Total Interest Paid on Loan against TDR	**26,034,918**	**9,466,551**
	Net Interest Income	**(6,469,208)**	**933,246**
18	**Regulatory fees and charges**		
	Application Fee of BSEC	25,000	207,500
	Membership & subscription	300,000	-
	Bidding Fee-DSE	16,000	-
	Regulatory fees and charges	17,970	
	Govt. Duty, VAT & License Fees	106,756	49,290
	Total amount	**465,726**	**256,790**

		Amount in Taka 2017	Amount in Taka 2016 (July -Dec)
19	**Printing & Stationeries**		
	Stationary expenses	14,185	16,238
	Printing expenses	137,815	4,015
	Office supplies	27,806	-
	Total amount	**179,806**	**20,253**
20	**Postage, Stamp and Telecommunication**		
	Telephon - TNT	3,900	184
	Telephon - Mobile	28,983	-
	Stamp	2,990	-
	Networking charges	90,000	-
	Total amount	**125,873**	**184**
21	**Depreciation**		
	Depreciation on property, plant & equipment	912,847	390,481
	Depreciation on investment property	4,411,268	2,205,636
	Total amount	**5,324,114**	**2,596,117**
22	**Other Expenses**		
	News paper and periodical expenses	7,706	3,825
	Holding tax	1,915,268	-
	Repair & maintenance	209,420	152,315
	Advertisement	42,204	28,152
	Travel & conveyance	24,100	8,525
	Inauguration expenses	379,532	-
	Entertainment expenses	39,579	19,669
	Miscellaneous expenses	270,003	17,050
	Total amount	**2,887,812**	**229,536**
23	**Provision for Investment in Shares**	**4,465,355**	**(1,922,813)**
24	**Earnings Per Share (Taka)**		
	a. Net profit after tax	18,200,062	9,757,023
	b. No. of ordinary share outstanding	25,000,000	25,000,000
	Earnings Per Share (a/b)	**0.73**	**0.39**
24.1	**Minority interest (Taka)**		
	200 ordinary shares* EPS	**146**	**78**
	Interest of MFL		
	24,999,800 ordinary shares* EPS	**18,199,916**	**9,756,945**

25 Related Parties

25.1 Parent company

MIDAS Financing Limited holds 99.9992% share of the company. As a result, the controlling party of the company is MIDAS Financing Limited.

25.2 Related Party Transaction

During the period, the Company carried some transactions with related party in the normal course of business. The name of the related party and nature of these transactions have been set out in accordance with the provisions of BAS 24-Related Party Disclosures.

	Name of the party	Relation with the entity	Name of transaction	2017	2016
1	MIDAS Financing Ltd	Parent	Deposit	205,000,000	218,076,385
2	MIDAS Financing Ltd	Parent	Interest expenses	26,034,918	933,246
3	MIDAS Financing Ltd	Parent	Loan	196,840,207	187,825,852
4	MIDAS Financing Ltd	Parent	STL	25,000,000	-

26 Contingencies and Commitment

There are no contingent assets or liabilities and unrecognized contractual commitments at the date of statement of financial position.

27 Capital Expenditure Commitment

There were no capital expenditure commitment as at 31 December,2017.

28 Events after the Reporting Period

No material events had occurred after the date of statement of the date of issue of these financial statements, which could affect the value stated in the financial statements or required disclosure in the notes.

MIDAS INVESTMENT LIMITED

Property, Plant and Equipment

As at December 31, 2017

Annexure-A

Particulars	COST				Rate of Depreciation	DEPRECIATION				Written Value as at Dec 31, 2017
	Balance as at Jan 01, 2017	Addition during the year	Disposal/ Adjustment during the year	Balance as at Dec 31, 2017		Balance as at Jan 01, 2017	Charged during the year	Disposal/ Adjustment during the year	Balance as at Dec 31, 2017	
Land	17,655,927	-	-	17,655,927	0%	-	-	-	-	17,655,927
Building (Own use)	22,161,338	-	-	22,161,338	2.5%	1,385,081	554,033	-	1,939,115	20,222,223
Furniture & fixtures	340,896	141,044	-	481,940	15%	79,563	63,615	-	143,178	338,762
Office decoration	535,455	-	-	535,455	15%	47,377	80,318	-	127,696	407,759
Office equipment	113,920	29,425	-	143,345	20%	85,682	23,765	-	109,447	33,898
Computer & accessories	517,179	476,604	-	993,783	33%	333,228	191,115	-	524,343	469,440
Sub Total:	**41,324,715**	**647,073**	-	**41,971,788**		**1,930,932**	**912,847**	-	**2,843,778**	**39,128,010**
Building (Investment Property)	176,450,707	-	-	176,450,707	2.5%	15,439,439	4,411,268	-	19,850,706	156,600,001
Total as at December 31, 2017	**217,775,422**	**647,073**	-	**218,422,495**		**17,370,370**	**5,324,114**		**22,694,485**	**195,728,011**
Total as at December 31, 2016	**216,768,618**	**1,006,804**	-	**217,775,422**		**14,774,254**	**2,596,116**	-	**17,370,370**	**200,405,052**

MIDAS FINANCING LIMITED

Registered Office: House # 5, Road #16 (New)/27 (Old), Dhanmondi, Dhaka-1209

PROXY FORM

I/We.....of.....
.....being a shareholder of MIDAS Financing Limited and entitled to vote, hereby appoint Mr. /Mrs./Miss .....as my/our proxy to attend and vote for me/us and on my/ our behalf at the 22nd Annual General Meeting of the Company to be held on Thursday 28 June 2018 at 10.30 a.m. at the MIDAS Centre (12th floor), House # 5, Road # 16 (New)/27 (Old), Dhanmondi, Dhaka or at any adjournment thereof or at any ballot to be taken in consequence hereof.

Signed this..... Signature of proxy.....
day of 2018

Revenue Stamp of Tk. 20/-

Signature of Shareholder

BO ID: | | | | | | | | | | | | | | | | |

No. of Shares held.....

Note:

1) This form of proxy, duly completed and signed must be deposited at least 72 hours before the meeting at the Company's registered office. Proxy is invalid if not signed and stamped as explained above.
2) Signature of Shareholder must be in accordance with Specimen Signature recorded with the Company.

MIDAS FINANCING LIMITED

Registered Office: House # 5, Road #16 (New)/27 (Old), Dhanmondi, Dhaka-1209

ATTENDANCE SLIP

I hereby record my attendance at 22nd Annual General Meeting of the Company being held on Thursday 28 June 2018 at 10.30 a.m. at the MIDAS Centre (12th floor), House # 5, Road # 16 (New)/27 (Old), Dhanmondi, Dhaka

Name of the Member/Proxy.....

BO ID: | | | | | | | | | | | | | | | | |

Signature of Shareholder.....Signature of proxy .....
No. of Shares held ..... Date .....

N.B.: Shareholder attending meeting in person or Proxy are requested to complete the Attendance Slip and deposit same at the entrance of the meeting.

Branches/Booths of MFL

Chattogram
Excel SM Tower (1st Floor)
62, Zakir Hossain Road
East Nasirabad, Khulshi
Chattogram.
Phone: 01720-503897, 031-632417

Khulna
Fatema Tower (2nd Floor)
2-A, KDA Avenue, Khulna-9100
Phone: 721857, 01711-896844

Bogura
Jamil Shopping Center (3rd Floor)
Borogola, Bagura Rangpur Road, Sadar Bagura.
Phone: 051-69927, 01974-096092

Narayanganj
81/C B.B Road (2nd Floor)
2 No. Rail Gate, Narayanganj.
Phone: 01731-928308, 01971-928308

Cumilla
Salam Builders Mansion (2nd Floor)
Mogoltuli, Cumilla.
Phone: 01973-116447, 081-69117

Feni
Hazi Latif Tower (3rd Floor)
626, Trunk Road, Cumilla Bus Stand, Feni.
Phone: 01678-606145

Gazipur
K.S Tower (2nd Floor)
Chandana Chowrasta, Gazipur.
Phone: 01970-450482

Sitakunda
Nibir Biponi Bitan (1st Floor)
Sitakunda, Chattogram.
Phone: 01978-488460

Islampur
Nurul Haque Tower (2nd Floor)
21 Patoatuly Road, Dhaka-1100.
Phone: 02-9511390, 01973-111308
01985-551900

Chandpur
35 Haji Mohsin Road (1st Foor)
Chandpur.
Phone: 0841-66059, 01970-451675

Narsingdi
Bankpatti, Madhabdi Bazar,
Madhabdi, Narsingdi.
Phone: 9446808, 01979-303463

Keranigonj
Morhum Shahadat Hossain Mansion (1st Floor)
House # 01, Golam Bazar Road, Kodamtoli
Bus Stand, Keranigonj, Dhaka.
Phone: 01979-097091

Hathazari
S.A Shopping Complex (2nd Floor)
Hathazari, Chattogram.
Phone: 01713-279158/01973-279158

Brahmanbaria
144 Court Road (3rd Floor)
Bank Potti, Brahmanbaria.
Phone: 01816-109773, 01973-279157

Jashore
Sardar Plaza (1st Floor)
135 M. K . Road, Jashore.
Phone: 01729-097092, 01979-097092



MIDAS CENTRE

MIDAS FINANCING LIMITED

a real friend of entrepreneurs

MIDAS Centre (10th & 11th Floor), House - 05, Road - 16 (New), Dhanmondi, Dhaka -1209.
Tel: 9102205, 9102208, 09611221055, Fax: 880-2-8142085, e-mail: info@mfl.com.bd
Web: www.mfl.com.bd