ENVIRONMENTAL

SOCIAL

GOVERNANCE

INSPIRE TO ASPIRE
THRIVING FOR BETTERMENT



ANNUAL REPORT 2021

MIDAS FINANCING LIMITED
a real friend of entrepreneurs

INSPIRE TO ASPIRE

THRIVING FOR BETTERMENT

At MIDAS, we strive to consider environmental, social, and governance concerns that have a long-term financial impact on our firm, the businesses we invest in, and the people we work with. Long-term responsibility and sustainability are integrated into our business model and shareholder value creation framework and in the way we conduct our business and give back to the communities in which we live and work. We emphasize inclusion and diversity that will be key to our success to power the future. By fully leveraging our diverse experiences, we can inspire to aspire and create better outcomes for our nation at large.

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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 PLC,
Zoha Zaman Kabir Rashid & Co., Chartered Accountants and
Howlader Maria & Co., Chartered Accountants.

Dear Sir/Madam
Annual Report for the year ended December 31, 2021.

Enclosed please find a copy of the Annual Report along with the audited Financial Statements including Consolidated and Separate Statements of Financial Position as on December 31, 2021, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on December 31, 2021 along with notes thereon of MIDAS Financing Limited and its subsidiary (MIDAS Investments Limited) as well as the Directors' Report of the Company thereon for your kind information and record.

Thank you.
Sincerely yours,



Tanvir Hasan, FCA
Company Secretary

KEY MILESTONES

Milestones refer to a significant point in development. Some events of past should be cherished to reinforce the present for betterment of the future that can be summarized as milestones. Milestones also entail to the significant achievement, progress or development happened in its total business period that reflects the total growth of the company on periodic time frame. MIDAS Finance Ltd.'s milestones from the inception are as follows:

01 **May 16, 1995**
Incorporation of the company

02 **October 11, 1999**
License from Bangladesh Bank

October 11, 1999
Opening of 1st Branch (Chittagong Branch)

03 **January 01, 2000**
Commencement of commercial business operation

04 **August 12, 2002**
Initial Public Ofering (IPO of shares and allotment of shares)

05 **October 26, 2002**
Listed with DSE (Dhaka Stock Exchange)

06 **July 27, 2004**
Listed with CSE (Chittagong Stock Exchange)

07 **March 23, 2005**
Registered with CDBL

08 **May 15, 2005**
Issuing of right share for the first time

09 **November 06, 2014**
Issuing of right share for second time

ABOUT THE COMPANY

MFL is one of the leading NBFIs in Bangladesh. Initial focus of the company was to finance mainly small and medium enterprises (SMEs) for alleviation of poverty through creation of employment opportunities and generation of income on a sustainable basis. Subsequently, in addition to its SME financing, MFL has ventured into various other sectors with its financing operations and has 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 16 (sixteen) offices including head office located at different places in the country as well as Head Office. It also maintains its own portfolio of investment in listed securities and accepts term deposits offering competitive interest rates.



VISION & MISSION

Our Mission

To provide value added financial services to valued customers. Maintain the highest level of ethical standard in financial operation, assist in development of industrial and financial sectors by offering diverse and innovative product.

Our Vision

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



CORPORATE FOCUS AND COMMITMENT

Corporate Focus

To give emphasis on continuous development endeavors and value addition to become a real friend of entrepreneurs and remain competitive in the financial service market.

Commitment

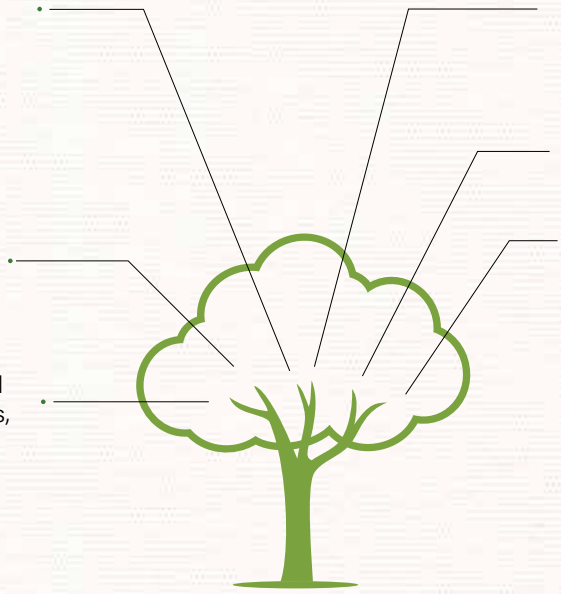
- Protect shareholders' capital as well as maximize the wealth of the organization;
- Provide competitive compensation package to the employees who constitute the backbone of the management and operational strength of the company;
- Repay the loans taken from banks and financial institutions on time;
- Fulfill the responsibility to the nation through payment of taxes regularly;
- Avoid malpractice and anti-environmental, unethical and immoral activities and corrupt dealings;
- Maintain a congenial working environment;
- Practice good governance in every sphere of activities covering full disclosures and reporting to shareholders;
- Hold AGM and distribute dividend on time and disseminate price sensitive information.



ORGANIZATIONAL STRATEGIES

MFL believes that industrialization, employment creation, poverty alleviation and overall economic progress of the country can be better achieved through sustainable development of micro, small and medium enterprises (SMEs). Accordingly, the activities of MFL aim at helping establishment of new enterprises as well as expansion of the existing ones in the SME sector. The majority of the MFL clients are those small entrepreneurs who are usually not entertained by banks and other financial institutions. They are the loyal customers, who deserve high appreciation due to their sincerity and seriousness in loan repayment, providing support to the company's programs and compliance to contractual obligations. While playing an important role in the development of the country's SME sector, MFL is also fully aware of its obligation and is making unrelenting efforts to safeguard the interest of its shareholders.

- Continuous diversification of program and expansion of business by introducing new financial scheme.
- Maximization of customers' satisfaction and attaining competitive edge over the financial institutions by providing speedy and better services in a congenial atmosphere.
- Augmentation of working fund by obtaining credit from banks, taking deposit from individual and institutional investors and recovering the overdue loans.



MFL has adopted the following strategies to achieve its goals

- Minimizing risk through careful selection of customers and close monitoring of financed projects.
- Minimizing the cost of fund.
- Ensuring economy in all spheres of operational activities.

CODE OF CONDUCT & ETHICAL PRACTICES

Code of conduct is a set of rules outlining the norms, rules and responsibilities of, or proper practices for any organization. MIDAS Financing Ltd is a value driven organization with strict adherence to principles even if the situation sometimes provides temporary benefit to the Company. It is the principles, values, standards, or rules of behavior that guide the decisions, procedures and systems of an organization in a way that contributes to the welfare of its key stakeholders, and respects the rights of all constituents affected by its operations. In line with that the service rule approved by the Board of Directors of MIDAS Financing Ltd, all employees shall require observing and complying with the norms of conduct, manner, behavior and ethical practices stated hereunder in activities they perform in the company.

Code of Conduct

- Conduct in such a manner that will enrich the image, dignity and reputation of the company.
- Shall discharge his duties honestly, faithfully, diligently and to the best of his abilities, devotion and efficiency.
- Shall attend his duty punctually and regularly.
- Shall not conduct in such a manner as is likely to bring his private interest to conflict with his official duties.
- Shall prevent and avoid potential conflict of interest that may arise and influence one whilst he/she performs.
- Shall not commit insubordination or non-compliance with any legitimate, lawful or reasonable order or instruction of a superior.
- Shall maintain secrecy regarding the affairs of the company and also of its clients.
- Shall not accept directly or indirectly any gift, gratuity or reward or any offer of a gift on his behalf or on behalf of any other person from any one, which is likely to have a negative effect in the interest of the company.
- Shall consider the risks and implications of their actions and in principle, should feel accountable for them, and for the potential adverse impacts.
- Environmental and climatic protections should be taken into account in all areas of lending/financing.
- Shall not involve and take part in any business dealing like shareholding, profit sharing, partnership of any business company or manufacturing industry or servicing center for their personal benefit.

Ethical Practices

- Must give proper attention to the clients and make utmost efforts to render improved customer service at the quickest possible time.
- To act and encourage others to behave in a professional way and ethical manner.
- Shall not bring or attempt to bring any form of outside influence or pressure.
- Shall not take up additional job or employment with another organization or involve in any trade or business without the prior written approval of the management.
- Shall not associate in any activities, which may be prejudicial to the interest of the company and subversive to the state.
- Use reasonable care and exercise independent professional judgment.
- Shall comply with all applicable laws, rules and regulations, company policies and professional standards.
- Shall comply with all current regulatory and legal requirements and endeavor to follow best industry practice.



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.



Listing Status	: 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
Membership	: Bangladesh Leasing & Finance Companies Association Bangladesh Association of Publicly Listed Companies
Authorized Capital	: BDT 2,000,000,000
Paid-up Capital	: BDT 1,424,678,290
No. of Shareholders	: 6,099
Corporate Office	: MIDAS Centre' (10th & 11th Floor), House # 5 Road # 16 (New), 27 (Old) Dhanmondi, Dhaka- 1209.
Company Email	: info@mfl.com.bd
Company Website	: www.mfl.com.bd
No. of Employees	: 182
No. of Branches/Booths	: 15
Board of Directors	: Ms. Rokia Afzal Rahman Chairman
	Mr. Addul Karim Director
	Mr. M. Hafizuddin Khan Director
	Ms. Nazneen Sultana Independent Director
	Mr. Mohammed Nasiruddin Chowdhury Director

	Mr. Ghulam Rahman Independent Director
	Mr. Ali Imam Majumder Director
	Mr. Md. Shamsul Alam Director
	Mr. Md. Shahedul Alam Director
Audit Committee	: Mr. Ghulam Rahman
	Mr. Addul Karim
	Mr. Ali Imam Majumder
	Ms. Nazneen Sultana
	Mr. Md. Shahedul Alam
Executive Committee	: Ms. Rokia Afzal Rahman
	Mr. M. Hafizuddin Khan
	Mr. Mohammed Nasiruddin Chowdhury
	Mr. Md. Shamsul Alam
Company Secretary	: Mr. Tanvir Hasan, FCA
Chief Financial Officer	: Mr. Mohammad Ashiqur Rahman
Head of ICC	: Mr. Ahmed Ibne Mazid Khan
Statutory Auditors	: Zoha Zaman Kabir Rashid & Co. Chartered Accountants Plot-6B, Road: 32
	Level-7 & 8, Gulshan-1
	Dhaka-1212, Bangladesh.
Corporate Governance Compliance Auditors	: Howlader Maria & Co.
	Chartered Accountants
	BTI Armitage
	House No. 77, (8th floor) Road No. 12, Block-E
	Banani, Dhaka -1213
Tax Consultant	: Zaman & Associates
	Suite: 6/1, Eastern Commercial Complex
	73, Kakrail, Dhaka-1000
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

Credit Rating Agency	: National Credit Ratings Ltd. (NCR) Zaman Tower (8th floor) 37/2, Box Culvert Road, Dhaka - 1000
Principal Bankers	: Agrani Bank Limited Bangladesh Krishi Bank Dutch Bangla Bank Limited IFIC Bank Limited Jamuna Bank Limited Mercantile Bank Limited Modhumoti Bank Limited One Bank Limited Pubali Bank Limited Standard Bank Limited Sonali Bank Limited The City Bank Limited The Premier Bank Limited Uttara Bank Limited United Commercial Bank Limited



PRODUCTS & SERVICES

MIDAS FINANCING LTD. is open to flourish new ideas, thinking and nontraditional innovative financing. For faster growth and wealth maximization, customers can get assistance from the company through the following fund and fee-based debt products and services:

Through categorizing the products and services by the aforesaid broad generic names, MIDAS FINANCING LTD. offers different products and services under the following broad heads:
In all cases management shall follow the key features of the above products as mentioned by Bangladesh Bank in their "Products and Services Guidelines".

MIDAS FINANCING LTD. has a wide range of conventional and non-conventional financing and deposit products for its corporate and individual clients.

Corporate Finance

- Lease Finance
- Short Term Finance
- Work Order Finance
- Term Finance
- Reverse Factoring
- Working Capital Finance
- Syndication Finance
- Factoring

SME Finance

- Nari Uddokta Rin
- Shilpo Rin
- Chikitsha Rin
- Krishi Rin



Consumer Finance

- Auto Loan
- Home Loan
- Any Purpose Loan
- Loan Against Salary
- Education Loan
- House hold Durable Loan
- Marriage Loan
- Professional Loan (Teachers/Doctors/Engineers and other Professionals

Deposit Products

- Term deposit- 3 months
- Term deposit – 6 months
- Term deposit – 1 year
- Monthly Income deposit
- Quarterly Income deposit
- Double money deposit
- Triple money deposit
- Monthly deposit scheme
- Millionaire deposit scheme

BUSINESS ECOSYSTEM



BOARD OF DIRECTORS



01 **Ms. Rokia Afzal Rahman**
Chairman

02 **Mr. Abdul Karim**
Director

03 **Mr. M. Hafizuddin Khan**
Director

04 **Ms. Nazneen Sultana**
Independent Director

05 **Mr. Mohammed Nasir Uddin Chowdhury**
Director



06 **Mr. Ghulam Rahman**
Independent Director

07 **Mr. Ali Imam Mojumder**
Director

08 **Mr. Md. Shamsul Alam**
Director

09 **Mr. Md. Shahedul Alam**
Director

10 **Mr. Mustafizur Rahman**
Managing Director

PROFILES OF THE DIRECTORS OF THE BOARD



Rokia Afzal Rahman

Chairman
Nominated by MIDAS

Ms. Rokia Afzal Rahman is a leading woman entrepreneur and a former Adviser (minister) to the Government of Bangladesh in charge of the ministry of Women and Children, Ministry of Labor and Employment, Ministry of Social Welfare and Ministry of Culture. She started her career in a commercial bank in 1962 when very few women had entered banks universally. She became the first woman bank manager of the country in 1964. In I980 Ms. Rahman ventured into her own agro based industry and further diversified her business into insurance, media, financial institution, real estate and power sector.

She is currently the Chairman of R.R. Group & Arlinks Group of Companies, Chairperson of Mediaworld Limited (owning company of "The Daily Star"). She is a Director of Mediastar Limited (owning company of "Prothom Alo") and Ayna Broadcasting Corporation Limited (FM Radio Station-ABC Radio). She is also an Independent Director of Bangladesh Lamps Limited.

Ms. Rokia Afzal Rahman is the Vice President of International Chamber of Commerce-ICC Bangladesh.

Ms. Rahman was the Board Member of the Bangladesh Bank. She was the President of the Bangladesh Employers Federation-BEF. She was the Director of Reliance Insurance Limited. She is former President of Metropolitan Chamber of Commerce and Industries-MCCI, Dhaka.

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 Ms. Rahman formed Women in Small Enterprises (WISE) to further promote women into small enterprises and industries. Ms. Rahman has received several international and national awards.

PROFILES OF THE DIRECTORS OF THE BOARD



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



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. 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 Ltd., Basic Bank Ltd. and Rupali Bank Ltd. He was also the Chairman of the Agrani Bank Ltd. 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 is currently a member of the Board of Trustees of the Transparency International Bangladesh. Mr. Khan was also the President of the retired goverment employees association . He is currently the Vice-President of the Anjuman Mofidul Islam and is now the 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.

PROFILES OF THE DIRECTORS OF THE BOARD



Ms. Nazneen Sultana

Independent Director

Ms. Nazneen Sultana was the first female Deputy Governor of Bangladesh Bank. As a Deputy Governor, she performed her responsibilities in the Human Resources Department, Information Systems Development Department, IT Operation and Communication Department, Credit Information Bureau, Foreign Exchange Investment Department, Foreign Exchange Operation Department and Foreign Exchange Policy Department. Prior to this, she was an Executive Director of the central bank. She was also the Project Manager for Bangladesh Bank of Standard Hardware and Software Package and ERP Package financed by the World Bank. She has a vast experience of over 30 years in managing critical supervisory issues at the Bangladesh Bank, where she was a key leader in developing the automation system. She joined the Board of Directors of MIDAS Financing Limited in 2020. Ms. Sultana obtained her Honours and Master's degrees in Physics from the University of Dhaka.



Mohammed Nasir Uddin Chowdhury

Director

Nominated by LankaBangla Finance Limited

Mohammed Nasir Uddin Chowdhury, a well-known and veteran leader in finance industry, is currently serving as the Managing Director of LankaBangla Securities Limited. Before joining in the current position Mr. Chowdhury served LankaBangla Finance Limited (LBFL) as the Managing Director. He is now the President of Bangladesh Merchant Bankers Association. Mr. Chowdhury also served LankaBangla Securities Limited as Chief Executive Officer 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 is one of the Directors of BD Venture Limited, first venture capital company in Bangladesh. He is also the Director of Bengal Meat Ltd.

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). He was the President of Old Faujians Association, Dhaka Chapter. Mr. Chowdhury is an active member of Dhaka Club and Chittagong Club. He is also a founder member of Ramu Golf & Country Club, Cox's Bazar.

PROFILES OF THE DIRECTORS OF THE BOARD



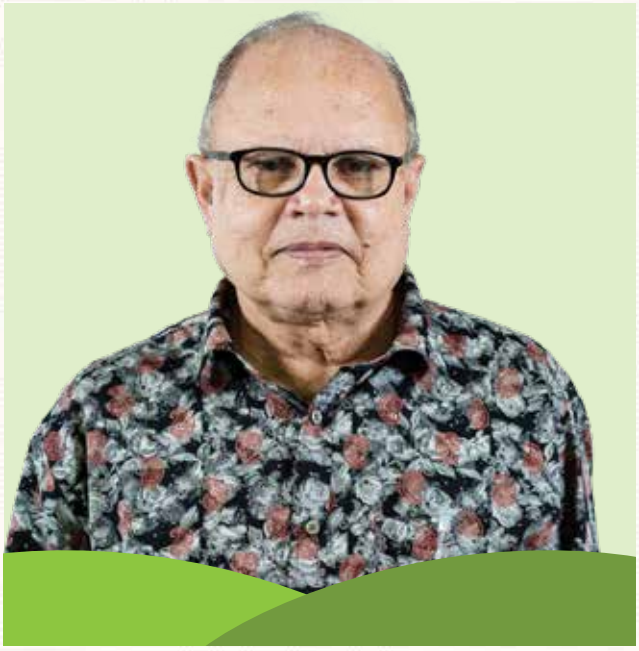
Mr. Ghulam Rahman
Independent Director

Mr. Ghulam Rahman is a former civil servant. He has put in about four decades of distinguished service in statutory Commissions, Ministries, Departments, Public Corporations, Embassy abroad and educational institutions. During his long civil service career, he has performed law enforcement, administrative, developmental, regulatory and monitoring functions and worked closely with the private sector for enhancing public-private partnership in national development efforts.

He was the Secretary of Ministry of Commerce and also of Ministries of Shipping, Rural Development, and Co-operatives, Division of the Ministry of Local Government and Rural Development and Prime Minister's Office. He was Additional Secretary in charge of Banking in the Ministry of Finance. While in Service he was admired for his particular aptitude to create a harmonious and efficient work environment and consensus building.

Mr. Rahman joined a Finance Service Cadre of Civil Service in erstwhile Pakistan in 1970. Before joining government service, he was a Lecturer in the Department of Economics, University of Dhaka. He retired from government service in 2004. He was appointed Chairman of Bangladesh Energy Regulatory Commission (BERC) in 2007 and Chairman of Anti-Corruption Commission (ACC) in 2009. He completed his 4-year tenure as ACC Chairman in June, 2013.

Currently, Mr. Rahman is the President of Consumer Association of Bangladesh (CAB) and Vice-president of Anjuman Mofidul Islam.



Mr. Ali Imam Majumder
Director
Nominated by MIDAS

Mr. Ali Imam Majumder, a veteran columist and former cabinet secretary, has been performing as Director of MIDAS Financing Limited Since 2012. Mr. Majumder had obtained M.Sc. in Mathematics
from Chittagong University. He 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 Labor and Employment, Additional Secretary, Ministry of Information, etc. During his field assignment he performed as the Deputy Commissioner in Cox's Bazar and Sylhet for around five years. He also attended United Nations general assembly session as a delegate from Bangladesh in the year 2007. Mr. Majumder acted as Chairman of the Board of Directors of the Sonali Bank Limited and the Biman Bangladesh Airlines Limited. He attended different training courses both in home and abroad. Mr. Majumder attended Common Wealth Training Program on Leadership Development in Toronto, Canada, Managing at the Top (MATT) held in United Kingdom, Disaster Management held in United Kingdom, etc.

Mr. Ali Imam Majumder has involved himself in several social activities like, Honorary Member of Dhaka Club Limited, & Honorary Life Member of Dhaka Officers Club. Further, he is a veteran columnist and regularly contributes in different newspapers especially 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 as well as a Trustee of the TIB. 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.

PROFILES OF THE DIRECTORS OF THE BOARD



Mr. Md. Shamsul Alam
Director
Representing General Shareholders Group

After completion of B. Com (Hons), M.Com. in Accounting from University of Dhaka, Mr. Alam started his career in business. He is the Managing Director of Arasco Agro food and feed Ltd. Mr. Alam is also the proprietor of Arafat Agro Trade. He is representing the general shareholders group in board of MIDAS Financing Ltd.



Mr. Md. Shahedul Alam
Director
Representing General Shareholders Group

Mr. Alam graduated from U.K in Business Administration and did his MBA from Dhaka University. He started his business career in Radio vision, a trading company for Home Appliances. He is 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.

PROFILES OF THE TOP MANAGEMENT TEAM



Mr. Mustafizur Rahman
Managing Director

Mr. Mustafizur Rahman is a seasoned Investment Banking professional having over 33 years of experience in some of the leading financial institutions (namely, IDLC Finance Limited, International leasing and Financial Services Limited, Lanka Bangla Finance Limited and Union Capital Limited) of Bangladesh. Mr. Rahman served International Leasing and Financial Services Limited as the Managing Director since June, 2006 to January, 2015. He also served Premier Leasing and Finance Limited and CVC Finance Limited as Managing Director before joining MIDAS Financing Limited.

Mr. Rahman obtained his MBA from IBA of Dhaka University. He also completed his post-graduation in Economics from the same university. Mr. Rahman attended various training courses and participated in seminars and workshops on different aspects of banking, entrepreneurship development and risk management, etc. in home and abroad.

PROFILES OF THE TOP MANAGEMENT TEAM



Mr. Mohammod Monirul Islam
General Manager (Business Development)

Mr. Mohammod Monirul Islam joined MIDAS Financing Limited (MFL) as General Manager (Business Development) in 2015. 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 with Lanka Bangla Finance Limited, National Housing Finance & Investments Limited, Union Capital Limited and IDLC Finance Limited at different capacities. Mr. Islam obtained Master's 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.

PROFILES OF THE TOP MANAGEMENT TEAM



Mr. Tanvir Hasan, FCA
General Manager
(Finance, Accounts & Treasury) &
Company Secretary

A seasoned professional Chartered Accountant having 19 years of proven experience in the field of Finance, Accounts, company secretariat and internal audit & control related job in renowned Local Group of Company like Square Pharmaceuticals Ltd and Financial Institutions named Fareast Finance & Investment Ltd. CVC Finance Ltd. in individual transparency and accountability in a cross functional management team. He has been working in MIDAS Financing Ltd. since 2020.

PROFILES OF THE TOP MANAGEMENT TEAM



Mr. Abul Kalam Azad

Deputy General Manager (Head of Special Asset Management)

Mr. Abul Kalam Azad started his career as management trainee in The City Bank Limited. He joined MIDAS Financing Limited as Deputy General Manager in the year 2020 and acting as the Head of Special Asset Management. Prior to his joining, he served as Head of Special Asset Management of International Leasing and Financial Services Limited, National Finance Limited and Union Capital Limited. Mr. Azad completed his graduation and post-graduation from Dhaka University and also completed Masters of Business Administration from North South University. During his career he attended many trainings, workshops and seminars.

PROFILES OF THE TOP MANAGEMENT TEAM



Mr. Ahmed Ibne Mazid Khan
Assistant General Manager & Head of ICC

A successful track record of about 29 years work experience in the country's Leading Financial Institution and in the Company Limited by Guarantee. Mr. Ahmed Ibne Mazid Khan has been working with MIDAS Financing Limited since 2000. Prior to that, he joined MIDAS in the year 1993. Since then, he has been serving in different positions of MIDAS and MIDAS Financing Limited. Now he is performing as Assistant General Manager and Head of ICC. He has long experience in Treasury Functions, Investment, Valuation, Compliance, Internal Audit, Money laundering issues, etc. During his career, he attended several trainings and workshops on various topics conducted by BIBM, BMDC, BFIU and Bangladesh Bank. Mr. Ahmed completed his graduation and post-graduation from the University of Chittagong.

PROFILES OF THE TOP MANAGEMENT TEAM



Mr. Muhammad Shohidur Rahman
Assistant General Manager (Chief Risk Officer)

Mr. Shohidur has 17 years of extensive experience in NBFIs. He completed his BBA and MBA (major in Finance) from the University of Dhaka. Prior to joining at Midas Financing Ltd., Mr. Shohidur worked with Union Capital Ltd. as Branch In-Charge of Motijheel Branch for more than 3 years. He started his career with National Housing Finance and Investments Ltd. as Counselor in February 2004. He worked there for 2 years and thereafter joined International Leasing & Financial Services Ltd. in April 2006 and worked there for more than 6 years under different capacities. Later on, he served at National Finance Ltd. for more than 3 years. He has got well rounded experience with expertise in Corporate Finance, SME Finance as well as Branch Management. He attended various trainings/workshops at Bangladesh Bank, BIBM and different training organizations of Bangladesh.

PROFILES OF THE TOP MANAGEMENT TEAM



Mr. Mohammad Ashiqur Rahman
Chief Financial Officer (CFO)

Mr. Mohammad Ashiqur Rahman joined MIDAS Financing Limited in the year 2003. Since then, he has been serving in different positions of MIDAS Financing Limited. Now he is performing as Chief Financial Officer (CFO) of the Company. Mr. Rahman completed his graduation and post-graduation in Accounting from the University of Dhaka.

COMMITTEES OF THE COMPANY

Management Committee

Mr. Mustafizur Rahman
Mr. Md. Monirul Islam
Mr. Tanvir Hasan, FCA
Mr. Ahmed Ibne Mazid Khan
Mr. Mohammad Ashiqur Rahman
Mr. Abu Mirja Md. Sayem

Credit Committee

Mr. Mustafizur Rahman
Mr. Md. Monirul Islam
Mr. Tanvir Hasan, FCA
Ms. Nasreen Ahmed
Mr. Abul Kalam Azad
Mr. Mohammad Ashiqur Rahman

Purchase and Disposal Committee

Mr. Md. Monirul Islam
Mr. Tanvir Hasan, FCA
Mr. Ahmed Ibne Mazid Khan
Mr. Md. Asaduzzaman

Integrity Committee

Mr. Mustafizur Rahman
Mr. Md. Monirul Islam
Mr. Tanvir Hasan, FCA

Asset Liability Management Committee

Mr. Mustafizur Rahman
Mr. Md. Monirul Islam
Mr. Tanvir Hasan, FCA
Mr. Abul Kalam Azad
Mr. Badrul Anwar
Mr. Zunaid Bin Islam
Mr. Md. Khalid Hossain
Mr. Saiful Islam

Promotion and Selection Committee

Mr. Mustafizur Rahman
Mr. Md. Monirul Islam
Mr. Tanvir Hasan, FCA
Mr. Md. Asaduzzaman

ICT Steering Committee

Mr. Mustafizur Rahman
Mr. Md. Monirul Islam
Mr. Tanvir Hasan, FCA
Mr. Abu Mirja Md. Sayem

ICT Security Committee

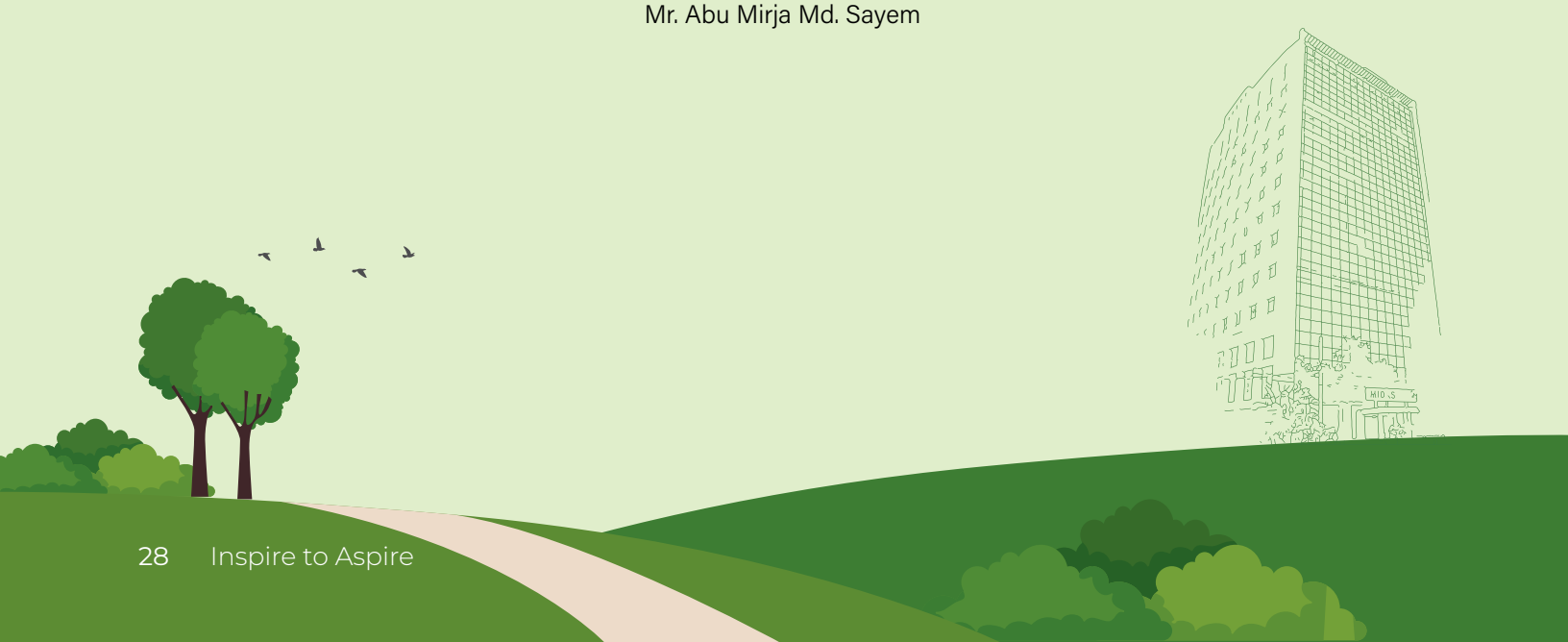
Mr. Abu Mirja Md. Sayem
Ms. Neesha Naimeen
Mr. Mohammad Taimur Chowdhury
Ms. Sadia Jahan Nipa
Mr. AKM Wahiduzzaman

Monitoring and Recovery Committee

Mr. Mustafizur Rahman
Mr. Md. Monirul Islam
Mr. Abul Kalam Azad
Mr. Mohammad Omer Farooque

Risk Management Forum

Mr. Md. Monirul Islam
Mr. Tanvir Hasan, FCA
Mr. Ahmed Ibne Mazid Khan
Mr. Muhammad Shohidur Rahman
Mr. Abu Mirja Md. Sayem



KEY FINANCIAL HIGHLIGHTS

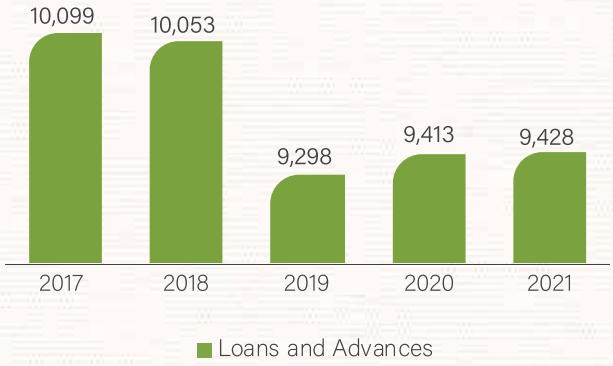
Total Assets

(Amount in Million Taka)



Loans and Advances

(Amount in Million Taka)



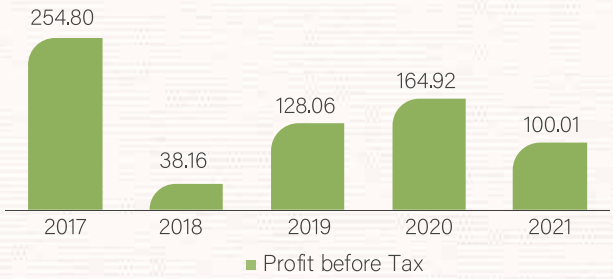
Operating Profit

(Amount in Million Taka)



Profit before Tax

(Amount in Million Taka)

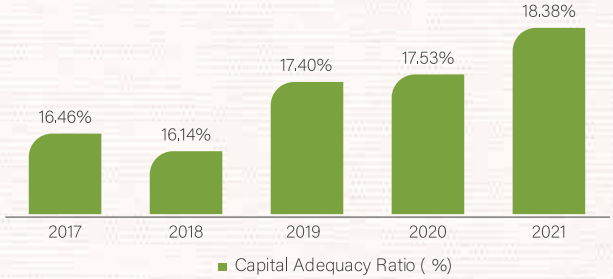


Profit after Tax

(Amount in Million Taka)

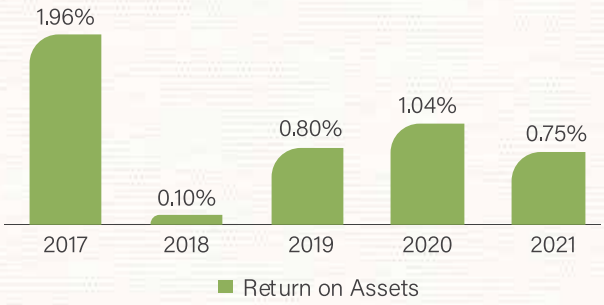


Capital Adequacy Ratio (%)

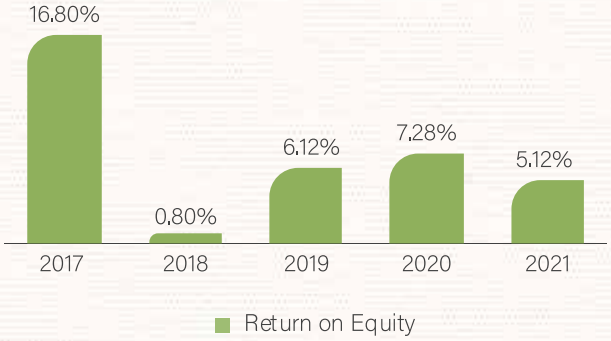


KEY FINANCIAL HIGHLIGHTS

Return on Assets (%)



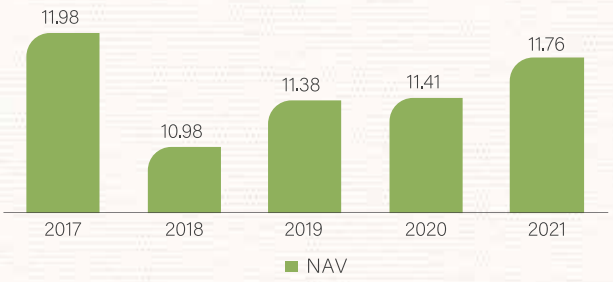
Return on Equity (%)



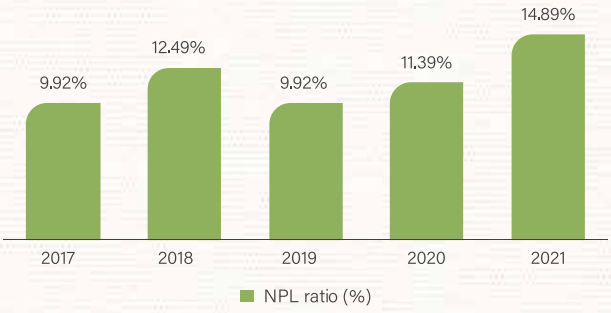
Earnings Per Share (EPS)



Net Assets Value Per Share (NAV)

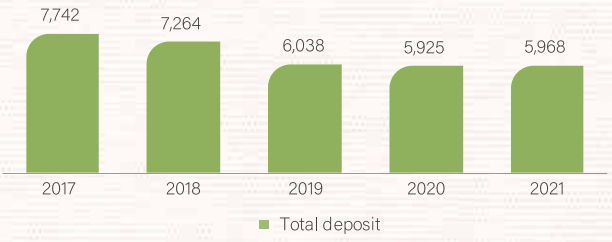


NPL Ratio (%)



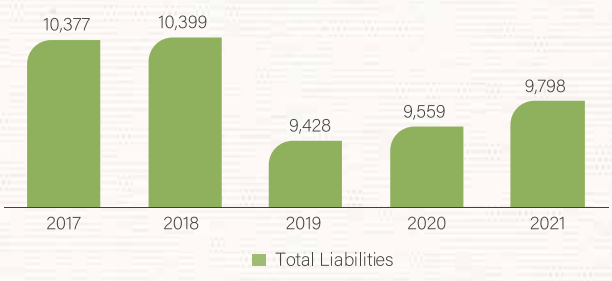
Total deposit

(Amount in Million Taka)



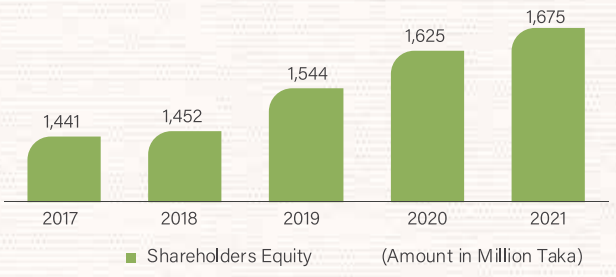
Total Liabilities

(Amount in Million Taka)



Shareholders Equity

(Amount in Million Taka)



PERFORMANCE OVERVIEW

Business Performance	2021	2020
Contracted		
Lease finance		60,750,000
Term Finance		382,150,000
Total		**442,900,000**
Disbursed		
Lease finance	132,558,436	132,100,000
Term finance	1,002,912,395	542,274,884
Total	**1,135,470,831**	**674,374,884**
Term finance		
SED	652,489,000	220,517,784.0
MIDI	113,480,375	91,950,000.0
Housing	102,354,970	29,300,000.0
Consumer Credit	-	350,000.0
Staff Loan	8,389,000	3,595,500.0
Loan against deposit	126,199,050	196,561,600.0
Total	**1,002,912,395**	**542,274,884.0**
Ratio		
NPL (%)	14.89%	11.39%
Return on assets (%)	0.75%	1.04%
Debt equity ratio	5.85%	5.88%
Return on average equity (%)	5.12%	7.28%
Earnings per share	0.59	0.81
Net asset value per share	11.76	11.41

KEY OPERATING AND FINANCIAL DATA

Particulars	Amount in million except %				
	2021	2020	2019	2018	2017
Loan Disbursement	1,134.00	674.37	3,010.31	4,719.43	5,133.16
Lease, Loans & Advances	9,427.74	9,413.08	9,297.80	10,052.75	10,099.44
Profit before tax	100.01	164.92	128.06	38.16	254.80
Profit after tax	84.43	115.29	91.61	11.57	217.95
Shareholders' Equity	1,674.78	1,625.09	1,543.70	1,452.09	1,440.52
Total deposit	5,968.02	5,925.44	6,037.65	7,263.64	7,742.49
Total Assets	11,472.87	11,184.13	10,971.48	11,851.15	11,817.94
NPL ratio (%)	14.89%	11.39%	9.92%	12.49%	9.92%
Return on equity (average equity)	5.12%	7.28%	6.12%	0.80%	16.80%
Earnings per share (restated)	0.59	0.81	0.66	0.09	1.81
Net Asset Value Per Share	11.76	11.41	11.38	10.98	11.98
Profit before tax	100.01	164.92	128.06	38.16	254.80
Capital Adequacy Ration (%)	18.38%	17.53%	17.40%	16.14%	16.46%



MESSAGE FROM THE CHAIRMAN

Distinguished shareholders, guests of honor, ladies and gentlemen,

I take this opportunity to thank you all specially to our valued shareholders, whose continued patronage and confidence in our organization inspire us to extend the best services to the clients and enable us to provide value for their investment.

The year 2021 is remarkable for the grand celebration of the birth centenary of Father of the Nation Bangabandhu Sheikh Mujibur Rahman as well as for the golden jubilee of Bangladesh's independence. The March 26 brings the most tragic memories of the history's blackest episode that heralded nine-month bloodshed ordeal. Hats off to all our war heroes who sacrificed their lives to save our motherland as well as those who were abused and indirectly involved in the war.

Dear valued shareholders,

Before the COVID-19 pandemic, Bangladesh exhibited a steady and high GDP growth, averaging 7.4 percent per year during FY 2015-16 to FY 2018-19, and reached a record 8.15 percent growth rate in FY 2018-19. The global economy has come to a standstill due to the COVID-19 pandemic which has also had a huge negative impact on the economy of Bangladesh. According to the final estimations of BBS, the GDP growth in FY 2019-20 has slowed to 3.51 percent. Bangladesh's economy is turning around in the context of tackling the corona virus of the world economy. The GDP growth in FY 2020-21 stood at 5.47 percent. Both export and import in Bangladesh have showed a sign of recovery after a sharp decline in FY 2019-20. In FY 2020-21, Bangladeshi expatriates' remittance stood at US$ 24,777.72 million which was significantly higher (36.10%) than the previous fiscal year. In FY 2020-21, financial account and capital account showed surplus. As a result, the foreign exchange reserves increased to a record US$ 46.39 billion at 30 June 2021. As per the directives of Honorable Prime Minister, activities are carried out under 21 stimulus packages of Tk. 1,20,153 crore in FY 2019-20 for additional expenditure in healthcare sector, emergency humanitarian assistance and economic recovery to address the COVID-19 pandemic. As a result of these actions taken by the government, the economy is expected to turn around.

Dear valued shareholders,

Over the past few years of operation, MIDAS Financing Limited (MFL) has been trying to regain its presence in the financial service sector as an ideal Non-Bank Financial Institution by providing quality services, fulfilling shareholders' expectations, maintaining Corporate Governance and social commitment.

Among the obstacles NPL and associated provision and recovering loss from devastating public confidence have become the major challenges in front of the Company. However, the scenario started to change from last several years and MFL has returned to positive trend.



Our strategic maneuvers allowed us to present a year of sustainable financial performance to you-

- The paid-up capital of the company was raised up to 142.47 crore, capital gain has also been achieved from investment in shares.
- The Company gained consolidated profit after tax Taka 8.44 crore for the year ended December 31, 2021 which was Taka 11.53 crore in last year.
- The company registered growth of loans and advances 0.16% from last year and deposit portfolio increased by 0.74%.
- Total Assets of the Company stood at Tk. 1,147.29 crore showing an increase of 2.58% on 2021 as against Tk. 1,118.41 crore in the year 2020.

It is our efforts, measures and customers' trust in us that enabled us to lock in these substantial financial performance figures, which was quite a challenge in our operating environment. The private sector credit growth continued its down trend, business opportunities were low and the lock-down and subsequent extended holidays made operating environment unstable. Thus, our subsidiary has registered

significant growth.

Dear valued shareholders,

Our objective is to develop all-round professionals with cutting edge of knowledge to provide highest level of service to the customers and to protect shareholders' interest. Moving forward, our main aim should be fostering growth of core business operations while ensuring heightened profitability. Asset quality of lending portfolio, connectivity with clients, innovation of service and financially viable funding will remain our focus. From the macro perspective it may be added that overall investment scenario seems unsure as the global pandemic continues to impact lives and businesses. Therefore, the coming year is set to test us with periods of challenges from which we will have to unveil avenues of opportunities. However, we have firm faith in our expertise and motivation to work harder which will propel us to cross over all the predicaments of future. To conclude, I would like to express my appreciation to all concerned officials of Bangladesh Bank for their support at all times. I also take the opportunity to thank my colleagues, the members of the Board for their prudent guidance and wise counselling. Finally, I thank the shareholders and all regulators, clients, depositors, bankers and other stakeholders for their continued confidence in and support to MIDAS Financing Limited.

May Allah keep us in peace and bless us all.



Ms. Rokia Afzal Rahman
Chairman

MESSAGE FROM THE MANAGING DIRECTOR



Dear Shareholders,

I welcome you all to our 26th Annual General Meeting. I am delighted to present the Annual Report of the company to you on behalf of the Board of Directors, Executives, Officers and all the Staffs of MIDAS Financing Limited (MFL). On this occasion, I cherished to thank you for your continued interest and support.

While presenting the performance of the year 2021, I must express my utmost gratitude to the almighty Allah for the continued success we have achieved in amid of pandemic. We are committed to serve the best to the society and to this country and work hard to develop a process of doing business not only for short term profit but also to build up a prosperous future for our next generation.

The COVID-19 pandemic emerges as the biggest test for financial systems. For Banks and NBFIs in particular, the pandemic generates multifaceted crises; among the difficulties it generates growths in deposit and credit. Bank records a growth of 9.21% and NBFI produces 1.31% in Deposit as on December 2021. On the other hand, private sector credit growth hits 12.28% increase for Banks and 1.23% for NBFI. This is likely to be blessings in developing economies with poor financial market architecture.

However, I would like to draw your attention to the satisfactory performance of MIDAS Financing Limited in many avenues of the Business amidst the global crisis arises due to COVID 19 pandemic and national challenges confronted by the Finance Industry over the whole year of 2021.

- The Lease, Loans and Advances recorded 1.41% increase with a total portfolio of Tk. 9,427.74 million at the end of December 2021, compared to the year 2020. In 2020, it was increased 0.16% with a total portfolio of Tk. 9,413.08 million at the end of December 2020 compared to Tk. 9,297.80 million at the end of December 2019.
- The Company also maintains Capital Adequacy Ratio at 18.38% which is above the required Margin of Adequate Capital Ratio for NBFIS @ 10%. Reserve & Surplus Tk. 111.71 million and Shareholder's growth. Earnings per share (EPS) stood at Tk. 0.59 during 2021. NAV stood at Tk 11.76 per share.
- Average Cost of Fund decreased to 9.08% during the year compared to 10.02% in the preceding year due to decrease of Interest Rate on borrowing.
- The Non-Performing Loan (NPL) ratio was 14.89% of total loan as on December 31, 2021, which was 11.39% in the previous year which is well comparable.

Additionally, we supported the working capital and other financial facilities in this difficult time despite the liquidity crunch situation for the banks and NBFIs. We also reduced the interest rate for lending customers in this challenging time to relieve their financial burden. Though growth potential seems to be high, we intend to focus more on sustainability and we believe, our well-grounded management principles and our commitment to strong governance will aid us achieve it.

We kept cost of fund and operational cost at low level. As a result, though our disbursement and portfolio reduced but both our net interest income and operating profit marked healthy growth compared to previous year. We follow strict provision rules in line with international best practices and always keep more than required provisions against our loans and advances. Despite all challenges, we finished the year 2021 strongly and our Board proposed maximum allowable dividend of 1% cash and 1% Stock for our shareholders.

We are also very careful about the employees and their health safety. Since the lockdown inception, nearly all financial services companies' employees have been working remotely from their homes. Initially, we begin to work on every transaction remotely and redesign the IT system in a way so that every function can operate from their home. We have made the roaster system for the employees so that they can work conveniently by ensuring social distance. On the other side, we have

given the increment and declared promotions to the employees without cutting any kind of employee benefit which boosted the employee confidence largely. As a result, they have become self-motivated people and contributed proactively the company in this difficult time. Besides, we have designed some new products and services for the customers.

The most important thing is the operational efficiency of any organization. Since the inception of MIDAS Financing Limited has always prioritized the sectors that present a growth potential on a long-term basis. The digital transformation has enabled the financial service industry to thrive using a superior informational advantage. MFL is now moving towards technology-driven business solutions powered by a cultural environment that prioritizes efficiency & highest ethical standards. We are committed to set a role model for the industry in terms of digitalization and modernization of financial operations. We have developed a strong in-house software development wing.

Achievements so far attained by MIDAS Financing Limited is the combined reflection of the dedication, commitment, hard work and all out efforts by each and every member for which I sincerely thank them. But we are committed to materialize those by any means with the help of the customers, shareholders, depositors, borrowers, employees and all the stakeholders related to the organization. I strongly believe in the ability and team spirit that can surely build us stronger indeed.

May Allah bless us.

Thanks and regards,



Mustafizur Rahman
Managing Director

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of MIDAS Financing Limited (MFL) are pleased to present their Report along with the audited financial statements for the year ended on December 31, 2021.

This Report has been prepared in keeping with the provisions of the Companies Act 1994, the Financial Institutions Act 1993, the Dhaka Stock Exchange (Listing) Regulations 2015, the Chittagong Stock Exchange (Listing) Regulations 2015, related Notifications, Rules, Regulations, Codes and Guidelines issued by the Bangladesh Securities and Exchange Commission (BSEC) and Bangladesh Bank, as applicable to MFL. Disclosures and explanations have been made herein have been in order to ensure compliance, transparency and good governance practices.

Industry outlook

A report titled "Report on Economic Scenario, Industry Outlook and Possible Future Developments in the Industry" has been incorporated in this annual report at page no: 58
Segment-wise Performance

(a) **Lease, Loans and Advances:**
The core business of MFL comprises Lease Finance, Term Loans, Housing Finance, Working Capital Financing, etc. MFL is one of the pioneers of SME financing and women entrepreneurs financing. However, the Board takes on record that over the last several years MFL has been suffering owing to its increased NPL which is common to most of the Banks and NBFIs operating in the finance industry in Bangladesh. Relentless efforts are being made and strong recovery drives as well as preventive and remedial measures are being taken for reduction of its NPL.

(b) **Investments:**
MFL has been taking part in the capital market operations through its investment in the securities of Companies listed with stock exchanges. Such investment is within the limit prescribed by Bangladesh Bank.

(c) **Deposits and borrowings:**
Deposits, borrowings from banks and financial institutions and Shareholders' Equity are the main sources of fund of MFL. The Company also avails of various low-cost funds under Bangladesh Bank refinance schemes and funds from SME Foundation, etc. Appropriate policies are followed to keep the cost of fund low.

The segment-wise or product-wise performance of the Company for the year ended December 31, 2021 is stated below:

Taka in crore

Segments	Portfolio			Income		
	2021	2020	Increase (Decrease)	2021	2020	% Increase (Decrease)
Lease	89.62	89.65	(0.04%)	4.88	6.20	(21.00%)
Term	746.31	751.42	(0.68%)	98.43	79.35	24.00%
Housing	124.32	121.88	2.00%	17.69	14.86	19.00%
Investment	23.99	26.61	(9.85%)	7.29	4.50	62.00%
Portfolio				Expense		
Deposits	615.20	610.86	0.71%	60.81	67.55	(10.00%)

Details of Segment-wise financial position can be seen under Note-7 of the Notes to the Financial Statements at page no: 119

Financial Results and Performance

A comparative statement of the Consolidated Financial Results of the company for the year ended on December 31, 2021 and for the year ended December 31. 2020 is provided below:

Particulars	2021 (Taka in crore)	2020 (Taka in crore)
Net interest income	47.29	18.06
Other operating income	13.81	11.15
Total operating income	61.10	29.21
Total operating expenses	(18.74)	(18.16)
Profit before provisions	42.35	11.05
Provision for loans and investments	32.35	(5.44)
Profit before tax	10.00	16.49
Provision for tax	(1.56)	(4.96)
Net profit after tax	8.44	11.53

Particulars	2021 (Taka in crore)	2020 (Taka in crore)
Transfer to statutory reserve	(1.64)	(2.25)
Transfer from statutory reserve	-	-
Retained earnings at the beginning	11.08	8.58
Dividend paid (Bonus & Cash)	(6.94)	(6.78)
Proposed bonus share	-	
Net Retained Surplus (on consolidated basis)	10.95	11.08
EPS (Restated)	0.59	0.83

The above statement shows that the financial performance during the year compared to that for the previous year has deteriorated. Total operating income increased to 209.17% of that of the last year and total operating expenses also increased slightly from the previous year. Details are described in the Management's discussion and analysis included in this annual report.

Quarterly and Annual Financial Performance:

The quarterly performance of the Company can be noted clearly from the table below:

Taka in Crore

Particulars	Q1 (Jan to Mar)	Q2 (Apr to Jun)	Q3 (Jul to Sep)	Q4 (Oct to Dec)	Annual (2021)
Interest income	22.31	18.02	29.35	51.97	121.65
Interest expenses	20.21	20.02	19.59	14.54	74.36
Net interest income	**2.10**	**(2.00)**	**9.76**	**37.43**	**47.29**
Other operating income	3.88	1.58	1.98	6.37	13.81
Total operating income	**5.98**	**(0.42)**	**11.74**	**43.80**	**61.10**
Total operating expenses	4.36	4.33	5.13	4.92	18.74
Profit before provisions	**1.61**	**(4.75)**	**6.61**	**38.88**	**42.35**
Provision for loans/ investments	53.61	(18.46)	12.11	(14.92)	32.35
Profit before tax	**(52.00)**	**13.71**	**(5.50)**	**53.79**	**10.00**
Provision for tax	0.52	(0.98)	0.68	1.34	1.56
Net profit after tax	**(52.52)**	**14.68**	**(6.18)**	**52.46**	**8.44**

Unlike the prior years and as expected, the quarterly performance of the company was unsteady in nature, which is clearly observable from the table above. The operating expenses remained almost same over the year and reduced requirement for provision for loans/investment resulted in a substantial consolidated net profit after tax of BDT 8.92 crore.

Declaration of dividend

The Board of Directors has recommended 1% cash and 1% Stock dividend for the financial year ended on December 31, 2021, subject to approval of the Shareholders at the 26th Annual General Meeting of the Company. The dividend will be applicable for the shareholders whose names will appear in the depository register of CDBL as on Record Date i.e., June 29, 2022.

It is mentionable that Stock Dividend is subject to approval of Shareholders in the 26th AGM and subsequent approval of the Bangladesh Securities & Exchange Commission (BSEC). The Record Date for entitlement of Stock Dividend (Bonus Shares) will be notified later as per Notification No. BSEC/CMRRCD/2009-193/23/Admin/123, dated: June 30, 2021 upon receipt of consent from Bangladesh Securities And Exchange Commission.

Operation of Subsidiaries

MIDAS Financing Limited is the owner of 99.9992% of the shares (2,49,99,800 nos. of shares of Taka 10 each) in the equity of MIDAS Investment Limited (MIL). MIL is a private Limited Company, incorporated on April 09, 2012 (bearing Registration No C-100772/12) under the Companies Act 1994 and licensed by BSEC on September 06, 2016 as Merchant Bank. MIL contributed Tk. 2.25 Crore to the income of MFL as profit after tax during the financial year 2021 and as against 2.27 Crore in 2020.

MIDAS Centre

MIDAS Centre, a 13 storied building, greatly contributes to the confidence of depositors, clients and shareholders in financial standing of the Company and serves as a symbol of pride for the stakeholders of MFL and MIL. The Head offices of MFL and MIL are located at MIDAS Centre.

Related Party Transactions

As per IAS 24 "Related Party Disclosure", 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 2021 are described under Note 39.4 of the Notes to the Financial Statements for the year ended on December 31, 2021. Transactions with related parties are executed on the same terms, including interest rate and collateral, as those prevailing at the time of comparable transactions with other customers of similar credential and do not involve more than normal risk.

During the year, MFL carried out a number of transactions with related parties in the ordinary course of business. Details of transactions are summarized below:

Name of the Party	Nature of Relationship	Nature of Transaction	Classification Status	Amount in Tk.	
				2021	2020
MIDAS	Sponsor Shareholder	Term Deposits	N/A	100,000,000	107,339,750
MIDAS Investment Ltd	Subsidiary Company	STL & LTD	Standard	236,145,983	240,019,797
MIDAS Investment Ltd	Subsidiary Company	Term Deposits	N/A	205,000,000	205,000,000
LankaBangla Securities Ltd.	Shareholder	Equity Investment	N/A	5,000,000	5,000,000
LankaBangla Securities Ltd.	Shareholder	Managing Portfolio through BO A/C	N/A	273,104,159	246,115,214
Total				**819,250,142**	**803,474,761**

Risk and Concerns

The Directors believe that proper risk management is an essential part of the company's business. Identification, evaluation and elimination (or at least minimization) of risks constitute the core of risk management system. In view thereof, different committees, sub-committees, departments and units are in place to manage various risks associated with staffing, operation, finance, credit, liquidity, market, etc. MFL has established an Asset Liability Committee (ALCO), a Credit Risk Management (CRM) Department, a Credit Disbursement Department (CDD) and an Internal Control and Compliance (ICC) Department as a part of the risk management framework of MFL. A report titled "Report on Management of Risks and Concerns" has been furnished separately.

Internal Control and Compliance

Strong internal controls are essential for sound management. The Board of Directors is responsible for instituting an effective internal control system and reviewing the effectiveness of the system. The Audit Committee is entrusted with the monitoring of Internal Audit and Compliance process to ensure that it is adequately resourced, approves the Internal Audit and Compliance Plan and reviews the Internal Audit and Compliance Report. Internal Control and Compliance (ICC) Department has been established as a separate department. 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 is satisfied with the effectiveness of the company's internal control system for the period under review.

Going Concern

Going concern is one of the fundamental assumptions in accounting practices and underlines the preparation of financial statements of companies. Under the going concern concept, it is assumed that a Company will continue in operation and that there is neither the intent nor the need to either liquidate it or to cease trading. It is the responsibility of the management of a Company to determine whether the going concern assumption is appropriate in the preparation of financial statements. The management of MFL has calculated all the ratios related to the maintenance of regulatory capital and liquidity such as CRAR, CRR & SLR and liquidity profile. All the ratios and results thus calculated reveal that MFL is running well above the level of different parameters set by the respective guidelines of Financial Reporting Framework and Disclosures Bangladesh Bank

The Directors are pleased to confirm the following-

- The Financial Statements prepared by the Management of the company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- Proper books of account of the Company have been maintained;
- Appropriate accounting policies have been consistently applied in the preparation of the Financial Statements of the Company;
- The accounting estimates are based on reasonable and prudent judgment;
- International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation and presentation of Financial Statements and any departure there-from has been adequately disclosed;
- The system of internal control is sound in design and has been effectively implemented and monitored;
- There is no significant doubt about the Company's ability to continue as a going concern;
- Significant deviations from the last year's operating results of the Company have been highlighted and the reasons thereof have been explained under Consolidated Financial Results and Performance;
- There was no extraordinary gain or loss during the year;
- No bonus share or stock dividend has been declared during the year, or shall be declared in future, as interim dividend.

Board Meetings and Attendance of Directors therein

The Board of Directors of MFL met 13 (thirteen) times during the financial year ended on December 31, 2021. Other than Directors, the CS, CFO and Head of ICC of the Company also attended all the Board Meetings. Attendance by the Directors at the Board Meeting during the reporting year and at the last Annual General Meeting is shown in the table below:

Name	Status with the Board	No. of Board Meetings		Attended at the last AGM (held on 20.09.2021)
		Held	Attended	
Ms. Rokia Afzal Rahman	Chairman	13	11	Yes
Mr. M. Hafiuzuddin Khan	Director	13	13	Yes
Mr. Ali Imam Majumder	Director	13	13	Yes
Mr. Abdul Karim	Director	13	13	Yes
Mr. Mohammed Nasir Uddin Chowdhury	Director	13	13	Yes
Mr. Ghulam Rahman	Independent Director	13	12	Yes
Ms. Nazneen Sultana	Independent Director	13	13	Yes
Mr. Md. Shamsul Alam	Director	13	13	Yes
Mr. Md. Shahedul Alam	Director	13	12	Yes

Note: Leave of absence was granted to the Directors those who could not attend the meetings.

Remuneration paid to the Directors

The Directors of MIDAS Financing Limited do not receive any facilities except Board Meeting and Committee Meeting attendance fees. Each Director was paid Tk. 8,000/- (Taka Eight Thousand) only for attending each meeting of the Board or Committee and total remuneration expenses of the Directors of the Company amount to BDT 1,176,000 during the reporting financial year. A statement of remuneration paid to the Directors including Independent Directors is provided below:

Name of Director	No. of Meetings Attended				Remuneration Paid (Tk.)
	BM	ECM	ACM	Total	
Ms. Rokia Afzal Rahman	11	01	N/A	12	96,000
Mr. M. Hafiuzuddin Khan	13	03	N/A	16	128,000
Mr. Ali Imam Majumder	13	N/A	05	18	144,000
Mr. Abdul Karim	13	N/A	05	18	144,000
Mr. Mohammed Nasir Uddin Chowdhury	13	03	N/A	16	128,000
Mr. Ghulam Rahman	12	N/A	05	17	136,000
Ms. Nazneen Sultana	13	N/A	05	18	144,000
Mr. Md. Shamsul Alam	13	03	N/A	16	128,000
Mr. Md. Shahedul Alam	12	N/A	04	16	128,000

Note: **BM** denotes Board Meeting, **ECM** denotes Executive Committee Meeting and **ACM** denotes Audit Committee Meeting.

Remuneration paid to the Directors for attending meetings are exclusive of VAT.

Retirement and Re-election of Directors

In accordance with the provisions of the Companies Act 1994 and clause no. 108-110 of the Articles of Association of the Company, at least one-third of the Directors are required to retire by rotation at each AGM and a retiring Director is eligible for re-election/ re-appointment by the Shareholders.

Accordingly, the following Directors will retire by rotation from the Board in the 26th AGM:

1. Mr. Ali Imam Majumder - Director, nominated by MIDAS
2. Mr. Mohammed Nasir Uddin - Director, nominated by LankaBangla Finance Limited
3. Mr. Md. Shamsul Alam- Director, nominated by General Shareholder Group

Being eligible, the Retiring Directors have offered themselves for re-election which has been recommended by the Board for approval by the shareholders in the upcoming AGM. Brief profiles of the Directors going to retire and be re-elected are disclosed at page no: 16-20. The interest of the retiring Directors in different entities are also disclosed at page no: 140

Re-appointment of Independent Director

Mr. Ghulam Rahman was appointed as an Independent Director of the Company on December 27, 2018 and completed his first tenure in the year 2021. Based on the contributions during his first term (3 years) of office to the Company, background and experience, the Board of Directors re-appointed Mr. Ghulam Rahman as Independent Director of the Company for another term of 3 (three) years, subject to the approval of Shareholders in the ensuing Annual General Meeting.

Key Operating and Financial Data of Preceding 5 (five) Years

A statement containing the summary of key operating and financial data of the preceding 5 (five) years have been presented at page no: 31

Pattern of Shareholding

A report on pattern of shareholding as on December 31, 2021 has been shown in Annexure-D at page no: 57

Corporate Social Responsibility (CSR)

MFL considers itself an integral part of the community in which it operates, and recognizes that it has responsibilities of providing the highest standards of service and ethical business. MFL in carrying out its business activities keeps in view its commitments for sustainable development and transparent corporate conduct. MFL prioritizes promoting a corporate culture that adheres to its business principles as well as generating good and sustainable returns in order to ensure mutual value creation for the Company as well as its stakeholders.

The Company helped for the growth of the SME sector along with the development of women entrepreneurs and 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.

As a continuation of its innovative initiatives, MFL organized a National Dialogue for Women Entrepreneurs on 02 November 2019 at MIDAS Convention Centre to acknowledge the achievement of women entrepreneurs and encourage them as new entrepreneurs in the corporate sector. In a discussion meeting with small and medium entrepreneurs held on 06 August 2019, MFL declared and launched 'SME Day' with a view to providing better services to SMEs and encourage them for their business development. Such day will be observed on the first Monday of every month by the head office and 15 branches of MFL, as soon as the COVID-19 situation returns to normal.

Management's Discussion and Analysis

Management's Discussion and Analysis signed by the Managing Director of the Company presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on the issues prescribed under condition no. 1(5)(xxv) of the Corporate Governance Code has been presented at page no: 69

Certification by MD and CFO

As per condition no. 1(5) (xxvi) of the Corporate Governance Code, a Declaration by the Managing Director (MD) and the Chief Financial Officer (CFO) in prescribed format has been submitted to the Board of Directors of the Company, which is disclosed in Annexure-A at page no: 42.

Appointment/ Re-appointment of Statutory Auditors

The existing Auditors Zoha Zaman Kabir Rashid & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company in the last Annual General Meeting, who have completed the audit for the reporting year ended on December 31, 2021 and will retire at the conclusion of the 26th Annual General Meeting.

Zoha Zaman Kabir Rashid & Co., Chartered Accountants have confirmed their eligibility and willingness to the Board to accept their office as Statutory Auditors for the forthcoming financial year to be ended on December 31, 2022. Thereafter, on proposal of the Audit Committee, the Board of Directors recommended to re-appointment Zoha Zaman Kabir Rashid & Co., Chartered Accountants as Statutory Auditors of the Company for the financial year to be ended on December 31, 2022, subject to approval by the shareholders at the ensuing AGM at a remuneration of Taka 1,65,000 (One Lac Sixty Five Thousand) only exclusive of VAT & TAX applicable as per the provisions of Law.

Status of Compliance with Corporate Governance Code

As per condition no. 9(3) and 1(5)(xxvii) of the Corporate Governance Code, the Directors of the Company are required to prepare a statement, in the prescribed format, whether the Company has complied with the conditions the corporate governance code or not and to disclose the same in the Directors' Report. Accordingly, a Statement on Status of Compliance of the Corporate Governance Code issued by BSEC has been incorporated in Annexure-C at page no: 44.

As per condition no. 9(1) and 1(5)(xxvi) of the Corporate Governance Code, every listed company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and such certificate shall be disclosed in the Annual Report. As per condition no. 9(2), the professional who will provide such certificate shall be appointed by the shareholders in the Annual General Meeting. Accordingly, M/S Hawlader Maria & Co., Chartered Accountants was appointed as the Corporate Governance Compliance Auditors in the last Annual General Meeting. A Certificate submitted by M/S Hawlader Maria & Co., Chartered Accountants, for the year ended December 31, 2021 is enclosed in Annexure-B at page no: 43

Considering the conditions stated in the Corporate Governance Code, necessary expertise, the Board has recommended to appoint M/S Hawlader Maria & Co., Chartered Accountants, as Corporate Governance Auditors of the Company for the financial year to be ended on December 31, 2022, subject to approval by the shareholders in the ensuing AGM.

Acknowledgement

The Board of Directors takes this opportunity to express its heartiest appreciation and gratitude to the valued clients, depositors, lenders, bankers, patrons and business partners for their continued support and cooperation during the year. The Board also extends its 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 co-operation, assistance, valuable guidance and advices received from them by the Company from time to time. Sincere appreciation of the Board of Directors is also extended to the senior management and members of the staff at all levels of the Company for their hard work, loyalty, sincerity and dedication. Finally, the Directors offer thanks to the valued shareholders and assure them that efforts will be continued to maximize the shareholders' wealth by further strengthening the governance of the Company. The Directors will welcome, and remain ready to listen to constructive criticisms at all times and will strive to make appropriate decisions in the greater interest of the Company.

For and on behalf of the Board of Directors,



Ms. Rokia Afzal Rahman
Chairman

ANNEXURE LIST:

A. Certification by the MD and CFO to the Board
B. Certificate from M/s Hawlader Maria & Co., Chartered Accountants regarding compliance on the Corporate Governance Code
C. Checklist on compliance of Corporate Governance Code
D. The pattern of shareholding

Annexure-A
[As per condition No. 1(5)(xxvi)]

MIDAS FINANCING LIMITED
DECLARATION BY MD AND CFO

Date: June 8, 2022

The Board of Directors
MIDAS Financing Limited
MIDAS Center (10th & 11th Floor)
House #05, Road # 16(New) 27 (old)
Dhanmondi, Dhaka-1209

Subject: Declaration on Financial Statements for the year ended on December 31, 2021.

Dear Sirs,
Pursuant to the condition No. 1(5)(xxvi) imposed vide the Commission's Notification No.SEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969, we do hereby declare that:

1. The Financial Statements of MIDAS Financing Limited for the year ended on December 31, 2021 have been prepared in compliance with International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

   In this regard, we also certify that: -

   (i) We have reviewed the financial statements for the year ended on December 31, 2021 and that to the best of our 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 collectively present 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 knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board of Directors or its members.

Sincerely yours,



Mustafizur Rahman
Managing Director



Mohammad Ashiqur Rahman
Chief Financial Officer

Howlader Maria & Co
Chartered Accountants

Annexure-B
[Certificate as per condition No. 1(5) (xxvii)]

Certificate on Compliance of Corporate Governance Code

Report to the Shareholders of MIDAS Financing Limited on compliance on the Corporate Governance Code

We have examined the compliance status to the Corporate Governance Code by MIDAS Financing Limited for the year ended on 31 December 2021. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 of the Bangladesh Securities and Exchange Commission.

Such compliance with the Corporate Governance Code is the responsibility of the Company. Our examination was limited to the procedures and implementation thereof as adopted by the Management in ensuring compliance to the conditions of the Corporate Governance Code.

This is a scrutiny and verification and an independent audit on compliance of the conditions of the Corporate Governance Code as well as the provisions of relevant Bangladesh Secretarial Standards (BSS) as adopted by Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Corporate Governance Code.

We state that we have obtained all the information and explanations, which we have required, and after due scrutiny and verification thereof, we report that, in our opinion:

(a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above-mentioned Corporate Governance Code issued by the Commission;

(b) The company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this Code;

(c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and

(d) The governance of the company is satisfactory.

Place: Dhaka
Date: 22 June 2022

Maria Howlader FCA
Proprietor
Howlader Maria &Co.
Chartered Accountants

tgs global Howlader Maria & Co. is an independent member of TGS Global network limited, an international network of professional business advisors.
www.tgs-global.com
BTI Armitage, Level: A8, House: 77, Road: 12, Block: E, Banani, Dhaka 1213, Bangladesh
+88 09678777960 +880-1700764717, +880-1816632873, HmAC Chartered Accountants maria.howlader@hmacbd.com

Annexure-C

[As per condition 1(5)(xxvii)]

Checklist on compliance of Corporate Governance Code

Status of compliance with the conditions imposed by the Commission's Notification No. BSEC/CMRRCD/2006-158/207/Admin/80, dated June 03, 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969. (Report under Condition No. 9)

(Report under Condition No. 9.00)

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.	**Board of Directors:**			
1(1)	**Size of the Board of Directors**: The total number of members of a company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	√		
1(2)	**Independent Directors:**			
1(2) (a)	At least one fifth (1/5) of the total number of directors in the Company's board shall be independent directors.	√		
1(2) (b)	**'Independent Director' means a Director:**			
1(2) (b) (i)	who either does not hold any share in the company or holds less than one percent (1%) shares of the total paid-up shares of the company;	√		
1(2) (b) (ii)	who is not a sponsor of the company or is not connected with the company's any sponsor or director or nominated director or shareholder of the company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the company;	√		
1(2) (b) (iii)	who has not been an executive of the company in immediately preceding 2 (two) financial years;	√		
1(2) (b) (iv)	who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary or associated companies;	√		
1(2) (b) (v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange.	√		
1(2) (b) (vi)	who is not a shareholder, director excepting independent director or officer of any member or the holder of stock exchange or an intermediary of the capital market;	√		
1(2) (b) (vii)	who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	√		
1(2) (b) (viii)	Who is not independent director in more than 5 (five) listed companies.	√		
1(2) (b) (ix)	who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a bank or a Non-Banking Financial Institution (NBFI); and	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(2) (b) (x)	Who has not been convicted for a criminal offence involving moral turpitude.	√		
1(2) (c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√		
1(2) (d)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days and	√		
1(2) (e)	The tenure of office of an Independent Director shall be for a period of 3 (three) years which may be extended for 1 (one) tenure only.	√		
1(3)	**Qualification of Independent Director :**			
1(3) (a)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√		
1(3) (b)	**Independent Director shall have following Qualification:**			
1(3) (b) (i)	Business Leader who is or was a promoter or director of an unlisted company having minimum paid-up capital of Tk. 100.00 million or any listed company or a member of any national or international chamber of commerce or business association; or			N/A
1(3) (b) (ii)	Corporate Leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted company having minimum paid-up capital of Tk. 100.00 million or of a listed company; or			N/A
1(3) (b) (iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law; or	√		
1(3) (b) (iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law; or			N/A
1(3) (b) (v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;			N/A
1(3) (c)	The Independent Director(s)shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√		
1(3) (d)	In special cases, the above qualification or experiences may be relaxed subject to prior approval of the commission.			N/A
1(4)	**Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer:**			

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(4) (a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the company shall be filled by different individuals;	√		
1(4) (b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed company shall not hold the same position in another listed company;	√		
1(4) (c)	The Chairperson of the Board shall be elected from among the non-executive directors of the company;	√		
1(4) (d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√		
1(4) (e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
1(5)	**Directors' Report to Shareholders:**			
1(5) (i)	An industry outlook and possible future developments in the industry;	√		
1(5) (ii)	The segment-wise or product-wise performance;	√		
1(5) (iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√		
1(5) (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√		
1(5) (v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	√		
1(5) (vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√		
1(5) (vii)	A statement of utilization of proceeds raised through public issues, rights issues and/or any other 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 Share Offer, Direct Listing, etc.;			N/A
1(5) (ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	√		
1(5) (x)	A statement of remuneration paid to the directors including independent directors;	√		
1(5) (xi)	A statement that the financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√		
1(5) (xii)	A statement that proper books of account of the issuer company have been maintained;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5) (xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√		
1(5) (xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√		
1(5) (xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored	√		
1(5) (xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√		
1(5) (xvii)	A statement that there is no significant doubt upon the issuer company's ability to continue as a going concern, if the issuer company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√		
1(5) (xviii)	An explanation that significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof shall be explained;	√		
1(5) (xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√		
1(5) (xx)	An explanation on the reasons if the issuer company has not declared dividend (cash or stock) for the year			N/A
1(5) (xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√		
1(5) (xxii)	The total number of Board meetings held during the year and attendance by each director;	√		
1(5) (xxiii)	**A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:**			
1(5) (xxiii) (a)	Parent or Subsidiary or Associated Companies and other related parties (name wise details);	√		
1(5) (xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	√		
1(5) (xxiii)(c)	Executives; and	√		
1(5) (xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the company (name-wise details);	√		
1(5) (xxiv)	**In case of the appointment or re-appointment of a Director a disclosure on the following information to the Shareholders:**			
1(5) (xxiv) (a)	a brief resume of the Director;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1(5) (xxiv)(b)	Nature of his/her expertise in specific functional areas; and	√		
1(5) (xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	√		
1(5) (xxv)	**A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:**			
1(5) (xxv) (a)	accounting policies and estimation for preparation of financial statements;	√		
1(5) (xxv)(b)	changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	√		
1(5) (xxv)(c)	comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√		
1(5) (xxv)(d)	compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√		
1(5) (xxv)(e)	briefly explain the financial and economic scenario of the country and the globe;	√		
1(5) (xxv)(f)	risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the company; and	√		
1(5) (xxv)(g)	future plan or projection or forecast for company's operation, performance and financial position, with justification thereof, i.e., actual position shall be explained to the shareholders in the next AGM;	√		
1(5) (xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√		
1(5) (xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√		
1(6)	**Meetings of the Board of Directors:**			
	The company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√		
1(7)	**Code of Conduct for the Chairperson, other Board members and Chief Executive Officer:**			
1(7) (a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the company;			Please refer to the note given below:

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.7. (b)	The code of conduct as determined by the NRC shall be posted on the website of the company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.			Do
Note: As explained in the note under condition 6, since no NRC was formed, code of conduct for the chairperson of the Board, other members and company remain pending.				
2.	**Governance of Board of Directors of Subsidiary Company:**			
2 (a)	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.	√		
2 (b)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	√		
2 (c)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	√		
2 (d)	The Minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the Subsidiary Company also.	√		
2 (e)	The Audit Committee of the holding company shall also review the Financial Statements, in particular the investments made by the Subsidiary Company.	√		
3.	**Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS):**			
3 (1)	**Appointment:**			
3 (1) (a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	√		
3 (1) (b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	√		
3 (1) (c)	The MD or CEO, CS, CFO and HIAC of a listed company shall not hold any executive position in any other company at the same time;	√		
3 (1) (d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	√		
3 (1) (e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	√		
3(2)	**Requirement to attend Board of Directors' Meetings:**			
	The MD or CEO, CS, CFO and HIAC of the company shall attend the meetings of the Board.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3(3)	**Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO):**			
3(3) (a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3) (a) (i)	these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and	√		
3(3) (a) (ii)	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;	√		
3(3) (b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the code of conduct for the company's Board or its members;	√		
3(3) (c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√		
4.	**Board of Directors' Committee:**			
	For ensuring good governance in the company, the Board shall have at least following sub-committees:			
4 (i)	Audit Committee; and	√		
4 (ii)	Nomination and Remuneration Committee.			Please refer to the note given under condition number 6
5.	**Audit Committee:**			
5 (1)	**Responsibility to the Board of Directors:**			
5(1) (a)	The company shall have an Audit Committee as a sub-committee of the Board;	√		
5(1) (b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the company and in ensuring a good monitoring system within the business;	√		
5(1) (c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√		
5 (2)	**Constitution of the Audit Committee:**			
5 (2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√		
5 (2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√		
5 (2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5 (2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	√		
5 (2)(e)	The company secretary shall act as the secretary of the Committee;	√		
5 (2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√		
5(3)	**Chairperson of the Audit Committee:**			
5(3) (a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√		
5(3) (b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√		
5(3) (c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM):	√		
5(4)	**Meeting of the Audit Committee:**			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year.	√		
5(4) (b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever is higher, where presence of an independent director is a must.	√		
5(5)	**Role of Audit Committee:**			
	The audit committee shall:-			
5(5) (a)	Oversee the financial reporting process;	√		
5(5) (b)	Monitor choice of accounting policies and principles.	√		
5(5) (c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√		
5(5) (d)	Oversee hiring and performance of external auditors.	√		
5(5) (e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√		
5(5) (f)	Review along with the management, the annual financial statements before submission to the Board for approval;	√		
5(5) (g)	Review along with the management, the quarterly and half yearly Financial Statements before submission to the Board for approval.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
5(5) (h)	Review the adequacy of internal audit function.	√		
5(5) (i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√		
5(5) (j)	review statement of all related party transactions submitted by the management;	√		
5(5) (k)	Review Management Letters or Letter of Internal Control weakness issued by statutory auditors.	√		
5(5) (l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors; and	√		
5(5) (m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:			N/A
5(6)	**Reporting of the Audit Committee:**			
5(6)(a)	Reporting to the Board of Directors			
5(6)(a) (i)	The Audit Committee shall report on its activities to the Board of Directors.	√		
5(6)(a) (ii)	**The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:**			
5(6)(a)(ii)(a)	Report on conflicts of Interests.			N/A
5(6)(a)(ii)(b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;			N/A
5(6)(a)(ii)(c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations; and			N/A
5(6)(a)(ii) (d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;			N/A
5(6)(b)	**Reporting to the Authorities:** If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier.			N/A
5(7)	**Reporting to the Shareholders and General Investors:-** Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer company.			N/A

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6.	**Nomination and Remuneration Committee (NRC):**	As per DFIM Circular number 18 dated October 26, 2011 and subsequent letter ref. no. DFIM(P)1052/27/2021-2436, dated November 04, 2021 of Bangladesh Bank, no Financial Institutions are eligible to comply with conditions for formation of Nomination and Remuneration Committee in accordance with the Corporate Governance Code, 2018 issued by BSEC. It is conflicting with the regulation of the Financial Institutions Act, 1993 and directives of the Bangladesh Bank.		
6(1)	**Responsibility to the Board of Directors:**			
6 (1)(a)	The company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;			
6 (1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;			
6 (1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas stated at the condition No. 6(5)(b).			
6(2)	**Constitution of the NRC:**			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;			
6(2)(b)	All members of the Committee shall be non-executive directors;			
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;			
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;			
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;			
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;			
6(2)(g)	The company secretary shall act as the secretary of the Committee;			
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;			
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the company.			
6(3)	**Chairperson of the NRC:**			

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;			
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes			
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:			
6(4)	**Meeting of the NRC:**			
6(4) (a)	The NRC shall conduct at least one meeting in a financial year;			
6(4) (b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;			
6(4) (c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);			
6(4) (d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.			
6(5)	**Role of the NRC:**			
6(5) (a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;			
6(5) (b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6(5) (b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:			
6(5) (b)(i)(a)	the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;			
6(5)(b)(i)(b)	the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and			
6(5) (b)(i)(c)	remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;			
6(5) (b)(ii)	devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;			
6(5) (b)(iii)	identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;			
6(5) (b)(iv)	formulating the criteria for evaluation of performance of independent directors and the Board;			

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
6(5) (b)(v)	identifying the company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and			
6(5) (b)(vi)	developing, recommending and reviewing annually the company's human resources and training policies;			
6(5) (c)	The company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.			
7.	**External or Statutory Auditors:**			
7(1)	The issuer company shall not engage its external or statutory auditors to perform the following services of the company, namely:-			
7(1)(i)	appraisal or valuation services or fairness opinions;	√		
7(1)(ii)	financial information systems design and implementation;	√		
7(1)(iii)	book-keeping or other services related to the accounting records or financial statements;	√		
7(1)(iv)	broker-dealer services;	√		
7(1)(v)	actuarial services;	√		
7(1)(vi)	internal audit services or special audit services;	√		
7(1)(vii)	any service that the Audit Committee determines;	√		
7(1)(viii)	audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√		
7(1)(ix)	Any other service that creates conflict of interest.	√		
7(2)	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; his or her family members also shall not hold any shares in the said company:	√		
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√		
8.	**Maintaining a website by the Company:**			
8(1)	The company shall have an official website linked with the website of the stock exchange.	√		
8(2)	The Company shall keep the website functional from the date of listing.	√		
8(3)	The company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√		
9.	**Reporting and Compliance of Corporate Governance:**			
9(1)	The company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and such certificate shall be disclosed in the Annual Report.	√		

Condition No.	Title	Compliance Status (Put √ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	√		
9(3)	The directors of the company shall state, in accordance with the **Annexure-C** attached, in the directors' report whether the company has complied with these conditions or not.	√		

THE PATTERN OF SHAREHOLDING

as on December 31, 2021

Categories	Name	Status	No. of Shares held	% of holding
(a) Parent or Subsidiary or Associated Companies and other related parties	Nil			
(b) Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and Compliance and their spouses and minor children	Ms. Rokia A. Rahman (Nominated by MIDAS)	Chairman & Sponsor	443,472	0.311
	Mr. Ali Imam Majumder (Nominated by MIDAS)	Nominated Director	Nil	Nil
	Mr. M. Hafizuddin Khan (Nominated by MIDAS)	Nominated Director	Nil	Nil
	Mr. Abdul Karim (Nominated by MIDAS)	Nominated Director	Nil	Nil
	Mr. Mohammed Nasir Uddin Chowdhury (Nominated by LankaBangla Finance Limited)	Nominated Director	8,091,862	5.680
	Md. Shamsul Alam (Representative of General Shareholders Group)	Director	2,850,135	2.001
	Mr. Md. Shahedul Alam (Representative of General Shareholders Group)	Director	2,854,029	2.003
	Mr. Ghulam Rahman	Independent Director	123,136	0.086
	Ms. Nazneen Sultana	Independent Director	Nil	Nil
	Mr. Mustafizur Rahman	Managing Director	Nil	Nil
	Mr. Mohammad Ashiqur Rahman	Chief Financial Officer	Nil	Nil
	Mr. Tanvir Hasan, FCA	Company Secretary	Nil	Nil
	Mr. Ahmed Ibne Majid Khan	Head of Internal Audit	Nil	Nil
(c) Executives	Mr. Monirul Islam	GM, Business Development	Nil	Nil
	Ms. Nasreen Ahmed	DGM, Head of Branch Control Department	871	0.000
	Mr. Abul Kalam Azad	DGM, SAMLAD	Nil	Nil
	Mr. Muhammad Shohidur Rahman	AGM, Head of CRM	Nil	Nil
	Mr. S K Monirul Alam	AGM, Incharge of Khulna Branch	5402	0.003
(d) Shareholders holding ten percent (10%) or more voting interest in the company	MIDAS	Sponsor	42,810,430	30.049
	LankaBangla Investment Limited	Shareholder	18,953,275	13.304

SHAREHOLDING COMPOSITION

as on December 31, 2021

Sponsors and Directors	Institute	Foreign	General Public
41.347%	26.405%	0.422%	31.826%

REPORT ON ECONOMIC SCENARIO: WORLD AND BANGLADESH

Global Economy

The global economy is recovering strongly from the COVID-19 outbreak, but the recovery process is very unequal among countries. The recently published World Bank's Global Economic Prospect, June 2021, the economic growth is projected at 5.6 percent in 2021, while growth was contracted to 3.5 percent in 2020. This recovery is uneven and largely reflects sharp rebounds in some major economies owing to substantial fiscal support and highly unequal vaccine access. Global growth is set to reach 4.3 percent and 3.1 percent respectively in 2022, and 2023.

Economic recoveries are diverging across countries and sectors, reflecting variation in pandemic-induced disruptions and extent of policy support. While advanced economies are re-bounding, many of world's poorest countries are being left behind. The report predicts that the growth of developed economies will reach 5.4 percent in 2021, with 6.8 percent potential economic growth in the United States. More contagious strains of corona virus which have recently spread to countries with emerging markets and developing economies, along with vaccine availability are expected to hamper the country's recovery process. Growth in emerging markets and developing economies is projected at 6.0 percent in 2021, with China growing at 8.5 percent and India at 8.3 percent.

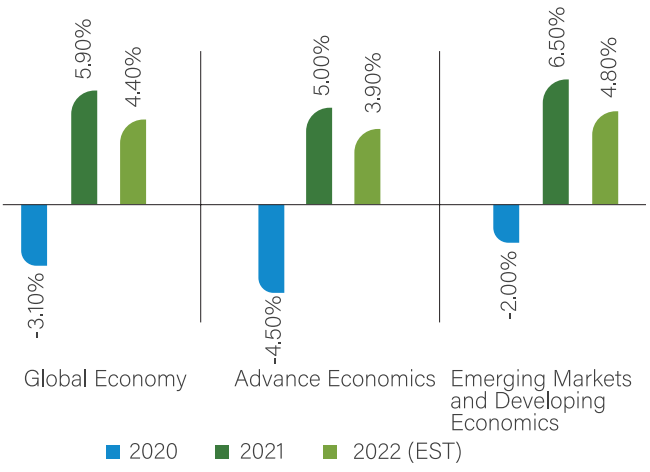
In the World Economic Outlook (WEO) April 2021, International Monetary Fund (IMF) projected that the global economy to grow at 6 percent in 2021 and moderating to 4.4 percent in 2022. The projections for 2021 and 2022 are 0.8 percentage point and 0.2 percentage point stronger than in the October 2020 WEO.

In advanced economies, growth is expected to grow to 5.1 percent in 2021. Amid continued vaccination, economic activity is firming across major advanced economies. The economic growth of almost all countries of advanced economies will be positive, most notably: The United States (6.4%), Germany (3.6%), France (5.8%), Italy (4.2%), and Spain (6.4%), Japan (3.3%) and the United Kingdom (5.3%). Projections for 2021 have been revised down in Europe and up in Japan and the United States than in the projection made by October 2020 WEO.

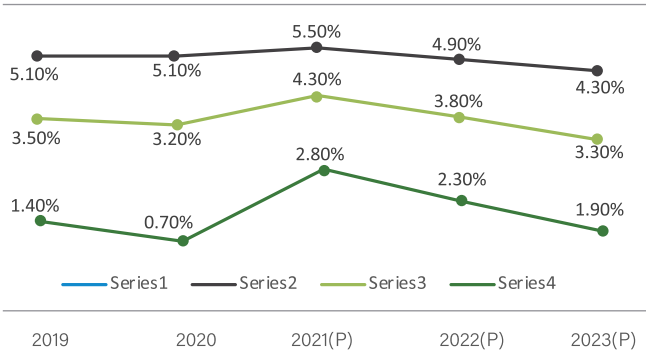
Overall, the group of emerging market and developing economies, growth is forecast at 6.7 percent in 2021, 0.7 percentage points stronger than in the projection made by October 2020 WEO. Prospects for China are much stronger than for most other countries in this group, with the economy projected to grow by about 8.4 percent in 2021. The recovery in all emerging markets and developing economies regions is expected to be insufficient to reverse the damage from the pandemic. The recovery in small, tourism-dependent economies is expected to be particularly weak as some travel restrictions will remain in place until the pandemic is brought under control. The pace of vaccine rollout varies across countries, with low-income countries lagging considerably. The recovery is expected to be stronger in East Asia and the Pacific, primarily due to strength in China. In South Asia, India's recovery is being hampered by the largest outbreak of any country since the beginning of the pandemic. In addition, consistent with the projected global recovery, oil prices are projected to grow in 2021 from their low base in 2020, in part reflecting the OPEC+ (Organization of the Petroleum Exporting Countries, including Russia and other non-OPEC oil exporters). Average petroleum spot prices per barrel are projected at US$ 58.52 in 2021 and US$ 54.83 in 2022. Metal prices are projected to accelerate strongly in 2021, largely reflecting the rebound in China. Food prices are also expected to pick up in 2021.

The global outlook remains subject to high uncertainty. Future developments will depend on the path of the pandemic, policy actions, the evolution of financial conditions and commodity prices, and the capacity of the economy to adjust to health-related impediments to activity. The ebb and flow of these drivers and their interaction with country-specific characteristics will determine the pace of the recovery and the extent of scarring.

Global Economic Growth



Global Inflation

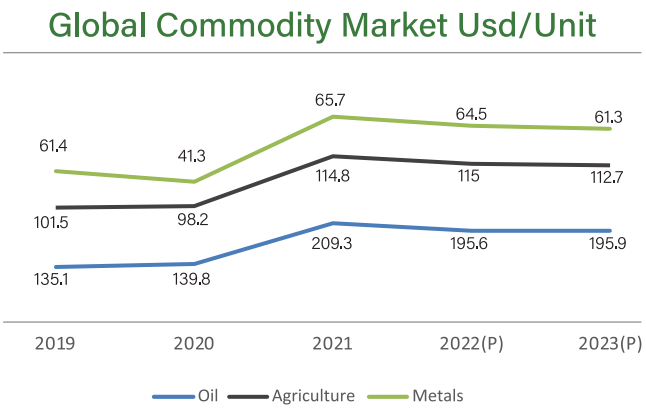


World Commodity Price

Energy prices rose sharply in 2021 Q3 while non energy prices plateaued. Among the four major non-energy indexes, agriculture, fertilizers, and precious metals are about one-third above their pre-pandemic levels, while metals and minerals are around one-half higher. Adverse weather has buffeted many commodity markets: unusually high summer temperatures increased demand for electricity; droughts reduced hydroelectricity supply and affected some agricultural commodities, while floods impacted the supply of some metals and coal. Soaring natural gas and coal prices indirectly impacted production of other commodities, including fertilizers and some metals. Commodity markets have also been affected by the uneven recovery from the COVID-19 pandemic and supply chain disruptions. Energy prices rose by 16 percent in 2021 Q3 (q/q), continuing their upward trajectory since the start of the year, with natural gas and coal prices rising much faster than crude oil prices. Crude oil prices averaged $72/bbl in 2021 Q3, an increase of 7 percent on the previous quarter, but with prices fluctuating significantly during the period. Prices initially softened in August amid worries about renewed outbreaks of the pandemic, but these were offset later in the quarter by supply disruptions in the U.S. arising from Hurricane Ida, as well as the broader rally in energy prices.

Natural gas prices rose by 69 percent in 2021 Q3, and coal prices increased 44 percent, with some price benchmarks for both commodities reaching all-time highs. The economic recovery (particularly in China) is largely behind the surge as it has boosted demand for fossil fuels for electricity generation. Unusually hot weather in some countries also boosted electricity demand for cooling. Furthermore, electricity production from renewable sources declined in several countries due to drought and low wind speeds. Although non-energy prices were unchanged in 2021 Q3 (q/q) as a group, there has been significant variation among commodities. The Metals and Minerals Price Index declined 1 percent in the quarter, with drops in iron ore (-17 percent) and copper (-3 percent) and gains in other base metals (9 percent) on average. The sharp fall in iron ore prices was largely due to China's reduction in steel production in order to meet zero-growth targets for the year. Demand for base metals has continued to increase, driven by the global economic recovery, while production has been disrupted by energy shortages and lockdowns. Precious metal prices fell 3 percent in 2021 Q3 (q/q) amid a rise in U.S. 10-year Treasury yields, with larger falls for platinum (-13 percent) and silver (-9 percent) compared to gold (-1 percent). Platinum prices have been depressed by disruptions to car production globally, which have reduced demand for catalytic convertors.

Agricultural commodity prices stabilized during 2021 Q3, with declines in some food prices (e.g., rice) being offset by higher beverage prices (especially coffee). Despite tight supply conditions for some food commodities due to unfavorable weather (e.g., maize and soybeans), most food commodity markets remain adequately supplied by historical norms. However, the rally in energy prices, especially coal and natural gas, has sharply increased agricultural input costs. This includes fertilizers, which have risen more than 55 percent since January, with several fertilizer manufacturers halting or reducing production capacity. Elevated food prices combined with the recent spike in energy costs is pushing food price inflation up in several low-income countries (such as Ethiopia, Zambia, and Zimbabwe) as well as higher-income EMDEs, including Argentina and Turkey. High food prices may further exacerbate food insecurity—according to the Food and Agriculture Organization of the United Nations (FAO) and the World Food Program (WFP)'s latest joint report, 23 low-income countries, including Ethiopia, Madagascar, and Somalia are facing acute food insecurity.



Regional Economy:

Corona virus Disease 2019 (COVID-19) has receded in developing Asia, but rising infections worldwide and the emergence of a fast-spreading variant suggest that the pandemic will take time to play out. Since the release of Asian Development Outlook 2021 Update in September, COVID-19 infections in the region have declined steadily. As of 30 November 2021, average new cases daily in developing Asia had fallen to about 50,000, down by 71% from an August peak and by 88% from the worst peak so far, in May. However, the number of cases globally is on the rise again, driven by a renewed wave of infections in Europe. The recent emergence of the highly mutated Omicron corona virus variant is a sobering reminder that further outbreaks remain a possibility.

Economic growth forecasts for developing Asia are downgraded slightly to 7.0% in 2021 and 5.3% in 2022 as the recent emergence of a highly mutated virus variant and a rise in infections globally indicate that the pandemic is far from over.

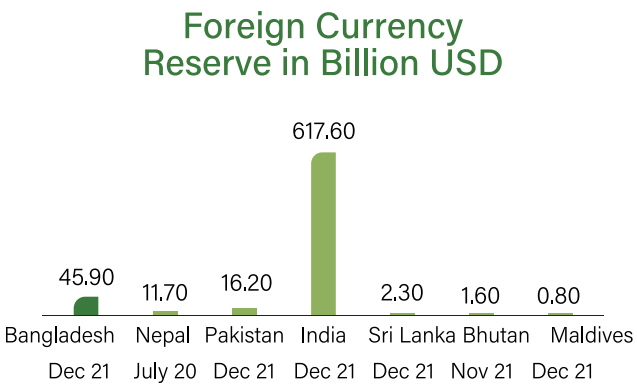
East Asia's growth forecasts are revised down marginally for both 2021 and 2022, with the People's Republic of China now expected to grow more slowly, by 8.0% in 2021 and 5.3% in 2022.

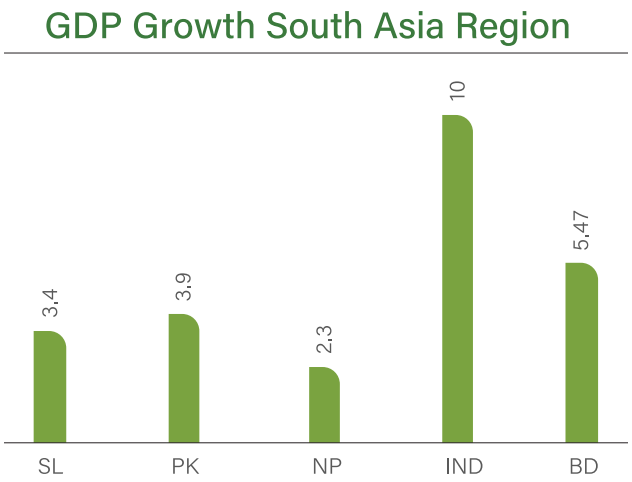
The growth forecast for South Asia is revised down to 8.6% for 2021, while the forecast for 2022 is maintained at 7.0%. India's projection is lowered to 9.7% for fiscal 2021 and remains unchanged at 7.5% for 2022.

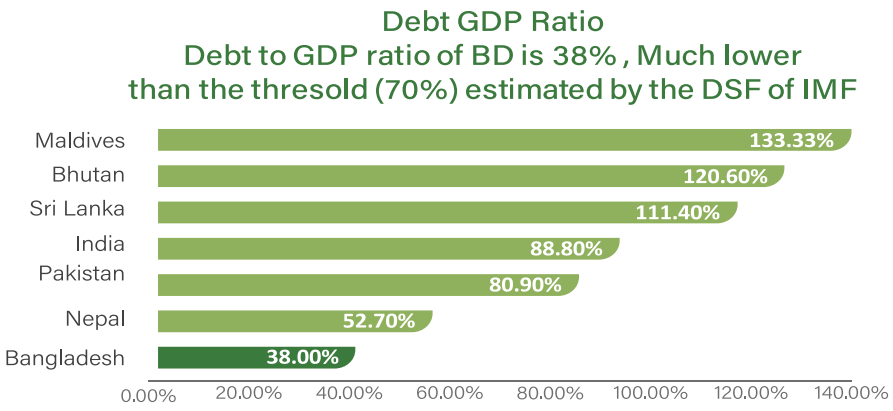
After growth in Southeast Asia decelerated in the third quarter, the sub regional forecast is revised down from 3.1% to 3.0% for 2021 but revised up to 5.1% for 2022.

Central Asia's growth prospects are substantially upgraded from 4.1% to 4.7% for 2021 and then from 4.2% to 4.4% for 2022. The Pacific is still forecast to contract by 0.6% in 2021, and then grow by 4.7% in 2022, slightly slower than earlier forecast.

Regional inflation remains manageable, with the inflation forecast revised down a notch to 2.1% for 2021 and unchanged at 2.7% for 2022.







MACRO & MICRO ECONOMIC HEADWAY OF BANGLADESH

Bangladesh Economy

Before the COVID-19 pandemic, Bangladesh exhibited a steady and high GDP growth, averaging 7.4 percent per year during FY 2015-16 to FY 2018-19, and reached a record 8.15 percent growth rate in FY 2018-19. The global economy has come to a standstill due to the COVID-19 pandemic which has also had a huge negative impact on the economy of Bangladesh. According to the final estimations of BBS, the GDP growth in FY 2019-20 has slowed to 3.51 percent. Bangladesh's economy is turning around in the context of tackling the corona virus of the world economy. The GDP growth in FY 2020-21 stood at 5.47 percent. Despite the stagnation in the economy caused by the corona virus, food production and supply chains remained unaffected, leading to inflation at 5.56 percent in FY 2020-21, slightly higher than the target (5.4%). Both export and import in Bangladesh have showed a sign of recovery after a sharp decline in FY 2019-20. In FY 2020-21, Bangladeshi expatriates' remittance stood at US$ 24,777.72 million which was significantly higher (36.10%) than the previous fiscal year. In FY 2020-21, current account balance deficit stood at US$ 3,808 million on the back of robust remittance inflows compared to a US$ 4,724 million deficit in the previous year. Financial account and capital account showed surplus during this time. Therefore, the overall balance recorded the surplus of US$ 9,274 million in FY 2020-21 compared to US$ 3,169 million surplus in the previous year. As a result, the foreign exchange reserves increased to a record US$ 46.39 billion at 30 June 2021. During this period, a marginal (0.05%) depreciation in exchange rate of Taka with the US dollar is being observed. As per the directives of Honorable Prime Minister, activities are carried out under 21 stimulus packages of Tk. 1,20,153 crore in FY 2019-20 for additional expenditure in healthcare sector, emergency humanitarian assistance and economic recovery to address the COVID-19 pandemic. The number of the stimulus packages has further been increased to 23 in FY 2020-21 and the amount of fiscal and stimulus packages till April 2021 is Tk. 1,28,441 crore, which is 4.2 percent of GDP. As a result of these actions taken by the government, the economy is expected to turn around.

According to the provisional estimate, the volume of GDP at current market prices reached Tk. 30,11,065 crore in FY 2020-21, which was Tk. 27,39,332 crore in FY 2019-20. In nominal term GDP growth is 9.92 percent. As per the final estimate, per capita GDP in FY 2019-20 was US$ 1,930 up by US$ 102 from the previous fiscal year. Likewise, per capita national income increased to US$ 2,024 in FY 2019-20, up by US$ 115 from FY 2018-19. The per capita GDP stands US$ 2,097 in FY 2020-21, up by US$ 167 from the previous fiscal year, while the per capita national income stood at US$ 2,227 up by US$ 203 in the previous fiscal year.

The country's per capita income increased to USD 2,227 in fiscal 2020-21 from USD 2,024 seen in fiscal 2019- 20. According to the report of World League Table 2021, under the center for Economics and Business Research, Bangladesh will be the world's 25th largest economy by 2035 from the 41st

place in 2020. Our per capita income now stands at USD 2,227, which was only USD 129 in 1972-73 after the independence. In the Human Assets Index (HAI) criterion, Bangladesh scored 75.4 points, well above the requirement of 66 points. In the Environmental Vulnerability Index (EEVI), it scored 27 points, slightly down from the requirement of 32 points.

The size of the Gross Domestic Product (GDP) in the last fiscal year (FY21) stood at Tk 34,840 billion at current prices as per the new base year of 2015-16.

The GDP growth of the country recorded 5.47 per cent also in the last fiscal year.

The BBS data showed that the per capita income of the country in the last fiscal year (FY21) stood at $2,554 or Tk 2,16,589 which was $2,326 or Tk 1,97,199 in the previous fiscal year (FY20), according to the fresh base year of 2015-16.

The foreign currency reserves are nearing $50 billion while the country's literacy rate above 15 years also reached 75.2 per cent. The poverty rate remains at 20.5 per cent while the life expectancy reached 72.8 years.

The GDP growth rate in the last fiscal year (FY21) reached 5.43 per cent which was the highest in this South Asian region despite the shocks of the COVID-19 pandemic.

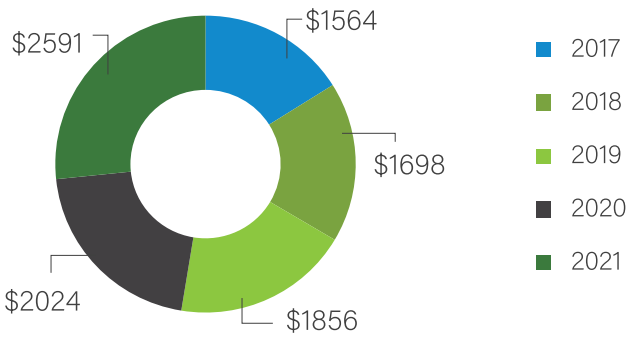
The BBS data also showed that compared to the base year 2005-06 to 2015-16, the GDP size in current prices witnessed a 19.8 per cent increase in FY16 compared to the year 2015-16 to 2020-21, the GDP size over the last six years at current prices witnessed a 17 per cent increase.

Out of the overall GDP size of Taka 34,840 billion in FY21 at current prices, the share of the agriculture sector is Tk 4,061 billion, the industries sector Tk 11,362 billion while the services sector Tk 18,098 billion as per the fresh base year.

Meanwhile, if compared at constant prices, the GDP size in the last fiscal year stood at Tk 27,939 billion, according to the new base year. As per the fresh base year, the country's investment ratio to GDP stood at 30.76 per cent, while the national savings ratio to GDP at 32.15 per cent.

The forecast rate for Bangladesh's GDP growth for 2022 varies from 5.1 per cent (World Bank), 6.6 per cent (IMF), 6.8 per cent (ADB) to 7.0 per cent (Fitch Ratings). The ADB also made a forecast of inflation rate at 5.8 per cent for 2022.

Per Capita Income of Bangladesh



Prospect of Bangladesh Economy

The Medium-Term Macroeconomic Framework (MTMF), 2021-22 to 2023-24, has been formulated taking into account the recent dynamics of the global economy and the impacts on the domestic sector. The global economy is at great risk due to COVID-19, the impact of which is expected to be even greater than the 2008-09 recession. Countries are implementing incentive packages to address the unintended effects of the corona virus on global growth and commodity markets. The Government of Bangladesh has also announced various policy assistance including incentives to combat the impact of the COVID-19 pandemic and its long-term impacts. Keeping in mind that the poorer section of people is the worst victim of COVID-19 pandemic, the government, under the directives and guidelines of Honorable Prime Minister, declared 21 stimulus packages in FY 2019-20 to facilitate economic recovery from COVID-19 fallout, bolstered social safety net programs and enhanced relief activities through the country to protect the vulnerable people from crises. The number of the stimulus packages has further been increased to 23 in FY2020-21 considering prolonged sufferings of the poor. In the medium term, the government will put emphasis on economic recovery from the fallout of COVID-19 and on implementing 8th Five Year Plan, SDGs, Second perspective plan, 'Delta Plan 2100', and 'Blue Economy' strategies.

Before the COVID-19 pandemic, Bangladesh exhibited a steady and high GDP growth, averaging 7.4 percent per year during FY2015-16 to FY 2018-19, and reached a record 8.15 percent growth rate in FY 2018-19. However, the provisional estimate shows that the GDP growth decelerated significantly in FY 2019-20, down to 5.2 percent as a result of the outbreak of the pandemic. The GDP growth target for FY 2020-21 was set at 8.2 percent which was revised at 6.1 percent in the MTMF due to the prolonged COVID-19 pandemic. GDP growth has been projected to gradually rise to 7.2, 7.6, and 8.0 percent respectively in FY 2021-22, FY 2022-23 and FY 2023-24. Inflation is projected at 5.4 percent in FY 2020-21, which is expected to gradually decrease in the next three fiscal years and stood at 5.1 percent in FY 2023-24. Investment is expected to be between 33-36 percent of GDP in the next three fiscal years. Of this, investment in the public sector will be between 8-9 percent of GDP and investment in the private sector will be between 25-27 percent. In the MTMF, the projected revenue mobilization for FY 2021-22 could reach 11.3 percent of GDP to 11.5 percent of GDP in FY 2023-24. Public expenditure was only 14.9 percent of GDP in FY 2019-20, while it stands at 17.5 percent in the revised budget for

FY 2020-21, which is targeted to be around 17.0 percent of GDP over the medium term.

In FY 2020-21, the revised budget deficit stood at 6.1 percent of GDP. The budget deficit could reach 6.2 percent of GDP in FY 2021-22 due to increased government spending aimed at restoring the economy overcoming the effects of COVID-19, which will fall within the range of 5 percent of GDP in the following years. The target is to keep the private sector credit flow at 14.8 percent in FY 2020-21, which is expected to increase to 15.0 percent in the next three fiscal years.

Growth in remittances is projected at 35.0 percent in FY 2020-21, which is projected to be 15 percent on average in the next three fiscal years. The possibility of a return to a strong position in the export sector has been considered in the medium-term macroeconomic framework. Besides, there is a domestic demand in the economy of Bangladesh. So, it is expected that the development pace of the economy will be continued. Table 1.2 highlights the projection of key macroeconomic indicators during FY 2017-18 to FY 2023-24.

Private Sector Development

The private sector is one of the driving forces of the country's economy. Along with the government, the private sector has been playing an important role in the expansion of industry, expansion of export sector and creation of employment. In order to achieve sustainable development goals (SDG), it is necessary to invest in economic sector especially in industrial and productive projects. The government is working for the overall development of investment environment for the purpose of increasing domestic and foreign investment which relates to development activities. Now, the government is implementing different development projects under Public-Private Partnership (PPP) model along with individual projects under government and private sector.

History reveals that mega projects can become landmarks for a country by bringing transformational impact on the lives of the long-deprived people. In Bangladesh, Padma Bridge and Rail Link, Metro Rail, Chattogram-Cox's Bazar Rail Link, Rooppur Nuclear Power Plant, the coal-fired Power Plant of Matarbari and Rampal and the Payra Sea Port are good examples of such mega projects which are expected to transform economic face of the country by opening new business horizons and acting as an economic development engine. For instance, Padma Bridge will connect 21 southern districts with the capital and raw materials needed for industrialization; the Matarbari port will boost cross border trade through integrated connectivity

In FY 2019-20 the investment proposal for 905 private projects were of Tk. 10,52,26.00 crore. On the other hand, in the first eight months of FY 2020-21 (till February 2021), the proposal stood at Tk. 4,49,38.00 crore for 805 private projects. In 2020 (January-December), the total foreign investment inflow stood at US$ 2,563.58 million, compared to US$ 2,873.95 million in 2019. Private sector is also working for bringing 100 percent populations under electricity coverage by 2021. In the first seven months of FY 2020-21 (up to January 2021), a total of 44,439 million kilowatt-hours of electricity was produced, out of which 45.76 percent had been generated by private sectors. Bangladesh has achieved stable credit rating by Moody's (Ba3) for the eleventh consecutive time and S&P (BB-) for the tenth consecutive time. The government undertakes the schemes for the development of information and communication technology and provides proper support both to the public and private sector in this regard. The government has undertaken various development projects and program in order to ensure the use and application of information and communication technology by increasing digital literacy at all walks of life. The government is working relentlessly to form modern and developed Bangladesh by creating employment of youths through introducing e-governance and e-commerce in knowledge and technology-based industries.

FI INDUSTRY PROSPECT

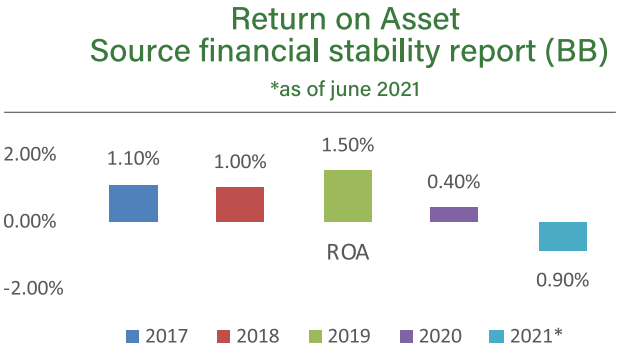
Industry outlook

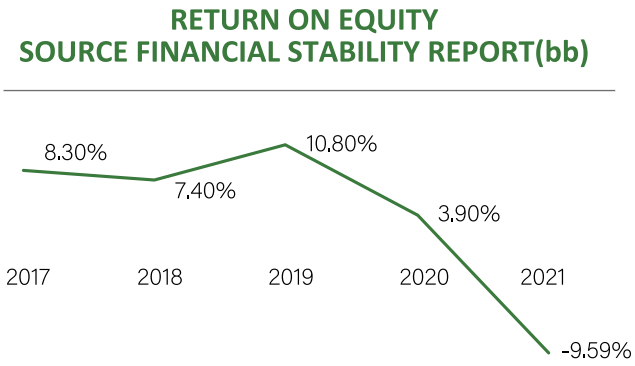
Financial Institutions (FI's) have been playing a crucial role by providing additional financial services that cannot be usually provided by the banks. The NBFIs, with more multifaceted products and services have taken their place in the competitive financial market to satisfy the changing demands of the customers. NBFIs also play an important role in the capital market as well as in real estate sector of Bangladesh. The authority of granting licenses to NBFIs and their regulations and control are vested in Bangladesh Bank by the Financial Institution Act, 1993. Under the Act, Financial Institution Regulation 1994 was issued with the approval of the government. Besides, there are prudential regulations and guidelines for NBFIs issued by BB under section 18 (Chha) of FI Act 1993. At present, there are 35 NBFIs operating in Bangladesh (including Peoples Leasing & Financial Services Limited, which is under liquidation).

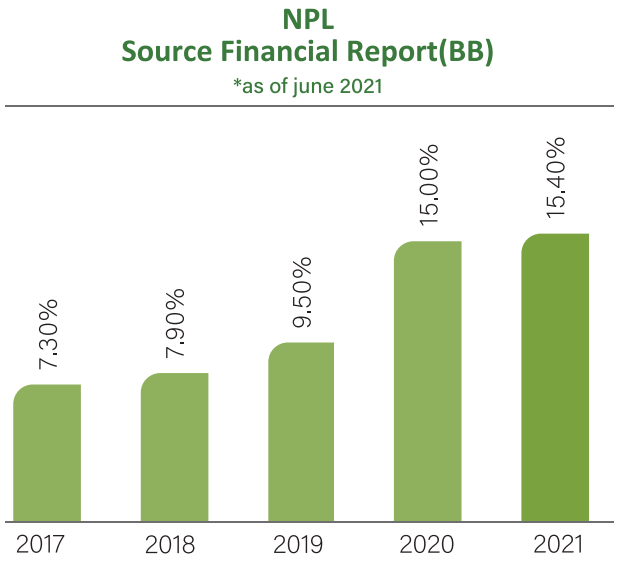
The health of Bangladesh's financial sector and its governance standards remain weak, especially among public-sector banks. The system's gross non-performing loan (NPL) ratio rose modestly to 8.2% by June 2021 from 7.7% at end-2020, but the reported figure is likely understated because of an extensive loan moratorium. State-owned commercial banks' NPL ratio of 20.6% is substantially higher than private-sector banks' 5.4%, but it is expected both to rise significantly when repayment relief is withdrawn next year, provided it is not extended again. Banks' capitalization is thin relative to prevailing risks in the market, with the system's capital ratio at 11.6% as of June 2021, and state-owned banks at 6.8%. According to the latest figures published by Bangladesh Bank (BB), the amount of defaulted loans has increased by Tk.1429 crore in the first quarter (July-September) of the current fiscal year as compared to the fourth quarter (April-June) of the last FY2021. Bangladesh Bank data showed that 9 companies had their classified loan ratio higher than 15%; 12 companies over 10% while 15 companies could limit their bad loans to below 5%. Last year, the loan loss provisions amounted to Tk.4,440 crore against a requirement of Tk.5,180 crore representing a coverage ratio of 44.12% of total bad loans. The coverage was 7.6 percentage points higher than in the previous year. Of the 34 NBFIs, only five organizations made it to the Sustainability Rating 2020. As per the stress testing report of the central bank, as many as 13 NBFIs were in the red or risky zone by the end of 2020, up from 10 a year ago. The total profit of the entire NBFI sector declined by 61% to Tk356 crore in 2020 as default loans rose alarmingly because of corruption by directors. Consequently, the key profitability parameters, such as return on assets (ROA) and return on equity (ROE) plummeted. The ROA and the ROE were 0.4% and 3.9% respectively in the end of 2020, down from 1.9% and 10% a decade ago.

The non-bank financial institutions (NBFI) have started to increase their deposit rates to attract more customers and to regain their confidence as the entire sector is going through an image crisis after a series of corruption scandals. The average deposit rate in the NBFI sector was 7.62% in December 2021, where the banks have taken deposits at an average interest of only 3.99%. On the other hand, the average lending rate in NBFIs has decreased. According to Bangladesh Bank, financial institutions disbursed loans at an average interest rate of 10.43% in December. The interest rate on loans from banks in that same period was 7.18%. According to the latest figures published by Bangladesh Bank (BB), the amount of deposit has increased to Tk.41,956.10 crore in the October 2021 as compared to the October 2020 of Tk.40,976.10 crore. On the other hand, the amount of credit has increased to Tk.93,564.20 crore in the October 2021 as compared to the October 2020 of Tk.92,427.40 crore.

The central bank has instructed non-banking financial institutions (NBFIs) to ensure loan or lease financing appropriately for improving corporate governance in the financial sector, as some aberrations occurred. The central bank asked the NBFIs to ensure proper use of loans through carrying out internal inspections on a regular basis on the loans. On the other hand, the central bank also asked the NBFIs to verify borrower-submitted financial statements by using Document Verification System (DVS) before sanctioning loan or leases to ensure credit discipline in the sector. The BB issued another circular in this connection the same day asking all the managing directors and chief executive officers of the NBFIs to contact the Institute of Chartered Accountants of Bangladesh (ICAB) for using DVS. DVS is an application under which a document verification code (DVC) would be automatically generated by the system after submission of some specific information by the auditor.







Credit Growth

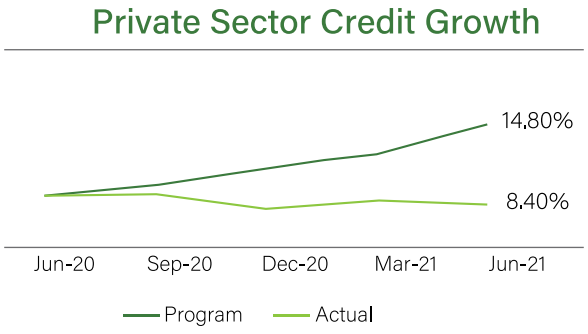
At the end of February of FY 2020-21, the year-on-year growth of reserve money, broad money (M2) and narrow money (M1) are 19.72 percent, 13.35 percent and 19.19 percent respectively. During the time period, 30.36 percent growth of net foreign assets has contributed in the year-on-year growth of M2. The growth of domestic credit stood at 14.02 percent in FY 2019-20 compared to 12.26 percent in FY 2018-19. Domestic credit increased (year-on-year) by 9.06 percent up to February 2021 of FY 2020-21, which is lower than 15.09 percent growth in the same period of the previous fiscal year. Of which private sector credit growth stood at 8.93 percent at the end of February 2021 against 9.13 percent in the same period of the previous fiscal year. The net credit to the government increased by 10.64 percent at the end of February 2021 which was increased by 74.55 percent in same period of the previous year. At the end of February 2021, the share of government (excluding others public sector) to total domestic credit stood at 13.16 percent. Private sector credit to total domestic credit stood at 84.54 percent which was 83.91 percent at the end June 2020.

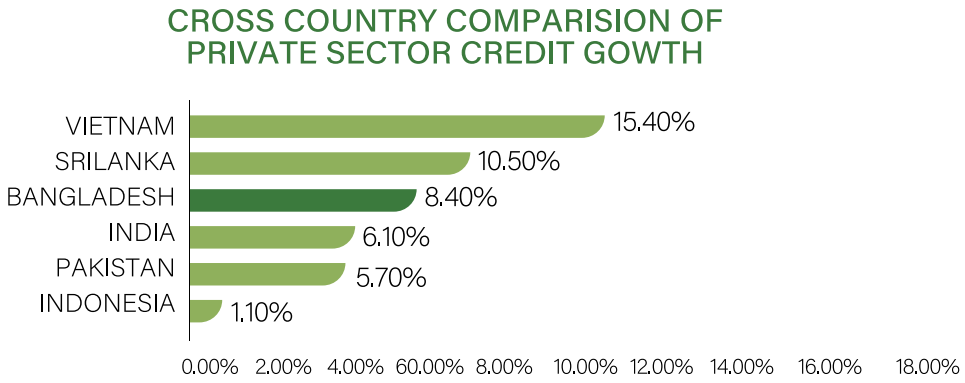
Private Sector Credit in Bangladesh increased to 11643.90 BDT Billion in June from 11484.82 BDT Billion in May of 2021.
Private Sector Credit in Bangladesh is expected to be 12324.00 BDT Billion by the end of this quarter, according to Trading Economics global macro models and analysts' expectations. In the long-term, the Bangladesh Private Sector Credit is projected to trend around 13382.00 BDT Billion in 2022 and 11500.00 BDT Billion in 2023, according to our econometric models.

Private Sector Credit in Bangladesh averaged 6663.60 BDT Billion from 1999 until 2021, reaching an all-time high of 11643.90 BDT Billion in June of 2021 and a record low of 498.27 BDT Billion in June of 1999.

Private sector credit growth inched up further in December 2021 as the country's economy has entered into a recovery phase after Covid shock. The latest Bangladesh Bank data showed that the private sector credit growth stood at 10.68 per cent year-on-year in December 2021 from 10.11 per cent in the previous month.

At the end of December, outstanding lending to the private sector stood at Tk 12,63,247 crore from Tk 11,41,303 crore a year ago. The growth has gradually increased after declining to a record 7.55 per cent in May 2021. The growth in December, however, is still far behind the central bank's monetary policy target of achieving 14.8 per cent growth in the fiscal year 2021-2022.





Sectoral Growth

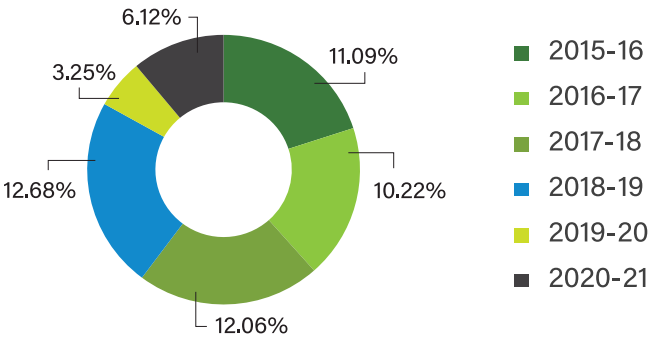
According to the provisional estimate of BBS, the growth of agriculture sector has slowed to 3.45 percent in the FY 2020-21, from 4.59 percent in FY 2019-20. During the same period, industry sector grew by 6.12 percent, which was 3.25 percent in the previous fiscal year. The service sector grew by 5.61 percent in FY 2020-21 compared to 4.16 percent in the previous fiscal year.

Within the broad agriculture sector, the growth rate of agriculture and forestry sector decelerated from 4.10 percent to 2.65 percent in FY 2021-21. In addition, growth in fishing sector slowed slightly to 5.74 percent from 6.02 percent of previous fiscal year. The contribution of the broad agricultural sector to the GDP stood at 13.47 percent in FY 2020-21 against 13.74 percent in the previous fiscal year.

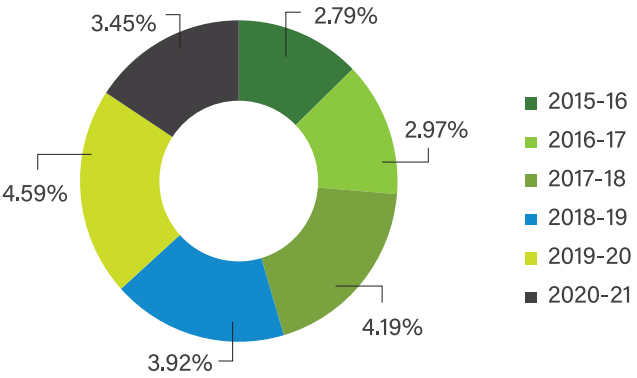
Of the 4 sectors of the broad industrial sector, growth in the manufacturing (large and medium scale and small scale) has increased significantly. According to provisional estimate, the growth of large and medium enterprises and small-scale industries in GDP stood at 6.56 and 1.73 percent respectively in FY 2020-21, compared to 1.39 percent and 3.96 percent in the previous fiscal year. The growth of the construction sector stood at 8.68 percent as compared to 8.66 percent over the previous fiscal year. Overall, the contribution of the broad industry sector stood at 34.99 percent in FY 2020-21, as compared to 34.74 percent in the previous fiscal year.

Among the broad service sector, health and social works have decelerated slightly compared to FY 2019-20. Wholesale and retail trade; hotels and restaurants; transport, storage and communication; financial intermediations; real estate and renting and business activities etc. have increased significantly compared to FY 2019-20. The contribution of broad service sector to the GDP stood at 51.53 percent in FY 2020-21, which was 51.48 percent in the previous fiscal year.

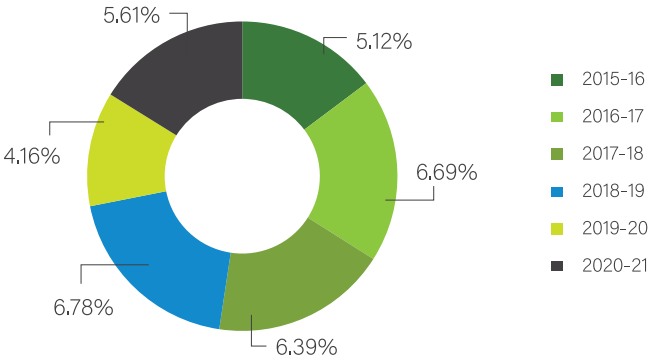
Industry Sector Growth



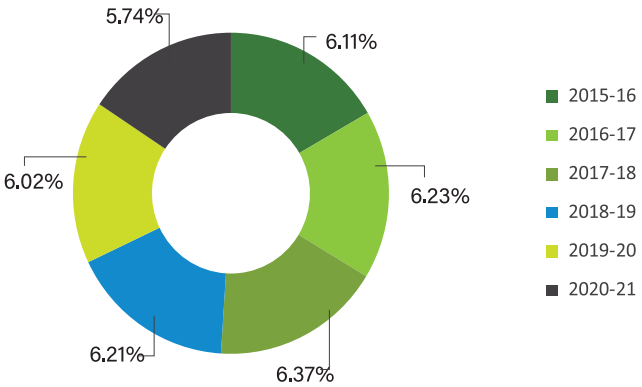
Agriculture Sector Growth



Service Sector Growth



Fishing Sector Growth



Investment and Savings

The investment has increased to 7.95 percent in FY 2020-21 as compared to 3.98 percent in the previous fiscal year due to COVID-19 pandemic. However, public investment as a percentage of GDP has slightly accelerated and private investment as a percentage of GDP has slightly decelerated compared to the previous fiscal year. Gross investment stood at 29.92 percent in FY 2020-21, which was 30.47 percent of the previous fiscal year. Of this, public investment and private investment accounted for 8.67 percent and 21.25 percent of GDP, respectively, which was 8.41 percent of GDP and 22.06 percent of GDP in the previous fiscal year, respectively.

During FY 2020-21, domestic savings increased to 24.17 percent of GDP, which was 23.77 percent in the previous year. Likewise, national savings as percent of GDP increased to 30.39 percent in FY 2020-21 percent from 28.67 percent of the previous fiscal year.

Fiscal Data

BB's foreign exchange management and operation were also successful in maintaining the external competitiveness of Taka and ensuring stability in the interbank foreign exchange market. The overall BoP in FY21 witnessed a healthy surplus, supported by a significant inflow in financial accounts along with a relatively thinner current account deficit due mainly to very strong inward remittances growth and robust export earnings. Relying on this BoP surplus, BB's foreign exchange reserve has reached a historical high of USD 46.4 billion at end of June 2021.

The stagnation of global economic activity due to the COVID-19 pandemic has so far entailed adverse impact in fiscal management of the country. The slow pace of revenue mobilization and the increase in government expenditure in response to the pandemic has created challenge in fiscal sector. In FY 2019-20 revenue mobilization from National Board of Revenue (NBR) stood at Tk. 2,17,794 crore, which is 2.73 percent lower than the previous fiscal year. However, the total revenue mobilization in FY 2019-20 has increased by 5.53 percent as compared to the previous fiscal year mainly due to an unprecedented 63.77percent increase in non-tax revenue.

The revised revenue mobilization target for FY 2020-21 was set at Tk. 3,51,532 crore which is 11.39 percent of the GDP. As per provisional data from iBAS, total revenue mobilization up to May 2021 stood at Tk. 2,75,478 crore, up by 19.82 percent of the same period of previous fiscal year, achieving 78.37percent of the target. According to the revised budget, the total expenditure target for FY 2020-21 has been set at Tk. 5,38,983 crore (17.46% of GDP), which is 7.46 percent higher compared to FY 2019-20. The government has so far (April 2021) announced fiscal and stimulus packages of Tk.1,28,441 crore for additional expenditure in the healthcare sector, emergency humanitarian assistance and economic recovery to keep the country's economic activities afloat in the face of the COVID-19 pandemic. It is being implemented under 23 packages. Significant progress has been made in the implementation of the Annual Development Program (ADP) in the past years with the increase in budget allocation and increase in the number of projects. The revised ADP size for FY 2020-21 stood at Tk. 1,97,643 crore (excluding autonomous agencies/corporations' own funded projects), which is 2.45 percent higher than the previous fiscal year. The government is highly concerned of maintaining the budget deficit within 5 percent of GDP by increasing efficiency in revenue management. However, due to the increase in government expenditure for COVID-19 pandemic, the actual budget deficit for FY 2019-20 stood at 5.5 percent of GDP. The budget deficit for FY 2020-21 has been set of Tk. 1,87,451 crore, which is about 6.1 percent of GDP. Net inflow of foreign grants and loans has increased in FY 2019-20.

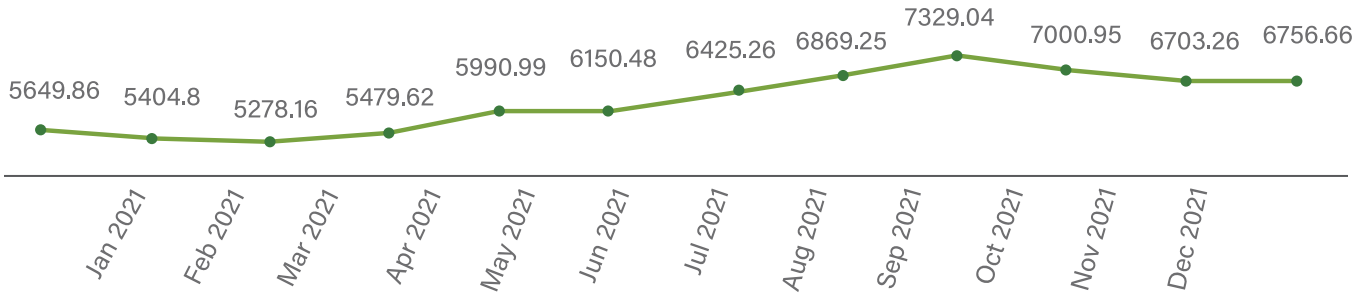
The inflow of foreign grants and loans in the first eight months of FY 2020-21 (up to February 2021) amounted to US$ 3,717 million, up by 6.63 percent from the same period of the previous fiscal year. The country's external debt outstanding at the end of February 2021 was US$ 46,836 million or 12.52 percent of GDP.

Capital Market

The robust performance in the capital market which started in June 2020 and still now continuing, as evidenced by strong growth in price indices, optimistic turnover, expansion in market capitalization, and issued capital. The easy monetary condition, the expectation of normalcy in the business activities as COVID-19 situation improved with the beginning of vaccination and several positive initiatives from Bangladesh Security and Exchange Commission (BSEC) helped the vibrant activities in the capital market during the Second Half of FY21.The associations between the movements in the DSE indices and global equity market index were persistent as a result of expansionary monetary policy and restoring business confidence. The Market capitalization of DSE has risen to the highest level (BDT 5863.19 billion) in the history of Capital market of Bangladesh. This growth attributed due to some measures and initiatives taken by the BSEC. Currently the number of listed securities (Including mutual funds and debentures) of Dhaka Stock Exchanges (DSE) stood at 619 in December 2021.

The DSE broad index (DSEX) and DSE-30 maintained upward trend. The DSEX index grew by 8.86 in First Half of 2021 and 5.16 percent in Second Half of 2021, on the other hand DSEX increased by 19.59 percent over the year. The DSE broad index (DSEX) stood 6756.66 in December 2021 from 5649.86 (January 2021). The DSE-30 index grew by 2.22 percent in First Half of 2021 and 8.08 percent in Second Half of 2021. The overall price-earnings (PE) ratio of the DSE decreased slightly in 2021 from 2020. The average price earnings ratios come down to 16.29 in 2021 from 16.53 from 2020. Sector-wise PE data show that mutual funds sector's PE score occupied the lowest position while that of the tannery sector the highest position in 2021.

The BSEC has taken several investors friendly initiatives e.g. attempt to create an investor protection fund by collecting unclaimed dividend from listed companies, faster approval process of IPO to enhance the market capitalization, to bring transparency and trust in the trading system updated surveillance software, and starting implementation holding of 2 percent of total paid up capital for individual director and 30 percent of total paid up capital for all sponsors director of the company which restored the investors' confidence in the capital market. In addition, Bangladesh Bank undertook several policy measures under the stimulus packages of the government to boost liquidity in the market which greased the uptrend activities in the capital market. The expectation of improving the COVID-19 situations owing to the beginning of vaccination along with easy monetary condition the uptrend performances of the market are likely continue in near future.



Export and Import

Export

Like many other third world countries, Bangladesh relies heavily on exports to fulfill the needs of its densely populated nation. The country's export earnings witnessed 60.37 percent increase in October 2021 as compared to same period in the previous year, mainly driven by increased exports of agricultural products, chemical products, specialized textile, plastic products, woven garments, knitwear and frozen & live fish. On the other hand, total export earnings increased by 13.49 percent in October 2021 (USD million 4727.50) from the export earnings (USD million 4165.45) of previous month September 2021.

Export Promotion Bureau data showed that the country's export earnings in the just concluded year 2021 stood at record $44.22 billion with the highest-ever single month receipts in December.

Bangladesh posted in December the highest-ever single month export earnings of $4.9 billion, which is 48.27 per cent higher than the $33.09 billion achieved in the same month of 2020.

Import

Generally, in developed countries, exports are greater than or closer to import payments. But in Bangladesh Exports are always fall short of import payments at a good margin. The total import payments (c&f) for FY 2019-20 stood at US$ 54,784.7 million, which was 8.56 percent lower than the previous fiscal year. Country's total import payments (c&f) stood at US$ 65,594.7 million in FY 2020-21, which was 19.73 percent higher than the import payments of the preceding fiscal year. Up to February of FY 2020-21, 25.91 percent of the total imported commodities came from China. India was the second largest source of import while Japan held the third position.



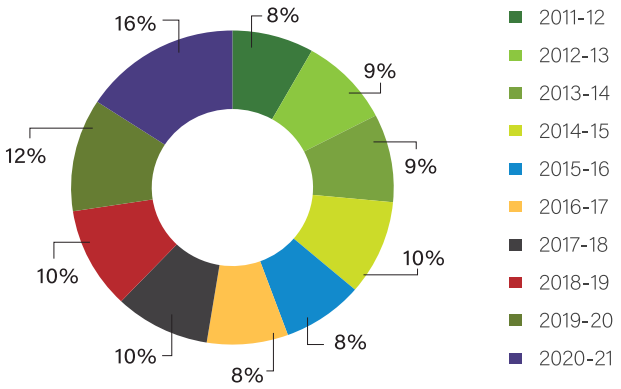
Overseas Employment and Remittance

Due to COVID-19 pandemic, the global labor market has drastically affected because of low-skilled workers who do not have the option to work from home. During the first eight months of FY 2020-21 (July-February), labor export stood at 1.22 lakhs amid COVID-19 pandemic.

In FY 2019-20, remittance inflows increased by 10.87 percent over the previous fiscal year to US$ 18,205.01 million. In FY 2020-21, Bangladeshi expatriates' remittance stood at US$ 24,777.72 million which was significantly higher (36.10%) than the previous fiscal year.

The major portion of remittance has been received from Middle East countries. In FY 2020-21 (July-February) the highest share of remittance remitted from KSA which was 23.56 percent of total remittances followed by UAE (10.24%), Kuwait (7.50%) and Oman (6.38%). The USA (13.13%) obtained the top position among the Western and European countries. Recently, remittance inflow has increased from UK, Malaysia, Singapore and some other countries.

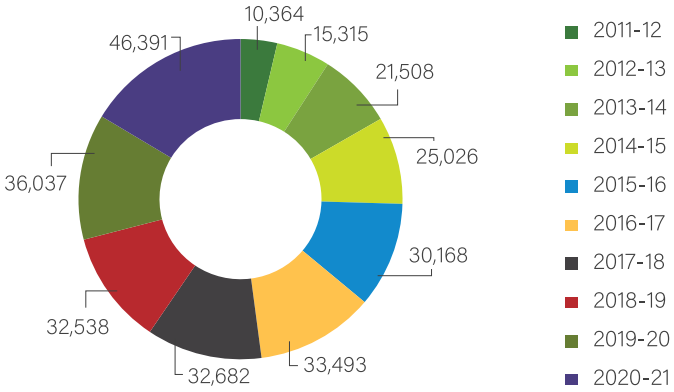
Remittances(USD Million)



Foreign Exchange Reserve

Worker's remittance is the key foreign earning source of Bangladesh to fill-up the huge gap between foreign exchange earnings and expenditure. The surplus in the overall balance helped to maintain the foreign exchange reserve up. On 30 June 2020, the foreign exchange reserves reached US$ 36.04 billion. On 30 June 2019, the foreign exchange reserve was US$ 32.72 billion. The foreign exchange reserves increased to a record US$ 46.39 billion at 30 June 2021.

Foreign Exchange Reserves (USD Million)



GDP Growth and Inflation

In FY 2019-20, the inflation rate stood at 5.65 percent, which is slightly higher than the target (5.50%). In this case, food inflation increased to 5.56 percent and non-food inflation stood at 5.85 percent. Despite the stagnation in the economy due to the corona virus, inflation in FY2020-21 is slightly high (5.56%) than the target (5.4%) as a result of uninterrupted food production and supply chains.

Although, Bangladesh has never experienced a negative economic growth during the last 47 years since its independence and maintained around 6% GDP growth rate for last one and half decade, the high rate of inflation always lessened the benefit of good GDP rate.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Pursuant to the Corporate Governance Code, 2018 the management of MIDAS Financing Limited has prepared the following analysis in relation to the company's position and operations along with brief discussion of changes in the financial statements among others, focusing on:

(a) **Accounting policies and estimation for preparation of financial statements**

The financial statements have been prepared on a going concern basis and accrual method under historical cost convention and therefore did not take into consideration of the effect of inflation. The preparation and presentation of the financial statements and the disclosure of information have been made in accordance with the DFIM circular no. 11 dated 23rd December 2009 in conformity with International Financial Reporting Standards (IFRS), the Companies Act 1994, the Financial Institutions Act 1993, Securities and Exchange Rules 1987, the listing rules of Dhaka and Chittagong Stock Exchanges and other applicable laws & regulations in Bangladesh and practices generally followed by Financial Institutions. As Bangladesh Bank is the primary regulator of Financial Institutions, Bangladesh Banks guidelines, circulars, notifications and any other requirements are given preference to IAS and IFRS, where any contradictions arise. Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment.

(b) **Changes in accounting policies and estimation**

The accounting principles & policies had been consistently maintained and in 2021 no accounting policies had been changed. 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 those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in the future periods. During the reporting period the company did not change any basis of estimation.

(c) **Comparative analysis of financial performance and financial position (based on consolidated financial statements)**

The financial year 2021 has been challenging one with an operating environment, tight liquidity situation, constrained margins and rate volatility both deposits and loans rate. The company has ended the year with a result that was not up to the mark.

MFL fared moderate performance in 2021 in terms of liquidity, solvency and profitability. Our focus remains on improving asset quality, recovering classified loans, enhancing service excellence and rationalizing costs. A brief analysis of this year's financial performance has been appended below:

Interest Income

In 2021 the company's interest income (as per consolidated financial statement), mostly from lease, loans and advances, increased by 19.04% i.e., BDT 19.46 crore from the last year. Lease, loan and advances portfolio stood at Taka 942.77 crore as of 31 Dec 2021 as against Taka 941.31 crore as of 31 Dec 2020. Although, portfolio growth by Taka 1.46 crore.

Interest Expense

Company's interest expense on deposit and borrowing decreased by 12% (BDT 9.77 crore) in 2021 compared to previous year. Deposit portfolio stood at Taka 594.71 crore as of 31 Dec 2021 as against Taka 590.36 crore as of 31 Dec 2020. Deposit portfolio increased by Taka 4.35 crore. Borrowings from other banks, financial institutions and agents stood at Taka 205.07 crore as of 31 Dec 2021 as against Taka 202.41 crore as of 31 Dec 2020. Borrowings from other banks, financial institutions and agents increase by Taka 2.66 crore. Bank and FI industry faced a sudden shortage of liquid funds in 2021 which forced banks and FI's to collect deposit and fund at higher rate. As a result, the average cost of fund of the company 9.08% in 2021, which was 10.30% in 2020.

Income from investment and other operating income

The year 2021 was better from the previous year for the capital market of Bangladesh. In 2021, Investment income of the company growth by Taka 3.15 crore, reflecting 106.65% growth compare to last year capital market. Moreover, provision for diminution in value of investment has growth by Taka 8.14 crore in 2021. Other operating income, decreased by 7.43% i.e., BDT 0.61 Crore from the last year.

Operating expenses

The company's operating expense increased at 3.19% compared to last year. Total operating expenses increased by Taka 0.58 crore from last year where maximum contribution came from Salary and allowances. MFL's growth in salary and allowances was 1.67%.

Net Operating Profit

Due to increase interest income, lower borrowing cost and significant income from investment the company's operating profit increased significantly compared to last year. Company's net operating profit increased by 283.26% which was Taka 31.30 crore.

Provision for loans and investments:

The company made provision for lease, loans and advances along with investments as per the guideline/ instruction of Bangladesh Bank. Due to increase of loan portfolio classified loan the company's general provisions and specific provision increased. With the return of capital market dynamics in 2021, the company's provision against investment in share market decreased significantly. But, in totaling the company's provision in this head increased by 37.79 crore.

Profit after Tax

Eventually, the profit after tax of the company stood at Taka 8.44 crore due to the factors mentioned above. As a result, our earnings per share (EPS) in 2021 reduced to Taka 0.59 from 0.81 of last year 2020.

Outlook

Interest rates volatility during the year appears to have calmed down at the end and expected to have within a specific range as banks have already more or less adjusted their Advance to

deposit (AD) ratio. Completion of mega infrastructure projects will boost economic activities which will extend the business of FI industry to a new landmark.

Loan portfolio

Money market of the country faced a severe liquidity crisis at the end of 2021 all on a sudden due to excessive credit growth as projected to respective monetary policy and showed a clear mismatch between deposit and credit growth. Instant controlling measures taken by central bank eased this tight situation in the middle of 2021 but reduced the overall credit growth of the industry. Like most other Financial Institutions, the company also unable to maintain credit growth at expected level. In this circumstances Lease, loan and advances portfolio stood at Taka 942.77 crore as of 31 Dec 2021. As a result, Lease, loan and advances portfolio in 2021 increased to Taka 1.47 crore from last year.

Non-performing loan (NPL)

Over the years MFL is trying to bring down its NPL at a tolerable limit. In 2019 the company was able to decrease its NPL at 9.92% from 12.49% of 2018. But, in line with the industry, NPL of the company increased again to 11.39% at the end of December 2020. However, the company is trying to reduce its NPL by ensuring rigorous monitoring, disbursement of quality portfolio and increasing asset quality. But, NPL of the company increased again to 14.89% at the end of December 2021.

Capital Adequacy Ratio

MFL has been maintaining the healthy CAR since long to comply with the Bangladesh Bank's Prudential Guideline on Capital Adequacy and Market Discipline for Financial Institutions. At the end 2021, capital adequacy ratio of the company (consolidated) stood at 18.38% compared to 17.53% in the preceding year.

Capital adequacy - As per BASEL-II	2021	2020
a) Core Capital (Tier-I)		
Paid-up capital	1,424,678,291	1,389,930,040
Statutory reserve	140,714,913	124,338,385
Retained earnings	109,384,298	110,824,677
	1,674,777,502	1,625,093,102
b) Supplementary Capital (Tier-II)		
General provision	95,192,361	74,346,499
c) Total eligible capital (a + b)	1,769,969,862	1,699,439,601
d) Risk Weighted Assets (RWA)	9,632,286,624	9,696,104,700
e) Capital Adequacy Ratio (%) (c/d)	18.38%	17.53%

Cash Flow Analysis

Amount in crore

Particulars	2021	2020
A. Cash flow from operating activities	18.83	(6.75)
B. Cash flow from investing activities	(0.19)	(0.08)
C. Cash flow from financing activities	(0.82)	10.12
D. Net increase in cash & cash equivalents (A+B+C)	17.82	3.28
E. Cash and cash equivalents at the beginning of the year	47.87	44.59
F. Cash and cash equivalents at the end of the year	65.69	47.87

Cash Flow from Operating Activities

Cash generated from operating activities before changes in operating assets and liabilities increased by 88% in 2021 which was Tk. 7.8 crore compared to previous year. Net cash flow from operating activities increased due to remarkable positive growth in deposit and sale of trading securities compared to last year.

Cash flow from investing activities

Cash outflow from investing activities mainly occurred due to purchase of fixed assets.

Cash Flow from financing activities

The company did not receive a good amount of term loan during this year to compensate its outgoing deposits. During this year 2021 the company's net borrowing was recorded Taka (0.82) core as against Taka 10.12 crore of last year.

Overall scenario

The cash and cash equivalent balance of the company increase to Taka 65.69 crore at the end of 2021 compared to Taka 47.87 crore of 2020.

d) Comparative financial performances with the peer industry

Finance Industry

The finance industry is marked by high levels of competition with 34 NBFIs and 61 Banks operating in the same space.

This sector passed a very challenging year 2021 amid liquidity crisis at the beginning and at the year end. Record private sector credit growth and sluggish deposit growth at the end of 2021 created shortage of money flow in the banking sector. To check any possible liquidity pressure on the market Bangladesh Bank slashed Bank's existing AD ratio rate. As a result, business for banking industry became tough and most of the Banks and Financial Institutions reduced fresh disbursement. Considering the liquidity pressure in money market and stakeholder's necessity Bangladesh bank reduced CRR by 1 percentage, extended timeframe for maintaining new AD ratio. All these initiatives eased tight liquidity situation in the middle of the year

but increased cost of fund of Banks and FIs. Frustratingly, liquidity situation tightened against the end of the year.

Soaring Non-performing Loan (NPL) has been treated as number one problem in banking sector, which pushed down overall financial health of Banks gradually.

Non-performing loans (NPLs) in the country's banking sector increased 16.38 per cent year-on-year to Tk 103,274 crore in 2021 despite a relaxed loan classification policy taken by the Bangladesh Bank.

The ratio of default loans to outstanding loans and advances stood at 7.9 per cent last year in contrast to 7.6 per cent in 2020, according to the central bank data.

As per the central bank rules, borrowers were allowed to avoid the default zone by giving only 15 per cent of their total instalments of loans payable for last year.

Classified loans in the banking sector stood at Tk 88,734 crore in 2020 compared to Tk 94,331 crore the year before.

Borrowers also enjoyed a moratorium facility to repay loans throughout 2020 as the central bank took the move to offset the business slowdown emanating from the coronavirus pandemic.

(e) Risk and concerns as well as the mitigation plan related to the financial statements

The Company always concentrates on delivering high value to its stakeholders through appropriate tradeoff between risk and return. A well-structured and proactive risk management system is in place within the Company to address the risks relating to credit, market, liquidity and operations. Details of the Risk Management have been described separately in this annual report.

(f) Future plan for Company's operation, performance and financial position

Company is planning to continue its operation with a steady outlook. Considering the market condition, MFL planned its budget for the year 2022 with a projection of disbursement of Taka 365 crore. The Company expects to provide decent dividends to its shareholders in future years.

Looking Forward

The company, considering the overall situation, intends to achieve cautious and healthy growth in earnings in the following years with an expectation of improvement of the money market, capital market and economic activities in upcoming days. By tested goodwill, continuous process renovation, enhancing management excellence, relationship with the stakeholders, the company is preparing to reap the benefits from all the future prospects.



Mustafizur Rahman
Managing Director

REPORT ON CORPORATE GOVERNANCE

Corporate Governance refers to the processes of making and implementing decisions in accordance with the laws, rules, regulations, codes, guidelines, etc. under which the functions of a corporate entity are operated, managed, controlled and regulated in order to ensure proper protection of the interests of its valued members and other stakeholders. MFL is committed to ensure the highest standards of governance designed to protect the interest of all relevant stakeholders.

Governance practices and reporting framework

Corporate governance at MFL concerns the way the Company is managed and controlled, while creating value for both the Company and our stakeholders through transparency, accountability and fairness, while protecting the interests of relevant stakeholders. For maintaining and ensuring good governance in the Company MFL adopted the following laws, policies, rules and regulations:

- Corporate Governance Code (Notification No. SEC/ CMRRCD/2006-158/207/Admin/80 dated 03 June 2018) imposed by Bangladesh Securities and Exchange Commission (BSEC);
- The Companies Act 1994;

  Financial Institutions Act 1993;
- Listing requirement and regulations imposed by Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited;
- Various rules, regulations, guidelines, notifications, policies, etc. issued from time to time by its primary regulatory authority the Bangladesh Bank;
- Laws of the Land;
- Company's internal standards of code of conducts, ethics and compliance.

As per the provisions of Articles of Association of MFL, the Board of Directors holds periodic meetings to resolve policy, issues and strategies to achieve the organizational goal. The Board sets Vision, Mission and Objective of the Company as per guidelines of Bangladesh Bank and all other regulatory authorities. The Vision of MFL has been set as 'to be a leading financial institution of the country with diversified financial services contributing towards development of an enterprising society' while its Mission has been set as 'provide value added financial services to valued customers, strictly maintaining the ethical standard in financial operation.' MFL regularly submit accurate and periodic documents including financial statements to the Bangladesh Bank, Bangladesh Securities and Exchange Commission, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, National Board of Revenue, Registrar of Joint Stock Companies and Firms and other relevant regulatory authorities and the Board of MFL is committed to establish good corporate governance and to devote towards achieving excellence in its governance.

Main features of governance of MFL are summarized below:

Composition of Board of Directors

The Board of Directors of MFL consisting of 9 (Nine) Directors of which 2 (two) are Independent Directors. Diversity in constitution of the Board is ensured taking into consideration age, gender, experience, ethnicity, educational background, etc. The Directors exercises their power collectively while remain liable for discharging responsibilities individually. The Board has laid down Code of Conduct for the Chairman, all other Directors and CEO.

The Board of Directors of MFL as on the reporting date is as follows:

Name	Status in the Board	Status in the Board's Sub-Committee	
		Audit Committee	Executive Committee
Ms. Rokia Afzal Rahman (Nominated by MIDAS)	Chairman & Sponsor	-	Member
Mr. Abdul Karim (Nominated by MIDAS)	Nominated Director	Member	-
Mr. M. Hafizuddin Khan (Nominated by MIDAS)	Nominated Director	-	Member
Mr. Ali Imam Majumder (Nominated by MIDAS)	Nominated Director	Member	-
Mr. Mohammed Nasir Uddin Chowdhury (Nominated by LankaBangla Finance Limited)	Nominated Director	-	Chairman
Mr. Md. Shamsul Alam (Representative of General Shareholders Group)	Director	-	Member
Mr. Shahedul Alam (Representative of General Shareholders Group)	Director	Member	-
Mr. Ghulam Rahman	Independen Director	Chairman	--
Ms. Nazneen Sultana	Independent Director	Member	-

Independent Director(s)

MFL ensures effective representation of independent directors on its Board so that the Directors, as a group, includes core competencies considered relevant in the context of the Company; for this purpose, MFL complies with the conditions related to selection, qualification and appointment of Independent Directors. The Board of MFL has included 2 (two) Independent Directors to ensure appointment of at least one-fifth of the total numbers of members of the Board.

This is to inform here that Mr. Ghulam Rahman was appointed as an Independent Director of the Company on December 27, 2018 and has completed his first tenure in the year 2021. Based on the contributions during his first term (3 years) of office to the Company, background and experience, the Board of Directors re-appointed Mr. Ghulam Rahman as Independent Director of the Company for another term of 3 (three) years, subject to the approval of Shareholders in the ensuing Annual General Meeting.

Qualification of Independent Directors

Both the Independent Directors are able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business. They also fulfill the conditions specified in the Corporate Governance Code imposed by BSEC.

Separation of Roles of Chairman and Managing Director

In MFL, separate individuals perform the functions of the Chairman and Managing Director. The roles of the Chairman and Managing Director have also been laid down by the Board.
The Directors' Report to shareholders
The statements or disclosures specified in the Corporate Governance Code included in the Directors' Report to shareholders is prepared under section 184 of the Companies Act, 1994 (Act No. XVIII of 1994) and duly approved by the Board of Directors in its Board meeting held on May 12, 2022. Directors' Report for the year 2021 has been presented on page no: 37

Meetings of the Board of Directors

13 (Thirteen) meetings of the Board of Directors were held during the year ended on December 31, 2021. Attendance of each Directors at the Board meetings and at the last Annual General Meeting (AGM) for the year under review is stated on page no:40

Governance of Subsidiary Company

MFL has one subsidiary Company. Proper care is taken to ensure that compliance with the conditions applicable for good governance of MFL as holding Company and also compliance with the conditions applicable for good governance of subsidiary Company can be ensured.

Managing Director, Chief Financial Officer, Head of Internal Control and Compliance and Company Secretary

The Board of Directors appointed a Managing Director (MD), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Control and Compliance (HICC) by different individuals. They are not holding any executive position in any other Company at the same time and their respective roles, duties and responsibilities have also laid down by the Board.

Board of Directors' Committee

For ensuring good governance in MFL, the Board has constituted the following sub-Committees:

(i) Executive Committee and
(ii) Audit Committee

Though constitution of a Nomination and Remuneration Committee is prescribed in the Corporate Governance Code issued by BSEC, the Board could not constitute it because Bangladesh Bank DFIM Circular Letter No. 18 dated 26.10.2011 prohibits NBFIs to form any Committee other than Audit Committee and Executive Committee as a sub-Committee of the Board. The Board has laid down respective roles and responsibilities of the Audit Committee and the Executive Committee.

Executive Committee

The Executive Committee is comprised of 4 (four) members. The Chairman of the Committee is Mr. Mohammed Nasir Uddin Chowdhury. He was duly appointed by the Board as the Chairman of the Committee. Other members are Ms. Rokia Afzal Rahman, Mr. M. Hafizuddin Khan and Mr. Md. Shamsul Alam. The Company Secretary of the Company acts as the Secretary to the Executive Committee.

Audit Committee

The Audit Committee is composed of 5 (five) Directors. The Board appointed Mr. Ghulam Rahman, one of the Independent Directors of the Company is the Chairman of the Committee. Other members of the Committee are Mr. Abdul Karim, Mr. Ali Imam Majumder, Mr. Shahedul Alam and Ms. Nazneen Sultana. The Company Secretary serves as the Secretary to the Audit Committee. Report on activities carried out by the Audit Committee during the year is disclosed on page no: 75

Maintaining a website by the Company

MFL has an official website and the website address is www.mfl.com.bd. The detailed disclosures as required under the listing regulations of the stock exchange(s) are made available on the website under the section "Investor Relations".

Redressal of Investor Grievances

Shareholders of MFL can lodge their complaints through the designated email id info@mfl.com.bd. The designated email id is also displayed on the Company's website. An investor may make a written complaint through fax of the company on (+88) 02 8142085.

Alternatively, investors can send their complaints to:
Share Department
MIDAS Financing Limited
MIDAS Center (10th & 11th Floor), House # 05, Road # 16(New) 27 (old), Dhanmondi
Dhaka-1209

After receiving any complaint from the investors through email, post, or fax, the Share Department make a proper investigation and take necessary steps to resolve the same efficiently and promptly within the regulatory framework.

Communication with shareholders

We give a lot of importance to the participation of shareholders in the AGM and also try to ensure their presence in this meeting to notify them about how their company is performing. This is because we at OPL follow the opinion that regular and transparent communication can help our shareholders feel connected to the company. A notice of AGM is sent to the exchanges and simultaneously to the shareholders as per rules prior to AGM and any resolutions containing price sensitive information send to the exchanges within half an hour in

compliance with the Listing Regulations

Dividend Distribution Policy

The dividend policy of MIDAS Financing Limited is to distribute funds to its shareholders after retaining a portion of its earnings for re-investment or to meet future capital requirement and pay the remaining as dividend in respect of each financial year out of net profit as determined by the Board of Directors. The dividend distribution policy, approved by the Board of the Company which is available in the Company's website and can be viewed through the link: www.mfl.com.bd/download/Dividend policy of MFL.pdf

Unpaid or Unclaimed Dividend

Pursuant to the Directive No. BSEC/CMRRCD/2021-386/03, dated January 14, 2021 of Bangladesh Securities and Exchange Commission (BSEC) and the Bangladesh Securities and Exchange Commission (Capital Market Stabilization Fund) Rules, 2021, we have transferred Tk. 5,99,245.86 (Taka Five Lac Ninety Nine Thousand Two Hundred Forty Five and Eighty Six Paisa) to the Capital Market Stabilization Fund (CMSF) against Unclaimed or Undistributed or Unsettled Cash Dividend of MIDAS Financing Limited, which remain unpaid or unclaimed or unsettled or undistributed for a period of 3 (three) years from the date of declaration or approval or record date or date of subscription or refund, as the case may be. Amounts remaining as unpaid or unclaimed dividend is Tk. 1,127,772. MIDAS Financing Limited have also transferred 57,113 no. of shares to the Capital Market Stabilization Fund (CMSF), which were remained in the Suspense BO Account of the Company as unclaimed or undistributed or unsettled stock dividend or bonus shares or un-allotted right shares for a period of 3 (three) years from the date of declaration or approval or record date or date of subscription or refund, as the case may be.

Shareholding Information

Pursuant to the Notification No. BSEC/CMRRCD/2009-193/10/Admin/118, dated 22 March 2021 and subsequent letter no. SEC/SRMIC/169-2020/126, dated March 29, 2022 it is required to disclose the information regarding availing any loan or credit facility by lien or pledge of shares of MIDAS Financing Limited to the lender(s) at the time of borrowing and availing any margin loan from the stockbroker or portfolio manager by the Directors and Shareholders who hold 10% (ten percent) or more shares of the company. As on December 31, 2021 MIDAS and LankaBangla Investment Limited are holding 42,810,430 no. of shares (30.049%) and 18,953,275 no. of shares (13.304%) of MIDAS Financing Limited respectively and they have not availed any loan or credit facility by lien or pledge of their shares to the lender(s) at the time of borrowing and availed any margin loan from the stockbroker of portfolio manager.

Appointment of External or Statutory Auditors

The Board of MFL complied with all the requirements related to appointment of External/ Statutory Auditors. The Board also ensures that the external/ statutory auditors are not engaged in any of the services that are not permissible. The external/ statutory auditor certifies that no partner or employee of the audit firm or his/her family member would possess any share of the Company at least during the tenure of their audit assignment.

The existing Auditors of the Company Zoha Zaman Kabir Rashid & Co., Chartered Accountants, have completed their first year of audit of the Company. Being eligible they have also offered themselves for re-appointment as Statutory Auditors of the Company for the financial year to be ended on December 31, 2022 and. As proposed by the Audit Committee, the Board recommended Zoha Zaman Kabir Rashid & Co., Chartered Accountants, to the shareholders at the ensuing AGM to be appointed as the Statutory Auditors of the Company for the year 2022 at a remuneration of Taka 1,65,000 (One Lac Sixty Five Thousand) only exclusive of TAX & VAT applicable as per the provisions of Law.

Status on compliance of Corporate Governance

The Directors of MFL cause to prepare a statement on the status on compliance of Corporate Governance in prescribed format on yearly basis and disclose the same in the annual report. A Statement has been prepared for the year ended December 31, 2021 and disclosed on page no: 44.

Appointment of Compliance Auditors

A Certificate regarding Compliance on Corporate Governance for the year ended December 31, 2021 has been obtained from M/s Hawlader Maria & Co., Chartered Accountants. The Board has also recommended to appoint M/s Hawlader Maria & Co., Chartered Accountants, as the corporate governance compliance auditors for the financial year to be ended on December 31, 2022, at a renuneration of TK 25,000 exclusive of VAT subject to the approval of shareholders at the ensuing AGM.

Reporting and Disclosures

The Board of Directors confirm that all the reports, statements and disclosures have been made properly and in timely manner in order to ensure compliance with all applicable laws, rules, regulations, codes, guidelines and notifications.

REPORT OF THE BOARD AUDIT COMMITTEE

Introduction

Every Non-Banking Financial Institution (NBFI) is required to constitute an Audit Committee as per the Bangladesh Bank Guidelines on Internal Control and Compliance (ICC) Framework. In addition to that as per the Corporate Governance Code issued on 03 June 2018 by BSEC, every entity listed with stock exchange(s) shall have an Audit Committee as a sub-Committee of the Board for ensuring good governance; the Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business; the duties of the Audit Committee shall be clearly set forth in writing; the Audit Committee shall be responsible to the Board; if the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, whichever is earlier; and a report on activities carried out by the Audit Committee shall be disclosed in the annual report of the Company. Accordingly, this report is prepared.

The members of the Audit Committee are as follows:

Constitution and Composition

The Board of Directors ["the Board"] of MIDAS Financing Limited ["MFL" or "the Company"] had an Audit Committee in accordance with the Guidelines on Internal Control and Compliance (ICC) Framework of Bangladesh Bank and the Corporate Governance Guidelines issued in 2012 by Bangladesh Securities and Exchange Commission (BSEC). Since BSEC issued Corporate Governance Code Notification No.BSEC/CMRRCD/2006-158/207/Admin/80 dated June 03, 2018 under section 2CC of the Securities and Exchange Ordinance, 1969 (XVII of 1969) repealing the said Corporate Governance Guidelines, the Board reviewed the Constitution and Composition of the Audit Committee and approved a Revised TOR as per the new Code.

Presently, the Audit Committee consists of 5 (five) members of which 2 (two) are Independent Directors. The members of the Committee are financially literate and have adequate knowledge and relevant experience to carry out the responsibilities of the Committee. The Committee is chaired by Mr. Ghulam Rahman, one of the Independent Directors of the Company. The Company Secretary, Mr. Tanvir Hasan, FCA acted as the Secretary of the Committee and attended all the meetings of the Committee.

Name	Status with the Committee	Status with the Board
Mr. Ghulam Rahman	Chairman	Independent Director
Mr. Abdul Karim	Member	Director
Mr. Ali Imam Majumder	Member	Director
Ms. Nazneen Sultana	Member	Independent Director
Mr. Md. Shahedul Alam	Member	Director

Scope of Work of the Audit Committee

The scope of work of the Audit Committee of MFL is determined by directives, guidelines and code issued or imposed by its regulators i.e., Bangladesh Bank (BB) and BSEC. As per the Corporate Governance Code issued by BSEC, the duties of the Audit Committee shall be clearly set forth in writing. Accordingly, the Board has laid down the Terms of Reference (TOR) of the Audit Committee. As per the TOR, the scope of work of the Audit Committee includes, but not limited to,

Overseeing-

(a) Internal Control System of the Company

(b) Risk Management Process of the Company

(c) Financial Reporting of the Company

(d) Activities of Internal Control and Compliance (ICC) department of the Company

(e) Hiring and Performance of the External Auditors

(f) Compliance with Regulatory Requirements
and reviewing management letter issued by auditor, inspection report of Bangladesh Bank, etc.

Meetings of the Committee

5 (five) meetings of the Committee were held during the financial year ended on December 31, 2021. Attendance in each meeting by the members of the Committee is summarized below:

Name	Audit Committee meetings held	Audit Committee meetings attended
Mr. Ghulam Rahman	5	5
Mr. Abdul Karim	5	5
Mr. Ali Imam Majumder	5	5
Ms. Nazneen Sultana	5	5
Mr. Md. Shahedul Alam	5	4

All the meetings of the Committee were presided over by the Chairman of the Committee. The Managing Director of the Company attended the meetings on invitation. As the Secretary of the Committee Mr. Tanvir Hasan, FCA, Company Secretary, also attended all the meetings. The proceedings of the meetings are duly recorded and minutes are regularly placed before the Board of Directors.

Activities of the Committee

In order to discharge the duties and responsibilities of the Audit Committee during the year 2021 and during the period till preparation of this report, the Committee-

- provided assistance to the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business
- performed overseeing the financial reporting process, monitoring choice of accounting policies and principles, reviewing the adequacy of internal audit function and monitoring Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report,
- reviewed the systems and procedures to ensure that all transactions are completely and accurately recorded in the books of accounts
- reviewed along with the management, the annual, quarterly and half yearly financial statements before submission to the Board for approval
- reviewed statement of related party transactions submitted by the management
- reviewed the Management's Discussion and Analysis which will be disclosed in the Annual Report for the year 2020
- held meeting with the external auditors for review of the annual financial statements before submission to the Board for approval/ adoption
- performed overseeing hiring and performance of external auditors and the determination of audit fees
- reviewed the Management Letter issued by statutory auditors
- reviewed the processes for identification, recording, evaluation and management of all significant risks throughout the Company and the existing risk management procedures for ensuring an effective internal checking system
- monitored the procedures made by the management for building a suitable management information system (MIS) including computerization system and its application
- reviewed the financial statements and investments of the subsidiary Company
- reviewed the non-performing loan of the Company and recommended corrective measures
- Recommended to focus on SME and Women entrepreneur financing and to form dedicated desk for women entrepreneurs.

Reporting

The Audit Committee reports on its activities to the Board. The minutes of the Committee were regularly placed before the Board. Pursuant to Condition No. 5(7) of the Corporate Governance Code imposed by BSEC, the Committee has prepared this report for publication in the Annual Report 2021 of Midas Financing Limited, which was duly approved by the Board of Directors on May 12, 2022.

The Audit Committee did not find any conflict of interest or any fraud, irregularity or material defect in the Internal Control System. There are no infringement of laws, rules and regulations also. The Committee is of the view that the risks associated with the business of the Company are adequately controlled.

Acknowledgment

The Audit Committee expresses its sincere thanks to the members of the Board, Management and the internal and external auditors for their support in carrying out the duties and responsibilities of the Committee.

On behalf of the Committee



Ghulam Rahman
Chairman

RISK MANAGEMENT

Risk management is the process, whereby organizations methodically address the risks attaching to their activities with the goal of achieving sustained benefit. Risk managements the identification, assessment, and prioritization of risks followed by coordinated and economical application of resources to minimize, monitor, and control the probability and/or impact of unforeseen events or to maximize the realization of opportunities. The prime responsibility of every financial institution is to manage its risk in a way that the return from business can be maximized. In a financial institution, taking risk lies at the core of its business activity and it earn return on investments through managing the risk. Therefore, it is imperative that the management should understand the risk what they are going to take in order to carry out the business.

MIDAS Financing Ltd certainly believes that risk management is the core function that makes its business sustainable. Ability to generate profit consistently and sustainably is a function of enterprise wise risk management and the company is relentlessly pursuing continuous improvement in this area. Company's risk management strategy is based on a clear understanding of various risks, disciplined assessment, measurement and continuous monitoring of such risks.

MIDAS Financing Ltd followed the risk management frame work within the organization for managing company's different kind of risks. It has an effective risk management system in the right place to identify measure and manage these risks at a tolerable limit in order to ensure quality of its asset, business opportunities and our creative ventures. The mixture of the following elements builds the risk management structures successfully.

- Policies and procedures to managing the risks;
- Methodology for determining risk appetite;
- Models for measuring risk, i.e., credit risk;
- Tools for analyzing risks, i.e., spreading balance sheet;
- Take appropriate measure to deal with the risk;
- Basel II implementation and Stress testing;
- Processes for recording and approving credit requests;
- The means of delegating and monitoring the use of credit authority;
- The management of documentation and limit input;
- Tools and techniques for monitoring and reporting risk exposures;
- The structures for regularly reviewing risk exposures. e.g., risk management forum.

Risk Factors and Its Management

For a financial institution risk is the vital part of its daily life. Identification, measurement, management perception about those risks, their control and or countermeasures works as the life line of the institution. Most of the times only credit risk is considered as risk to be evaluated at the time of lending decision. Except credit risk there are also some other risks aligning in financial business sector. The major risks that are encountered by Midas Financing Limited as a financial institution are as follows:

Credit Risk

Credit risk can be defined as a potential loss arises when a debtor or financial instrument issue risen willing or unable to meet its contractual obligation to repay the debt according to the agreed terms with the lenders or financial institutions. It can occur when the counterpart either defaulting or making late payments of interest or principal. Credit risk is not only associated with direct accounting loss but also with economic exposures. This encompasses opportunity costs, transaction costs and expenses associated with a non performing asset over and above the accounting loss.

Credit Risk Management (CRM)

The effective management of credit risk is a critical component of a comprehensive approach to risk management. It is essential for long-term success of MIDAS FINANCING LTD. The goal of credit risk management is to maximize a MIDAS FINANCING LTD's risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameters. MIDAS FINANCING LTD needs to manage the credit risk inherent in the entire portfolio as well as the risk in individual credits or transactions. Credit risk management is a continuous effort of identifying, measuring, monitoring and mitigating the credit risk in both pre-sanction stage as well as post-sanction stage. Following table refers the applicability of the steps in those two stages.

Steps of CRM	Pre-Sanction Stage	Post Sanction Stage
Risk Identifying	✓	✓
Risk Assess/ Measuring	✓	✓
Risk Monitoring	X	✓
Risk Control/Mitigation	✓	✓

Although specific credit risk management practices may differ among FIs depending upon the nature and complexity of their credit operations, a comprehensive credit risk management program should address four steps mentioned in Table-1. These should be applied in conjunction with the assessment of asset quality, adequacy of provisions and reserves, and disclosure of credit risk.

The credit risk management framework will include the followings:

a. Establishing an appropriate credit risk environment.
b. Setting up organizational structure for credit risk management.
c. Formulating Policy & Procedure.

Liquidity Risk

Liquidity risk is the probability of loss arising from a situation where there will not be enough cash and/or cash equivalents to meet the needs of depositors and borrowers; sale of illiquid assets will yield less than their fair value; or illiquid assets cannot be sold at the desired time due to lack of buyers. Liquidity is the ability of an institution to transform its assets into cash or cash equivalent in a timely manner at a reasonable price to meet its commitments as they fall due. Liquidity risk arises when the cushion provided by the liquid assets are not sufficient enough to meet maturing obligations.

Liquidity Risk Management Process

An effective liquidity risk management process should include systems to identify measure, monitor and control its liquidity exposures. Management should be able to accurately identify

and quantify the primary sources of MIDAS FINANCING LTD's liquidity risk in a timely manner. To properly identify the sources, management should understand both existing as well as future risk that the MIDAS FINANCINGLTD can be exposed to. Management should always be alert for new sources of liquidity risk at both the transaction and portfolio levels. Key elements of an effective risk management process should have an efficient MIS to measure, monitor and control existing and probable liquidity risks and report them to senior management and the board of directors. To control liquidity risk, the company shapes the structure of its assets and liabilities. As per Bangladesh bank guideline, MIDAS FINANCING LTD has formed Asset liability Committee (ALCO), which works with financial market activities; manages liquidity and interest rate risk considering market position and competition. This committee plays vital role for MIDAS FINANCING LTD to mitigate liquidity risk.

Equity Price Risk

Equity price risk is the risk that the fair value of equities decreases as a result of changes in the levels of equity indices and the value of individual stocks in the stock markets dynamics. MIDAS FINANCING LTD minimizes this risk through portfolio diversification as per investment policy of the MIDAS FINANCING LTD and Investment Division manages the entire portfolio of the company.

Equity Price Risk Management Process

To maintain Minimum Capital Requirement of MFL as per Bangladesh Bank guideline, MFL will review the following: Monthly/Quarterly Risk Weighted Assets, Required capital and Capital Maintained etc., Stress Testing Result, Liquidity Position, Money Market Position, Monthly/ Quarterly/ Half yearly/ Yearly Financial position, Budget and Dividend. All the activities will be reviewed and discussed in the assets Liability Management Committee Meeting. Total equity will depend on the Risk weighted assets at the time. It is expected that there will be no negative retained earnings after the end of the year. Moreover, Company's total Tier- 1 capital will be reached at about Tk. 170 crore. Then the required capital of the company will be met by raising Tier- 2 capital i.e., revaluation of fixed assets, revaluation of securities and issuance of preference share etc.

Operational Risk

Operational Risk is the risk of financial losses related to breakdown in internal control and corporate governance. Such breakdown can be the result of human error, inadequate or failed internal processes and technical systems, fraud, or from any other adverse external events. Of all the risks, operational risk may be the most devastating and at the same time, the most difficult to anticipate. Its appearance can result in sudden and dramatic reductions in the value of MIDAS FINANCING LTD. Operational risk differs from other risks since it is typically not taken in return for an expected reward rather exists in the natural course of corporate activity. At the same time, failure to manage operational risk properly can misinterpret the risk profile of MIDAS FINANCING LTD and expose it to significant losses.

Operational Risk Management

MIDAS FINANCING LTD can obtain the following values through Operational risk management:

(a) Validate and improve the reliability and effectiveness of business operations and the operation of the risk management framework;
(b) Enhance the risk-based decision-making process and improve the risk management capability of employees;
(c) Enhance confidence in planning process and prevents delay and cost overruns in the execution process;
(d) Develop organizational capability in ensuring safety of employees;
(e) Increase accuracy and visibility of risk information;
(f) Quickly identify the MIDAS FINANCING LTD's operational deficiencies;
(g) Increase management foresight;
(h) Optimize business performance; and
(i) Reduce the cost and complexity of operational risk process.

Operational risk addresses the risk associated with fraud, forgery, which are unauthorized activities, error, omission, system failure and external events among others. Some more operational events are including operational errors, noncompliance with internal regulations, and non-compliance of legal requirements, launching new products without adequate operational support, rouge traders etc. MIDAS FINANCING LTD has an established and well-functioning Internal Control and Compliance Division to encounter and mitigate such risks. Apart from this, MIDAS FINANCING LTD uses basic indicators approach for calculation of capital charge against operational risk.

Operational Risk Management Process

MIDAS FINANCING LTD needs to manage operational risk after categorization. The process of operational risk management will be as follows:

Market Risk

Market risk can be defined as the risk of losses in on and off-balance sheet positions arising from adverse movements in market rates or prices such as interest rates, equity prices, foreign exchange rates, commodity prices and general credit spreads. Market risk is the risk that may affect Company's earnings and capital due to changes in the market level of interest rates, securities, equities as well as the volatilities of those prices. Volatility of money market, which ultimately imposes upward pressure on interest rate structure, may erode the Company's profitability. Devaluation of local currency against major international currencies affects business performance of import-based companies or companies borrowed in foreign currency adversely. Inability to offer a proactive and competitive posture due to lack of market access and inability to offer competitive products will hinder the Company's growth potential. Market risk may arise, broadly, in any of the following forms:

- Interest Rate Risk,
- Equity Price Risk and
- Credit Spread.

MIDAS FINANCING LTD should put in place a set of systems and procedures appropriate to its size and complexity of its operations for identifying, measuring, monitoring and controlling market risk. The risk appetite in relation to market risk should be assessed keeping in view the capital of the MIDAS FINANCING LTD as well as exposure to other risks. Once the market risk appetite is determined, MIDAS FINANCINGLTD should develop a market risk-taking strategy in order to maximize returns while keeping exposure to market risk at or below the pre-determined level.

Industry Risk

Industry risk refers to the risk of increased competition from

foreign and domestic sources leading to lower revenues, profit margins, market share etc. which could have an adverse impact on the business, financial condition and results of operation. CAPM Venture Capital & Finance is operating in a highly competitive market. Some of the competitors have more resources, broader range of products, complementary lines of business etc. It is, therefore, very difficult to predict in advance the move of the competitors in the coming years.

Information Technology

Risk Technology always plays an essential role in any business concern that ensures better services to the customers and reduces the cost in various aspects. Any invention of new and more cost-effective technology may cause technological obsolescence and negative operational efficiency. Besides, any severe defects in the software and hardware may have an effect on productivity and profitability due to additional investment for replacement or maintenance. Financial information is mostly processed and delivered through technological platform, which inherently contains the risk of security breach, loss of data and data contamination. Continuity of company's operation and services are completely dependent on a strong, reliable and secured technology to manage this risk, MIDAS FINANCING LTD has established its policy which covers password & input control, network security, data encryption, virus protection and so on.

Compliance Risk

Compliance risk can be defined as the current or prospective risk of legal sanction and material financial loss the MIDAS FINANCING LTD may suffer as a result of its failure to comply with laws, its own regulations, code of conduct, and standards of the best practice as well as from the possibility of incorrect interpretation of effective laws or regulations. Compliance risk is sometimes also referred to the risk adherence to principles of integrity and fair dealing. Some common sources of compliance risk are violations or noncompliance with laws and regulations and prescribed standards; lack of or inadequate compliance with contractual obligations and other legal documentation; complaints by customers and other counterparties; impairment of third party's interest; pending litigation procedures; involvement in money laundering, insider trading, violation of taxation rules, forgery and damage from computer hacking by the institution, its intermediaries or its customers; and lack of proper knowledge and delayed response by management to comply with laws and regulations. Internal control and compliance contain self-monitoring mechanisms, and actions taken to correct deficiencies as they are identified. Since financial service activities are conducted within a framework of obligations imposed by regulators, complying with such requirements is not optional but mandatory for financial institutions. The consequences of noncompliance include fines, public reprimands and enforced supervision of operation or withdrawal of authorization to operate, any of which can lead to loss of reputation particularly through adverse publicity in national media.

Money Laundering Risk

Money laundering means: knowingly moving, converting, or transferring proceeds of crime or property involved in an offence for the following purposes:- concealing or disguising the illicit nature, source, location, ownership or control of the proceeds of crime; or assisting any person involved in the commission of the predicate offence to evade the legal consequences of such offence; smuggling money or property earned through legal or illegal means to a foreign country; knowingly transferring or remitting the proceeds of crime to a foreign country or remitting or bringing them into Bangladesh from a foreign country with the intention of hiding or disguising its illegal source; or concluding or attempting to conclude financial transactions in such a manner so as to reporting requirement under this Act may be avoided; converting or moving or transferring property with the intention to instigate or assist for committing a predicate offence; acquiring, possessing or using any property, knowing that such property is the proceeds of a predicate offence; performing such activities so as to the illegal source of the proceeds of crime may be concealed or disguised; participating in, associating with, conspiring, attempting, abetting, instigate or counsel to commit any offences mentioned above;

The characteristics of effective AML risk management include the understanding the aspects of AML risk, management will exhibit strong commitment to compliance; when deficiencies are identified, management will promptly implements meaningful corrective action; authority and accountability for compliance should be defined clearly and enforced; the Board will approve an AML compliance program that includes adequate policies, procedures, controls, and information systems; in order to ensure AML compliance, MIDAS FINANCING LTD will appoint proper personnel and arrange training, if necessary. MIDAS FINANCING LTD will maintain effective processes for customer identification;

Management will develop a control mechanism for high-risk areas, products, services, and customers. MIDAS FINANCING LTD will also take necessary steps immediately against suspicious activity or substantive violations of law; and the compliance and controls system of MIDAS FINANCING LTD will promptly adapt to the changes in international lists regarding AML issues.

Money laundering is the generic term used to describe the process by which criminal disguise the original ownership and control of the proceeds of criminal conduct by making such proceeds appear to have derived from a legitimate source. All financial institutions, both banks and non-banks are susceptible to money laundering activities.

Money Laundering Risk Management

MIDAS FINANCING LTD has approved anti-money laundering policy and CCU is responsible to ensure that money laundering and terrorist financing are not occurring in this organization. To aware the employee about money laundering, CCU regularly arranges training session where resource person of MIDAS FINANCING LTD provides speech who has extensive training on AML. To protect terrorist fund entrance, responsible person of MIDAS FINANCING LTD screen the UN criminal list first before recording in to our organization. In this way, CVCGL ensured the captioned function in line with BB directives. MIDAS FINANCING LTD has established its AML department at its Head Office headed by CAMLCO, CAMLCO is empowered with sufficient authority to implement and enforce corporate wide anti-money laundering policies, procedures and measures. CAMLCO reports directly to senior management importantly providing added assurance that the officers have sufficient authority and training to investigate potentially suspicious activities.

Interest Rate Risk

Interest rate risk arises when changes in interest rates have an impact to the future cash flows of financial instruments' fair values. This remained a potential concern for the finance industry, as market interest rates continued to fall during the period. As MIDAS FINANCING LTD deals in a number of interest-bearing financial assets that are mainly grouped under loans and advances there was close focus on safeguarding core business interest spreads. Downward movements in interest rates were continued both for lending and borrowing to be influenced by monetary policy changes whereas the decrease in lending rates remained at a relatively faster pace and resulting decreases in interest income too then the decrease in the borrowing rates. Apart from the resulting pressure exerted on our core margins, interest rate fluctuations continued to also influence:

our ability to canvass deposits

the fair values of financial assets and liabilities and
average duration of mortgage-backed lease portfolios and other interest earning assets.

To stay competitive, MIDAS FINANCING LTD had to revise deposit rates during various times of the year through the ALCO committee. ALCO is the main committee that regularly oversees the interest rate risk of the Company and initiate appropriate action to minimize overall interest risk exposure within the Company's risk appetite limits. Treasury division is responsible to manage funding and the market rates on an ongoing basis and uphold the optimal interest rate structure of all products of MIDAS FINANCING LTD. In maintaining an optimal level of return for our core business, average yield levels and cost of funding is monitored on a monthly basis and presented at ALCO meetings to decide on pricing matters. The ALCO evaluates any potential adverse effects that may arise from situations when the cost of funding rises at a relatively higher pace than the yield earned on lending and other investments. ALCO reviews current interest rate environment and monitors the movement of key interest rate indices and interest sensitive assets and liabilities maturity gap analysis. ALCO reviewed impact of interest rate change on the bottom line by carrying out sensitivity analysis/rate shock analysis taking note of the continued decline in rates observed. MIDAS FINANCING LTD by having a strict monitoring system maintains its interest rate risk at moderate levels despite volatility in rates in the market. The Treasury Division is maintaining monthly overall-weighted average cost of funds at low levels throughout as depicted.

Interest Rate Risk Management Process

MFL developed and implemented effective and comprehensive procedures and information systems to manage and control interest rate risk in accordance with its interest rate risk policies. These procedures are appropriate to the size and complexity of MFLs' interest rate risktaking activities.

Internal inspections/audits are a key element in managing and controlling MFL's interest rate risk management program. It, at a minimum, randomly test all aspects of interest

rate risk management activities in order to:

a. ensure interest rate risk management policies and procedures are being adhere to;
b. ensure effective management controls over interest rate risk positions;
c. verify the adequacy and accuracy of management information reports; and
d. ensure that personnel involved in interest rate risk management fully understand MFL interest rate risk policies and risk limits and have the expertise required to make effective decisions consistent with the interest rate risk policies.

Assessments of the interest rate risk operations is presented to the board on regular basis for review

Asset-liability Mismatch

Asset-liability mismatch is another cause of concern for MIDAS FINANCING LTD. Demand for funds to meet the increasing lending requirements has increased in a great extends but the availability of funds has become inadequate, as FIs are mostly dependent on loan from commercial banks and customer deposits. Like other FIs, MIDAS FINANCING LTD is highly dependent on customer deposit and deposit from banks & other FIs. Due to satisfactory performance depositors' reliance over MIDAS FINANCING LTD has been increased to a satisfactory level. During FY 2021 the overall deposit was BDT 6,173.01 million and loan to deposit was 156.06%.

Asset-liability Mismatch Management Process

ALCO establishes an asset-liability management policy that sets direction on acceptable levels of asset liability mismatch. This policy is designed to guide management in the evaluation of the impact of mismatch on the FI's earnings. The extent of risk exposure is a function of the maturity profile of the balance sheet, the level of loan prepayments and funding costs. Managing asset liability mismatch is, in effect, the adjustment of risk exposure upwards or downwards, which will be in response to ALCO's views on the future direction of interest rates. As part of the risk management process the committee monitors the current risk exposure and duration gap, using rate sensitivity analysis and simulation modeling to assess whether the current level of risk is satisfactory.

Board of Directors of MFL is duly informed about ALM risks, among others, through the Minutes of the meeting of risk management forum.

DISCLOSURES ON CAPITAL ADEQUACY AND MARKET DISCIPLINE UNDER PILLAR III

1. Scope of Application

Qualitative Disclosures:

(a) The Name of the top corporate entity in the group to which these 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 weight ed).
MIDAS Financing Limited is the owner of 99.9992% of shares (2,49,99,800 nos. of shares of Tk. 10 each) of MIDAS Invest ment 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 subsid iaries.

Not Applicable.

2) 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:

Figures in BDT Crore

Particulars	Solo	Consolidated
Paid up capital	142.47	142.47
Non-repayable share premium account		
Statutory reserve	14.07	14.07
General Reserve & other reserve		
Retained earning	10.06	10.94
Dividend equalization account		
Total Tier-I capital	**166.60**	**167.48**

(c)	The total amount of Tier-II capital	9.52	9.52
(d)	Other deductions from capital	-	-
(e)	Total eligible capital	176.12	177.00

3) 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	Solo	Consolidated
(a) Capital requirement for Credit Risk	851.90	853.20
(b) Capital requirement for Market Risk	41.86	53.68
(c) Capital requirement for Operational Risk	51.72	55.32

Figures in BDT Crore

Particulars	Solo	Consolidated
CAR on Total capital basis (%)	18.63	18.38
CAR on Tier 1 capital basis (%)	17.62	17.39

4) 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 is 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:

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

Particulars	Solo	Consolidated
Lease receivable	89.60	89.60
Term finance	742.92	722.47
Housing finance	124.25	124.25
Staff Loan	2.82	2.82
Consumer credit	0.03	0.03
Interest receivable	3.60	3.60
Total	**963.22**	**942.77**

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

Area	Solo	Consolidated
Dhaka	639.54	619.09
Chattogram	237.52	237.52
Khulna	30.43	30.43
Rajshahi	55.73	55.73
Total	**963.22**	**942.77**

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

Particulars	Figures in BDT Crore
Trade and Commerce	214.00
Industry	
A) Garments and Knitwear	56.49
B) Textile	103.17
C) Jute and Jute-Products	-
D) Food Production and Processing Ind.	88.41
E) Plastic Industry	8.18
F) Leather and Leather-Goods	3.68
G) Iron, Steel and Engineering	53.38
H) Pharmaceuticals and Chemicals	17.29
I) Cement and Allied Industry	1.19
J) Telecommunication and IT	-
k) Paper, Printing and Packaging	13.59
L) Glass, Glassware and Ceramic Ind	-
M) Ship Manufacturing Industry	43.68
N) Electronics and Electrical Products	10.21
O) Power, Gas, Water & Sanitary Service	0.09
P)Transport and Aviation	-
Industry Total	399.96
Agriculture	9.11
Housing	107.03
Others	
A) Merchant Banking	4.88
B) Margin Loan	-
C) Others	228.84
Others Total	233.72
Grand Total	963.22

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

Particulars	Figures in BDT Crore
Repayable on demand	72.38
Not more than 3 months	125.50
Over 3 months but not more than 1 year	397.57
Over 1 year but not more than 5 years	205.42
Over 5 years	162.35
Total	**963.22**

(f) By major industry or counterparty type

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

Particulars	Figures in BDT Crore
Gross non-performing assets (NPA)	143.41
NPAs to gross loans and advances (in %)	14.89%

ii) General and Specific provisions

Particulars	Figures in BDT Crore
Provision on unclassified loans and advances	9.52
Provision on classified loans and advances	55.98
Provision for off balance sheet exposures	0.1
Total	**65.60**

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

(g) Gross Non-Performing Assets (NPAs)

Movement of Non-Performing Assets (NPAs)

Particulars	Figures in BDT Crore
Opening Balance	109.68
Additions	33.73
Reductions	-
Closing Balance	143.41

Movement of Specific Provisions for NPAs

Particulars	Figures in BDT Crore
Opening Balance	28.62
Provisions charged during the period	29.04
Write-off	(1.68)
Written-back of excess provisions	-
Closing Balance	55.98

5) 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 is 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 differ ent from fair value.

Particulars	Solo	Consolidated
Quoted shares (Market price)	20.93	26.84
Quoted shares (Cost price)	21.74	29.08
Unquoted shares	2.26	3.93
Total unrealized gains (Losses)	(0.81)	(2.24)
Total latent revaluation gains (Losses)	-	-
Any amounts of the above included in Tier 2 Capital	-	-
Total	**23.19**	**30.77**

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 20.93 crore. Capital requirement is 10% of the said value which stands at BDT 2.09 crore.

General Risk – Market value of investment in equities is BDT 20.09 crore. Capital requirement is 10% of the said value which stands at BDT 2.09 crore.

6) 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

Figures in BDT Crore

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)	84.95	65.87	76.58	142.83	219.99
B. Total Rate Sensitive Assets (B)	86.89	34.79	67.96	127.07	205.99
C. Mismatch	1.95	-31.08	-8.62	-15.76	-14.00
D. Cumulative Mismatch	1.95	-29.13	-37.75	-53.51	-67.51
E. Mismatch (%)	2.29%	-47.18%	-11.26%	-11.03%	-6.36%

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)	-1.35	-2.70	-4.05
Revised Regulatory Capital (BDT in Crore)	174.77	173.42	172.07
Risk Weighted Assets (BDT in Crore)	945.50	945.50	945.50
Revised CAR (%)	18.48%	18.34%	18.20%

7) 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:

Figures in BDT Crore

Particulars	Solo	Consolidated
Interest rate risk		
Equity position risk	41.86	53.68
Foreign Exchange Position and Commodity risk (if any)		

8) 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

Figures in BDT Crore

Particulars	Solo	Consolidated
Capital requirement for operational risk	51.72	56.32

CREDIT RATING INFORMATION

National Credit Ratings Ltd.

EXECUTIVE SUMMARY
SURVEILLANCE RATINGS OF MIDAS FINANCING LIMITED

Declaration Date	09.08.2021	23.07.2020
Long Term Entity Rating	A (Single A)	A (Single A)
Short Term Entity Rating	ST-2	ST-3
Outlook	Stable	Developing
Expiry Date	08.08.2022	22.07.2021

PERFORMANCE HIGHLIGHTS

(TK in Million)

Particulars	2020	2019
Total Assets	11,267.35	11,060.98
Total Equity	1,618.84	1,542.70
Paid up capital	1,389.93	1,356.03
Risk weighted Assets (RWA)	9,404.60	9,132.38
Required Capital (10% of RWA)	940.46	913.24
Tier I Capital	1,618.84	1,540.18
Tier II Capital	74.35	72.97
Capital Maintained	1,693.18	1,613.16
Excess Capital Maintained (Required-Maintained)	752.72	699.93
Gross Finance	8,568.03	8,528.03
Non-Performing Loan (NPL)	1,096.84	1,076.07
% of NPL to Gross Finance	11.35	11.20
Provision Required against NPL	360.51	422.79
Provision Maintained against NPL	360.51	422.52
Excess Provision Maintained	-	(0.267)
Total Net Revenue	230.97	244.31
Net Income	112.55	97.05
CAR (%)	18.00	17.66
ROE (%)	7.12	6.50
ROA (%)	1.01	0.84
NIM (%)	2.53	2.59
Asset Yield (%)	11.30	11.30
Cost of Fund (%)	10.30	10.69
Spread (%)	1.00	0.62
Finance / Deposit (%)	157.08	152.48

STRENGTHS

- Good governance
- Experienced, skilled and visionary management
- Properly maintained provisions against loans & advances
- Proper compliance of CAR with regulatory requirement
- Improved profitability in last financial year

CHALLENGES

- Single digit policy for interest rate
- Improving revenue from core business
- High competition especially with banks in financial market
- Liquid fund crisis for onward financing to the borrowers
- Maintaining consistence profitability with goodwill
- Reducing non-performing loan

Md. Nurul Hoque
Deputy Managing Director
National Credit Ratings Ltd.

HIGHLIGHTS AS REQUIRED BY BANGLADESH BANK

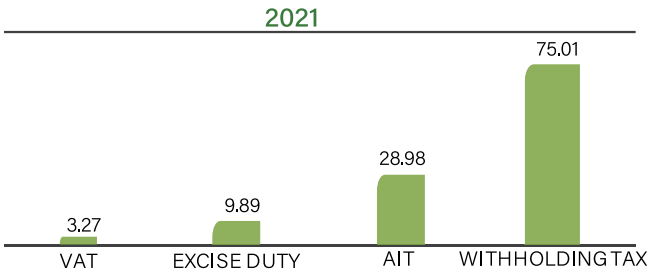
MIDAS Financing Ltd. and its subsidiary

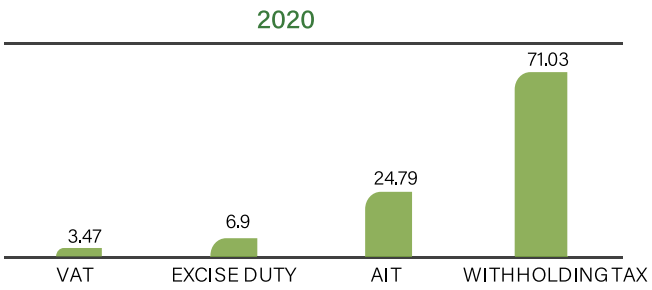
As on December 31, 2021

SL	Particulars	BDT/%	Solo		Consolidated	
			2021	2020	2021	2020
1	Paid-up capital	BDT	1,424,678,291	1,389,930,040	1,424,678,291	1,389,930,040
2	Total capital	BDT	1,665,971,373	1,618,836,984	1,674,777,503	1,625,093,102
3	Capital surplus	BDT	424,678,291	389,930,040	424,678,291	389,930,040
4	Total assets	BDT	11,540,196,380	11,267,360,030	11,472,873,893	11,184,125,963
5	Total deposits	BDT	6,173,024,516	6,130,440,881	5,968,024,516	5,925,440,881
6	Total lease, loans and advances	BDT	9,632,255,868	9,629,457,815	9,427,736,286	9,413,080,836
7	Total contingent liabilities and commitments	BDT	100,000,000	442,900,000	100,000,000	442,900,000
8	Credit deposit ratio	%	156.04%	157.08%	157.97%	158.86%
9	Percentage of classified loan against total loans	%	14.89%	11.39%	14.89%	11.39%
10	Net profit after taxation	BDT	81,882,639	112,545,750	84,432,832	115,288,871
11	Classified lease, loans and advances	BDT	1,434,143,540	1,096,844,549	1,434,143,540	1,096,844,549
12	Provisions kept against classified loans	BDT	559,792,284	286,161,501	559,792,284	286,161,501
13	Provision surplus/(deficit) against classified loan	BDT	30.32	-	30.32	-
14	Cost of fund	%	9.08%	10.30%	9.08%	10.30%
15	Interest earnings assets	BDT	9,308,710,414	8,965,972,802	9,563,965,717	9,230,553,935
16	Non-interest earnings assets	BDT	2,231,485,966	2,301,387,228	1,908,908,176	1,953,572,028
17	Return on investment in shares (ROI)	%	28.83%	17.58%	17.39%	8.10%
18	Return on assets (ROA)	%	0.72%	1.01%	0.75%	1.01%
19	Income from investment	BDT	72,945,322	44,956,525	61,089,487	29,561,439
20	Earnings per share (Restated)	BDT	0.57	0.79	0.59	0.81
21	Operating profit per share (Restated)	BDT	2.96	0.77	2.97	0.80
22	Price earning ratio (Restated)	Times	30.97	22.72	30.03	22.18
23	Market price per share	BDT	17.80	18.40	17.80	18.40
24	Net assets value (NAV) per share(Restated)	BDT	11.69	11.36	11.76	11.41

GOVERNMENT EX-CHEQUER STATEMENT

Particulars	2021	2020
VAT	3.27	3.47
Excise Duty	9.89	6.90
AIT	28.98	24.79
Withholding Tax	75.01	71.03
Total	117.15	106.19





VALUE ADDED STATEMENT

for the year ended 31 December 2021

Value added is a measure of wealth created by the FI through various business activities. The statement of value added shows the total wealth created and how it was distributed among stakeholders, including the Government, employees and shareholders.

VALUE ADDITION

Figures in BDT

Particulars	2021		2020	
	Amount	%	Amount	%
Operational income	1,357,941,183		1,138,610,109	
Less: Cost of service rendered	793,220,710		888,515,801	
Total Operating Expenses	174,264,979		168,214,553	
Profit paid on deposits, Borrowing etc.	762,986,485		862,777,843	
Less: Salaries & Allowances	123,996,306		122,699,715	
Managing Director's Salary & Allowances	9,472,004		9,472,000	
Depreciation on Fixed Assets	10,562,444		10,304,880	
Value added by operating activities	**564,720,473**	**242**	**250,094,308**	**83**
Less: Provission for doubtful accounts & future losses	331,160,170	142	(52,795,901)	(17)
Total Value Added	**233,560,303**	**100**	**302,890,209**	**100**

VALUE DISTRIBUTED TO

Particulars	2021		2020	
	Amount	%	Amount	%
Provider to Capital: Shareholders as Dividend	-	-	-	-
Employees: As Salaries and other benefits	133,468,310	57	132,171,715	44
Government: Corporate Tax	8,746,911	4	47,867,866	16
To Expansion and growth: Expansion and growth	91,345,082	39	122,850,628	41
Total Distribution	**233,560,303**		**302,890,209**	

MARKET VALUE ADDED STATEMENT

for the year ended 31 December 2021

Market Value Added Statement reflects the company's performance evaluated by the market through the share price. This amount is derived from the difference between market capitalization and book value of the shares outstanding. It signifies the enhancement of financial solvency as perceived by the market.

Particulars	2021	2020
Face value per share	10.00	10.00
Market Value per Share	17.80	18.40
Number of Shares outstanding	142,467,829	138,993,004
Total market capitalization	2,535,927,358	2,557,471,274
Book value of paid up capital	1,424,678,291	1,389,930,040
Market Value Addition	1,111,249,067	1,167,541,234

ECONOMIC VALUE ADDED (EVA) STATEMENT

for the year ended 31 December 2021

Economic value added (EVA) is a measure of a company's financial performance based on the residual wealth calculated by deducting its cost of capital from its operating profit. Economic Value-Aded is the financial performance measure that attempts to measure that true economic profit of an organization. It provides a measurement of the organization success or failure over a period of time. It is the post-tax return on capital employed less the cost of capital employed. Companies which earn higher returns than cost of capital create value, and companies which earn lower returns than cost of capital are deemed harmful for shareholder value.

The aim of EVA is to provide management with a measure of their success in increasing shareholder's wealth: a better measure than profit of how much the company hade made for shareholders

EVA has been calculated by the following formula:

EVA = Net Operating Profit - Taxes - Cost of Capital

Particulars	Figures in BDT	
	2021	2020
Net Operating Profit	421,789,719	107,617,714
Less: Provision for taxes	8,746,911	47,867,866
Net operating profit after tax (NOPAT)	**413,042,808**	**59,749,848**
Charges for capital		
Capital employed	2,320,956,018	1,979,344,984
Cost of equity (%)*	9.88%	9.06%
Economic Value added	**229,310,455**	**179,328,656**
Capital employed as on December, 31		
Shareholder's equity	1,665,971,373	1,618,836,984
Accumulated provision for doubtful accounts and future losses	654,984,645	360,508,000
Average shareholder's equity**	**2,320,956,018**	**1,979,344,984**

*Cost of equity reflects shareholder's expected return. Ultimately, this is the opportunity cost for shareholders for investing their funds in the company. Interest on 20 years Government Treasury Bond plus a standard risk premium has been assumed to be the cost of equity.

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

25th AGM 2021



FINANCIAL STATEMENTS OF MIDAS FINANCING LIMITED AND ITS SUBSIDIARY



Independent Auditor's Report to the Shareholders of MIDAS Financing Limited

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated financial statements of MIDAS Financing Limited and its subsidiary (the "Group") as well as the separate financial statements of MIDAS Financing Limited (the "Company"), which comprise the consolidated and separate balance sheet as at 31 December 2021 and the consolidated and separate profit and loss accounts, the consolidated and separate statement of changes in equity and the consolidated and separate cash flow statements for the year then ended, and notes to the financial statements, including a summary of significant accounting policies other explanatory information.

In our opinion, the accompanying consolidated financial statements of the Group and separate financial statements of the Company give a true and fair view of the consolidated financial position of the Group and separate financial statements of the Company as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2.

Basis for Opinion

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

Emphasis of Matters

Deferred Tax Assets of Tk. 15,826,052 (Note-13.4) recognized during the year. This is not consistent with the detail of information provided to us for audit purpose. We received only the income tax order for the assessment year 2017-18. However, the income tax order for the assessment years 2018-19, 2019-20 and 2020-21 weren't made available to us. This resulted in the non-confirmation of the tax base written down value of assets.

The company is yet to institute Workers' Profit Participation Fund (WPPF). This contradicts the section 232 & 234 of the Bangladesh Labour Law 2006.

Other matters

The financial statements of the company for the year ended 31 December 2021, were audited by the another auditor who expressed an unmodified opinion on those statements on 02 August 2021.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the auditor's responsibilities for the audit of the consolidated and separate financial statements section of our report, including in relation to these matters.

- Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatements of the consolidated and separate financial statements. These results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

Description of key audit matters	Our response to key audit matters
Risk	**Our response to the risk**
Provision for diminution in value of investment in share	
At the year-end of 2021 group investments comprise of marketable ordinary shares of BDT 239,938,883 (2020: BDT 266,095,980) and it represents 2.08% of total assets. Provision for diminution in value of investment of BDT 8,036,223 (2018: BDT nil). This was an area for our audit and significant audit effort was directed. Invested in quoted shares and unquoted shares are valued at cost. However, the company made provision for diminution in value of investment as per FID circular no 08, dated 03 August 2002. We focused on this area because of the significance of the investments in the financial statements, and departure from the recognition and presentation criteria of IFRS 9, IFRS 7 & IAS 32 to comply the above circular of Bangladesh Bank for determining the valuation methodology and presentation to be applied by the management of the company.	Our audit approach was a combination of test of internal control and substantive procedures. • We obtained sufficient audit evidence to conclude that the inputs and methodologies used for the valuation of the investments are within a reasonable range and that valuation policies were consistently applied by the management of the company. • We assessed the design and operating effectiveness of the Group's key controls supporting the identification, measurement and oversight of valuation risk of financial assets. • We tested the calculations of provision for diminution in value of investment and checked the presentation and disclosure of investment in compliance with FID circular no. 8 dated 3 August 2002.
See note no 6 & 13.2 to the financial statements	
It systems and controls	
Our audit procedures have a focus on IT systems and controls due to the pervasive nature and complexity of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls	We tested the design and operating effectiveness of the Company's IT access controls over the information systems that are critical to financial reporting. We tested IT general controls (logical access, changes management and aspect of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorized. We tested the company's periodic review of access rights and reviewed request of changes to systems for appropriate approval and authorization. We considered the control environment relating to various interfaces, configuration and other application layer controls identified as key to our audit.
Term Deposit	
Term Deposit of the group BDT 5,947,076,788 which is heightened by 0.74% from the last year. Significant judgment is required for Term Deposit, which has a vice-versa relation with interest income on interest expense on deposits.	We have tested operating effectiveness of key controls on the following: • Tested the deposit attraction policy and procedure. • Identification of reinvestment rate of with the combination of deposit receiving rate. • Tested the investment maturities ladder compile with deposit tenure. • Conducted analysis for understanding industry practice on deposit interest rate compare to inflation rate. • Tested penalty practice on early settlement of deposit. • Finally assess the reinvest appropriateness in against of the receiving deposit.
See note no. 12(a) to the financial statement	

Measurement of provision for Lease, loans and advances	
The process for estimating the provision for loans, advances and portfolio associated with credit risk is significant and complex. For the analysis of large exposure on a stand-alone basis, provisions calculation consider the estimates of future business performance and the market value of collateral provided for credit transactions. For the collective analysis of exposure on portfolio basis, provision calculation and reporting are manually processed that deals with voluminous databases, assumptions and estimates. As at 31 December 2021 the Group reported total gross Lease, loans and advances of BDT 9,632,255,868 (2020: BDT 9,629,457,815) and provision for lease, loans and advances was of BDT 654,984,645 (2020: BDT 360,508,000) We have focused on the following significant judgments and estimates which could give rise to material misstatement or management bias: • Completeness and timing of recognition of loss events in accordance with criteria set out in FID circular no 08, dated 03 August 2002, FID circular no 03, dated 03 May 2006 and FID circular no 03 dated 29 April 2013; • For individually assessed provisions, the measurement of the provision may be dependent on the valuation of collateral, estimates of exit values and the timing of cash flows; • Provision measurement is primarily dependent upon key assumptions relating to probability of default, ability to repossess collateral and recovery rates.	We tested the design and operating effectiveness of key controls focusing on the following: • Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process; • Identification of loss events, including early warning and default warning indicators; • Reviewed quarterly classification of loans (CL); • Our substantive procedures in relation to the provision for loans and advances portfolio comprised the following: • Reviewed the adequacy of the companies general and specific provisions; • Assessed the methodologies on which the provision amounts based, recalculated the provisions and tested the completeness and accuracy of the underlying information; • Assessed the appropriateness and presentation of disclosure against relevant accounting standards and Bangladesh Bank guidelines, and • Finally compared the amount of loan provision and loan classification disclosed in the financial statements with the quick summary report prepared by Bangladesh Bank.
See note no 7 & 7.7 to the financial statements	
Measurement of deferred tax liabilities	
The Company reports net deferred tax liabilities (DTL) amounted to BDT 9,537,754 as at 31st December 2021. (2020: BDT 25,363,805). Deferred tax income accounted for during the year 2021 BDT 15,826,052. (Whereas Deferred tax expense accounted for the year 2020: BDT 1,317,132) Significant judgment is required in relation to deferred tax assets/liabilities as their recoverability is dependent on forecasts of future profitability over a number of years.	We obtained an understanding, evaluated the design and tested the operational effectiveness of the Group's key controls over the recognition and measurement of DTAs and the assumptions used in estimating the Groups future taxable income. • We also assessed the completeness and accuracy of the data used for the estimations of future taxable income. • We involved tax specialists to assess key assumptions, controls, recognition and measurement of DTAs. • Finally assessed the appropriateness and presentation of disclosures against IAS 12 Income Tax.
See note no 13.4 to the financial statements	

Reporting on other information

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

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

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this audit report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated and separate financial statements and internal controls

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and also separate financial statements of the Company in accordance with IFRSs as explained in note 2 and for such internal control as management determines is necessary to enable the preparation of Consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error. The Financial Institutions Act, 1993 and the Bangladesh Bank guidelines require the Management to ensure effective internal audit, internal control and risk management functions of the Company. The management is also required to make a self-assessment on the effectiveness of anti-fraud internal controls and report to Bangladesh Bank on instances of fraud and forgeries.

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

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

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Groups and the Company's ability to continue as a going concern. If we conclude that a material uncertainly exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on other legal and regulatory requirements

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

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

(ii). 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;

(iii) the consolidated and separate balance sheet and consolidated and separate profit and loss account together with the annexed notes dealt with by the report are in

agreement with the books of account and returns;

(iv) the expenditures incurred were for the purpose of the Company's business for the year;

(v) the financial statements of the Group and the Company have been drawn up in conformity with the Financial Institutions Act, 1993 and in accordance with the accounting rules and regulations which were issued by Bangladesh Bank to the extent applicable to the Company;

(vi) adequate provisions have been made for loans, advances, leases, investment and other assets which are, in our opinion, doubtful of recovery and Bangladesh Banks instructions in this regard have been followed properly;

(vii) the financial statements of the Company conform to the prescribed standards set in the accounting regulations which were issued by Bangladesh Bank after consultation with the professional accounting bodies of Bangladesh;

(viii) the records and statements which were submitted by the branches have been properly maintained and recorded in the financial statements;

(ix) statements sent to Bangladesh Bank have been checked on sample basis and no inaccuracy has come to our attention;

(x) taxes and duties were collected and deposited in the Government treasury by the Company as per Government instructions found satisfactory based on test checking;

(xi) nothing has come to our attention that the Company has adopted any unethical means i.e. "Window dressing" to inflate the profit and mismatch between the maturity of assets and liabilities;

(xii) proper measures have been taken to eliminate the irregularities mentioned in the inspection report of Bangladesh Bank and the instructions which were issued by Bangladesh Bank and other regulatory authorities have been complied properly as disclosed to us by management;

(xiii) based on our work as mentioned above under the auditor's responsibility section, the internal control and the compliance of the Company is satisfactory, and effective measures have been taken to prevent possible material fraud, forgery and internal policies are being followed appropriately;

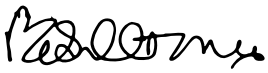
(xiv) the Company has complied with relevant laws pertaining to capital, reserve, and net worth, cash and liquid assets and procedure for sanctioning and disbursing loans/ leases found satisfactory;

(xv) we have reviewed over 80% of the risk weighted assets of the Group & Company and we have spent around 1248 person hours for the audit of the books and accounts of the Company;

(xvi) the Company has complied with relevant instructions which were issued by Bangladesh Bank relevant to classification, provisioning and calculation of interest suspense;

(xvii) the Company has complied with the "First Schedule" of the Financial Institutions Act,1993 in preparing these financial statements; and

(xviii) all other issues which in our opinion are important for the stakeholders of the Company have been adequately disclosed in the audit report.



Md. Iqbal Hossain FCA
Senior Partner
Enrolment no.: 596 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants
DVC: 2206090596AS751155

Dhaka,
Dated: 08 June, 2022

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Consolidated Balance Sheet

As at December 31, 2021

Particulars	Notes	31 Dec. 2021 Taka	31 Dec. 2020 Taka
PROPERTY AND ASSETS			
Cash		**92,132,852**	**88,245,279**
Cash in hand (Including foreign currency)	3(a)	275,098	287,181
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	3(b)	91,857,754	87,958,098
Balance with other banks and financial institutions		**564,839,994**	**390,469,803**
Inside Bangladesh	4(a)	564,839,994	390,469,803
Outside Bangladesh		-	-
Money at call and short notice	5	-	-
Investments		**330,067,804**	**372,680,138**
Government		-	-
Others	6(a)	330,067,804	372,680,138
Lease, loans and advances	7(a)	**9,427,736,286**	**9,413,080,836**
Fixed assets including land, building, furniture and fixtures	8(a)	**176,529,238**	**179,557,400**
Investment property-Building	8.1.(a)	**277,788,211**	**286,415,855**
Other assets	9(a)	**508,628,519**	**372,911,185**
Non-banking assets	10	**95,150,990**	**80,765,467**
TOTAL ASSETS		**11,472,873,893**	**11,184,125,963**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	11(a)	**2,050,695,870**	**2,024,117,165**
Deposits and other accounts		**5,968,024,516**	**5,925,440,881**
Term deposits	12(a)	5,947,076,788	5,903,557,201
Other deposits	12(b)	20,947,728	21,883,680
Other liabilities	13(a)	**1,779,373,928**	**1,609,472,735**
Total liabilities		**9,798,094,314**	**9,559,030,782**
Capital/Shareholders' equity		**1,674,777,503**	**1,625,093,102**
Paid-up capital	14.2	1,424,678,291	1,389,930,040
General reserve	15	-	-
Statutory reserve	16	140,714,913	124,338,385
Retained earnings	17(a)	109,384,298	110,824,677
Non-controlling interest		**2,077**	**2,079**
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		**11,472,873,893**	**11,184,125,963**
CONSOLIDATED OFF - BALANCE SHEET ITEMS			
Contingent liabilities	18.1		
Acceptances and endorsements		-	-
Letters of guarantee		100,000,000	-
Irrevocable letters of credit		-	-
Bills for collection		-	-
Total		**100,000,000**	**-**
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		-	442,900,000
Claims against the bank not acknowledged as debts		-	-
Total		**-**	**442,900,000**
TOTAL OFF BALANCE SHEET ITEMS INCLUDING CONTINGENT LIABILITIES		**100,000,000**	**442,900,000**
Net assets value (NAV) per share (Restated)	35(a)	**11.76**	**11.41**

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

Chairman | Director | Managing Director | Chief Financial Officer | Company Secretary

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

Md. Iqbal Hossain FCA
Senior Partner
Enrolment no.: 596 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Date : June 08, 2022
Place : Dhaka
DVC: 2206090596AS751155

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Consolidated Profit and Loss Account

For the year ended December 31, 2021

Particulars	Notes	31 Dec. 2021 Taka	31 Dec. 2020 Taka
Interest income	20(a)	1,216,388,971	1,021,830,884
Interest on deposits & borrowings, etc.	21(a)	743,517,892	841,231,598
Net interest income		**472,871,079**	**180,599,286**
Income from investment	22(a)	61,089,487	29,561,439
Commission, exchange and brokerage		1,100,000	-
Other operating income	23(a)	75,899,387	81,987,006
Total operating income		**610,959,953**	**292,147,731**
Salary and allowances	24(a)	129,937,586	127,809,441
Rent, taxes, insurances, electricity, etc.	25(a)	8,659,605	8,263,216
Legal expenses	26(a)	2,999,122	1,917,387
Postage, stamp, telecommunication, etc.	27(a)	2,821,850	2,640,450
Stationery, printing, advertisements, etc.	28(a)	2,386,174	1,483,340
Managing Director's salary and benefits	29	9,472,004	9,472,000
Directors' fees and expenses	30(a)	1,375,200	1,275,200
Auditors' fees		247,250	211,000
Depreciation and repair of company's assets	31(a)	21,781,984	22,397,332
Other expenses	32(a)	7,758,117	6,174,830
Total operating expenses		**187,438,892**	**181,644,196**
Profit before provision		**423,521,060**	**110,503,535**
General provisions	33(a)	20,845,862	1,374,610
Specific provisions	33(b)	290,466,088	16,007,307
Diminution in value of investments	33(c)	(5,675,230)	(87,075,137)
Other provisions	33(f)	16,873,190	15,280,924
Provision for off balance sheet exposures	33 (g)	1,000,000	-
Total provision		**323,509,910**	**(54,412,296)**
Total profit before tax		**100,011,151**	**164,915,831**
Current tax	33(d)	32,519,386	49,845,624
Deferred tax	33(e)	(16,941,067)	(218,664)
		15,578,319	**49,626,959**
Net profit after tax		**84,432,832**	**115,288,871**
Attributable to			
Shareholders of the Company		84,432,652	115,288,689
Non-controlling interest		180	182
		84,432,832	**115,288,871**
Appropriations to			
General reserve	15	-	-
Statutory reserve	16	16,376,528	22,509,150
		16,376,528	**22,509,150**
Retained surplus		**68,056,124**	**92,779,539**
Earnings per Share (EPS) (Restated)	**34(a)**	**0.59**	**0.81**

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

Chairman | Director | Managing Director | Chief Financial Officer | Company Secretary

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

Md. Iqbal Hossain FCA
Senior Partner
Enrolment no.: 596 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Date : June 08, 2022
Place : Dhaka
DVC: 2206090596AS751155

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Consolidated Statement of Cash Flows

For the year ended December 31, 2021

Particulars	Notes	31 Dec. 2021 Taka	31 Dec. 2020 Taka
A) Cash flow from operating activities			
Interest received		1,196,203,373	996,261,183
Interest paid		(970,699,445)	(856,364,468)
Dividend received		5,572,682	7,120,552
Fees & commission received		1,100,000	-
Recoveries of loans previously written off		(14,162,029)	25,750,615
Cash payments to employees		(139,409,590)	(137,281,441)
Cash payments to suppliers		(2,386,174)	(1,483,340)
Income tax paid		(34,899,175)	(30,586,610)
Received from other operating activities		130,980,418	96,487,863
Payments for other operating activities		(25,572,550)	(21,848,095)
Operating profit before changes in operating assets & liabilities		**146,727,509**	**78,056,257**
Changes in operating assets and liabilities			
Purchases/sale of trading securities		42,612,333	(15,163,867)
Loans and lease finance to customers		(31,490,755)	(115,276,024)
Other assets		(107,849,389)	(2,884,874)
Deposits from banks & individuals		42,583,635	(112,206,210)
Other liabilities		95,760,372	99,966,933
Sub Total		**41,616,197**	**(145,564,041)**
Net cash from operating activities		**188,343,706**	**(67,507,784)**
B) Cash flow from investing activities			
Sales proceeds of fixed assets		40,900	14,000
Purchases of fixed assets		(1,957,297)	(849,328)
Net cash from investing activities		**(1,916,397)**	**(835,328)**
C) Cash flow from financing activities			
Increase/(decrease) of borrowings		26,578,705	135,074,951
Dividend paid		(34,748,251)	(33,900,730)
Net cash from financing activities		**(8,169,546)**	**101,174,221**
D) Net increase/(decrease) in cash & cash equivalents (A+B+C)		**178,257,763**	**32,831,109**
E) Effects of exchange rate changes on cash & cash equivalents		-	-
F) Cash and cash equivalents at the beginning of the year		**478,715,082**	**445,883,973**
G) Cash and cash equivalents at the end of the period (D+E+F)*		**656,972,845**	**478,715,082**
Cash and cash equivalents at the end of the period			
Cash in hand (including foreign currency)	3(a)	275,098	287,181
Balance with Bangladesh Bank and its agent bank (s) (including foreign currency)	3(b)	91,857,754	87,958,098
Balance with other banks and financial institutions	4(a)	564,839,994	390,469,803
Total		**656,972,845**	**478,715,082**
Net operating cash flow per share (NOCFPS) (Restated)	**36(a)**	**1.32**	**(0.47)**

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

Chairman | Director | Managing Director | Chief Financial Officer | Company Secretary

Md. Iqbal Hossain FCA
Senior Partner
Enrolment no.: 596 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Date : June 08, 2022
Place : Dhaka
DVC: 2206090596AS751155

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Consolidated Statement of Changes in Equity

For the year ended December 31, 2021

Particulars	Attributable to equity holders of the company				Non-Controlling Interest Taka	Total Equity Taka
	Paid-up Capital Taka	Statutory Reserve Taka	Retained Earnings Taka	Total Taka		
Balance as at January 1, 2021	**1,389,930,040**	**124,338,385**	**110,824,677**	**1,625,093,102**	**2,079**	**1,625,095,181**
Stock dividend for 2020	34,748,251		(34,748,251)	-	-	-
Cash dividend for 2020			(34,748,251)	(34,748,251)	(182)	(34,748,433)
Restated balance	**1,424,678,291**	**124,338,385**	**41,328,175**	**1,590,344,851**	**1,897**	**1,590,346,748**
Items involves in changes in equity						
Profit/(loss) for the period	-	-	84,432,652	84,432,652	180	84,432,832
Transfer to statutory reserve	-	16,376,528	(16,376,528)	-	-	-
Net change	**-**	**16,376,528**	**68,056,123**	**84,432,652**	**180**	**84,432,832**
Balance as at December 31, 2021	**1,424,678,291**	**140,714,913**	**109,384,298**	**1,674,777,503**	**2,077**	**1,674,779,580**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Consolidated Statement of Changes in Equity

For the year ended December 31, 2020

Particulars	Attributable to equity holders of the company				Non-Controlling Interest Taka	Total Equity Taka
	Paid-up Capital Taka	Statutory Reserve Taka	Retained Earnings Taka	Total Taka		
Balance as at January 1, 2020	**1,356,029,310**	**101,829,235**	**85,846,598**	**1,543,705,143**	**2,057**	**1,543,707,200**
Stock dividend for 2019	33,900,730	-	(33,900,730)	-	-	-
Cash Dividend for 2019			(33,900,730)	(33,900,730)	(160)	(33,900,890)
Restated balance	**1,389,930,040**	**101,829,235**	**18,045,138**	**1,509,804,413**	**1,897**	**1,509,806,310**
Items involves in changes in equity						
Profit/(loss) for the period	-	-	115,288,689	115,288,689	182	115,288,871
Transfer to statutory reserve	-	22,509,150	(22,509,150)	-	-	-
Net change	-	22,509,150	92,779,539	115,288,689	182	115,288,871
Balance as at December 31, 2020	**1,389,930,040**	**124,338,385**	**110,824,677**	**1,625,093,102**	**2,079**	**1,625,095,181**

Chairman | Director | Managing Director | Chief Financial Officer | Company Secretary

Date : June 08, 2022
Place : Dhaka
DVC: 2206090596AS751155

Md. Iqbal Hossain FCA
Senior Partner
Enrolment no.: 596 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

MIDAS FINANCING LIMITED

Balance Sheet

As at December 31, 2021

Particulars	Notes	31 Dec. 2021 Taka	31 Dec. 2020 Taka
PROPERTY AND ASSETS			
Cash		**92,129,415**	**88,241,842**
Cash in hand (Including foreign currency)	3.1	271,661	283,744
Balance with Bangladesh Bank and its agent bank(s) (Including foreign currency)	3.2	91,857,754	87,958,098
Balance with other banks and financial institutions		**552,525,723**	**388,931,739**
Inside Bangladesh	4.1	552,525,723	388,931,739
Outside Bangladesh		-	-
Money at call and short notice	**5**	**-**	**-**
Investments		**239,938,883**	**266,095,980**
Government		-	-
Others	6	239,938,883	266,095,980
Lease, loans and advances	**7**	**9,632,255,868**	**9,629,457,815**
Fixed assets including land, building, furniture and fixtures	**8**	**140,265,892**	**142,728,817**
Investment property-Building	**8.1**	**138,006,169**	**143,049,658**
Other assets	**9**	**649,923,441**	**528,088,712**
Non-banking assets	**10**	**95,150,990**	**80,765,467**
TOTAL ASSETS		**11,540,196,380**	**11,267,360,030**
LIABILITIES AND CAPITAL			
Liabilities			
Borrowings from other banks, financial institutions and agents	**11**	**2,050,695,870**	**2,024,117,165**
Deposits and other accounts		**6,173,024,516**	**6,130,440,881**
Term deposits	12.1	6,152,076,788	6,108,557,201
Other deposits		20,947,728	21,883,680
Other liabilities	**13**	**1,650,504,621**	**1,493,965,000**
Total liabilities		**9,874,225,007**	**9,648,523,046**
Capital/Shareholders' equity		**1,665,971,373**	**1,618,836,984**
Paid-up capital	14.2	1,424,678,291	1,389,930,040
General reserve	15	-	-
Statutory reserve	16	140,714,913	124,338,385
Retained earnings	17	100,578,168	104,568,559
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		**11,540,196,380**	**11,267,360,030**
OFF - BALANCE SHEET ITEMS			
Contingent liabilities	**18.1**		
Acceptances and endorsements		-	-
Letters of guarantee		100,000,000	-
Irrevocable letters of credit		-	-
Bills for collection		-	-
Total		**100,000,000**	**-**
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		-	442,900,000
Claims against the Bank not acknowledged as debts		-	-
Total		**-**	**442,900,000**
TOTAL OFF BALANCE SHEET ITEMS INCLUDING CONTINGENT LIABILITIES		**100,000,000**	**442,900,000**
Net assets value (NAV) per share (Restated)	**35**	**11.69**	**11.36**

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

Chairman | Director | Managing Director | Chief Financial Officer | Company Secretary

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

Md. Iqbal Hossain FCA
Senior Partner
Enrolment no.: 596 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Date : June 08, 2022
Place : Dhaka
DVC: 2206090596AS751155

MIDAS FINANCING LIMITED

Profit and Loss Account

For the year ended December 31, 2021

Particulars	Notes	31 Dec. 2021 Taka	31 Dec. 2020 Taka
Interest income	20	1,238,901,798	1,048,795,003
Interest on deposits & borrowings, etc.	21	762,986,485	862,777,843
Net interest income		**475,915,314**	**186,017,160**
Income from investment	22	72,945,322	44,956,525
Commission, exchange and brokerage		1,100,000	-
Other operating income	23	46,094,063	44,858,581
Total operating income		**596,054,698**	**275,832,266**
Salary and allowances	24	123,996,306	122,699,715
Rent, taxes, insurances, electricity, etc.	25	7,740,306	7,573,093
Legal expenses	26	2,884,122	1,855,792
Postage, stamp, telecommunication, etc.	27	2,652,808	2,479,766
Stationery, printing, advertisements, etc.	28	2,306,374	1,449,956
Managing Director's salary and benefits	29	9,472,004	9,472,000
Directors' fees and expenses	30	1,295,200	1,179,200
Auditors' fees		189,750	165,000
Depreciation and repair of company's assets	31	17,511,404	16,614,090
Other expenses	32	6,216,705	4,725,940
Total operating expenses		**174,264,979**	**168,214,552**
Profit before provision		**421,789,719**	**107,617,714**
General provisions	33	20,845,862	1,374,610
Specific provisions	33	290,466,088	16,007,307
Diminution in value of investments	33	8,036,223	(79,397,550)
Other provisions	33	10,811,998	9,219,732
Provision for off balance sheet exposures	33	1,000,000	-
Total provision		**331,160,170**	**(52,795,901)**
Profit before tax		**90,629,549**	**160,413,615**
Current tax	33(d)	24,572,962	46,550,734
Deferred tax	33(e)	(15,826,052)	1,317,132
		8,746,911	**47,867,866**
Net profit after taxation		**81,882,639**	**112,545,750**
Appropriations to			
General reserve	15	-	-
Statutory reserve	16	16,376,528	22,509,150
		16,376,528	**22,509,150**
Retained surplus		**65,506,111**	**90,036,600**
Earnings per Share (EPS) (Restated)	**34**	**0.57**	**0.79**

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

Chairman | Director | Managing Director | Chief Financial Officer | Company Secretary

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

Md. Iqbal Hossain FCA
Senior Partner
Enrolment no.: 596 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Date : June 08, 2022
Place : Dhaka
DVC: 2206090596AS751155

MIDAS FINANCING LIMITED

Statement of Cash Flows

For the year ended December 31, 2021

Particulars	Notes	31 Dec. 2021 Taka	31 Dec. 2020 Taka
A) Cash flow from operating activities			
Interest received		1,218,716,202	1,023,225,303
Interest paid		(994,976,401)	(872,163,721)
Dividend received		2,822,928	4,803,106
Fees & commission received		1,100,000	-
Recoveries of loans previously written off		(14,162,029)	25,750,615
Cash payments to employees		(133,468,310)	(132,171,715)
Cash payments to suppliers		(2,306,374)	(1,449,956)
Income tax paid		(28,978,156)	(24,785,317)
Received from other operating activities		96,216,617	65,012,160
Payments for other operating activities		(22,679,503)	(19,033,669)
Operating profit before changes in operating assets & liabilities		**122,284,974**	**69,186,806**
Changes in operating assets and liabilities			
Purchases/sale of trading securities		26,157,097	(20,621,714)
Loans and lease finance to customers		11,363,977	(110,012,605)
Other assets		(106,832,844)	(3,258,175)
Deposits from banks & individuals		42,583,635	(112,206,210)
Other liabilities		81,957,768	111,929,411
Sub total		**55,229,632**	**(134,169,292)**
Net cash from operating activities		**177,514,606**	**(64,982,486)**
B) Cash flow from investing activities			
Sales proceeds of fixed assets		40,900	14,000
Purchases of fixed assets		(1,904,405)	(849,328)
Net cash from investing activities		**(1,863,505)**	**(835,328)**
C) Cash flow from financing activities			
Increase/(decrease) of borrowings		26,578,705	135,074,951
Dividend paid		(34,748,251)	(33,900,730)
Net cash from financing activities		**(8,169,546)**	**101,174,221**
D) Net increase/(decrease) in cash & cash equivalents (A+B+C)		**167,481,556**	**35,356,406**
E) Effects of exchange rate changes on cash & cash equivalents		-	-
F) Cash and cash equivalents at the beginning of the year		**477,173,581**	**441,817,175**
G) Cash and cash equivalents at the end of the period (D+E+F)*		**644,655,137**	**477,173,581**
*** Cash and cash equivalents at the end of the period**			
Cash in hand (including foreign currency)	3.1	271,661	283,744
Balance with Bangladesh Bank and its agent bank (s) (including foreign currency)	3.2	91,857,754	87,958,098
Balance with other banks and financial institutions	4	552,525,723	388,931,739
Total		**644,655,137**	**477,173,581**
Net operating cash flow per share (NOCFPS) (Restated)	**36**	**1.25**	**(0.46)**

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

Chairman | Director | Managing Director | Chief Financial Officer | Company Secretary

Md. Iqbal Hossain FCA
Senior Partner
Enrolment no.: 596 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Date : June 08, 2022
Place : Dhaka
DVC: 2206090596AS751155

MIDAS FINANCING LIMITED
Statement of Changes in Equity
For the year ended December 31, 2021

Particulars	Paid-up Capital Taka	Statutory Reserve Taka	Retained Earnings Taka	Total Taka
Balance as at January 1, 2021	**1,389,930,040**	**124,338,385**	**104,568,560**	**1,618,836,985**
Stock dividend for 2020	34,748,251	-	(34,748,251)	-
Cash dividend for 2020	-	-	(34,748,251)	(34,748,251)
Restated balance	**1,424,678,291**	**124,338,385**	**35,072,058**	**1,584,088,734**
Items involves in changes in equity				
Profit/(loss) for the period	-	-	81,882,639	81,882,639
Transfer to statutory reserve	-	16,376,528	(16,376,528)	-
Net change	**-**	**16,376,528**	**65,506,111**	**81,882,639**
Balance as at December 31, 2021	**1,424,678,291**	**140,714,913**	**100,578,169**	**1,665,971,373**

MIDAS FINANCING LIMITED
Statement of Changes in Equity
For the year ended December 31, 2020

Particulars	Paid-up Capital Taka	Statutory Reserve Taka	Retained Earnings Taka	Total Taka
Balance as at January 1, 2020	**1,356,029,310**	**101,829,235**	**82,333,420**	**1,540,191,965**
Stock dividend for 2019	33,900,730	-	(33,900,730)	-
Cash dividend for 2019			(33,900,730)	(33,900,730)
Restated balance	**1,389,930,040**	**101,829,235**	**14,531,960**	**1,506,291,235**
Items involves in changes in equity				
Profit/(loss) for the period	-	-	112,545,750	112,545,750
Transfer to statutory reserve	-	22,509,150	(22,509,150)	-
Balance as at December 31, 2020	**1,389,930,040**	**124,338,385**	**104,568,560**	**1,618,836,985**

Chairman | Director | Managing Director | Chief Financial Officer | Company Secretary

Md. Iqbal Hossain FCA
Senior Partner
Enrolment no.: 596 (ICAB)
Zoha Zaman Kabir Rashid & Co.
Chartered Accountants

Date : June 08, 2022
Place : Dhaka
DVC: 2206090596AS751155

MIDAS FINANCING LIMITED

Liquidity Statements

As at December 31, 2021

Amount in Taka

Particulars	Not more than 1 month term	01-03 Months term	03-12 Months term	01-05 Years term	Avobe 05 years term	Total
Assets						
Cash in hand (Including foreign currency)	271,661	-	-	-	-	271,661
Balance with Bangladesh Bank and its agent bank(s)	91,857,754	-	-	-	-	91,857,754
Balance with other banks and financial institutions	130,177,013	185,000,000	237,348,709	-	-	552,525,722
Money at call and short notice	-	-	-	-	-	-
Investments	-	1,394,361	175,379,289	37,533,143	25,632,090	239,938,883
Lease, loans and advances	723,844,874	1,254,972,775	3,975,678,577	2,054,216,238	1,623,543,404	9,632,255,868
Fixed assets including land, building, furniture and fixtures	880,204	1,760,407	7,921,833	55,452,830	74,250,619	140,265,892
Building (Investment property)	-	1,260,872	3,782,617	25,217,447	107,745,233	138,006,169
Other assets	104,677,565	52,454,285	7,789,754	194,428,933	290,572,904	649,923,441
Non-banking assets	-	-	95,150,990	-	-	95,150,990
Total Assets (i)	**1,051,709,071**	**1,496,842,701**	**4,503,051,769**	**2,366,848,590**	**2,121,744,250**	**11,540,196,380**
Liabilities						
Borrowings from other banks, financial institutions and agents	241,377,445	119,912,560	576,392,837	654,971,966	458,041,062	2,050,695,870
Deposits and other accounts	716,800,656	1,017,868,702	3,309,825,638	1,116,989,050	11,540,470	6,173,024,516
Provision and other liabilities	59,470,024	334,117,265	604,593,147	556,862,109	95,462,076	1,650,504,621
Total Liabilities (ii)	**1,017,648,124**	**1,471,898,528**	**4,490,811,622**	**2,328,823,125**	**565,043,608**	**9,874,225,007**
Net Liquidity Gap (i-ii)	**34,060,947**	**24,944,173**	**12,240,147**	**38,025,465**	**1,556,700,642**	**1,665,971,373**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

1. Legal status and nature of the company

1.1 Domicile, legal form and country of incorporation

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

1.2 Principal activities and nature of operation

"The main activities of the Company include the following:"

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

1.3 Subsidiary Company

MIDAS Investment Limited (MIL)

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

2. Significant accounting policies

2.1 Basis of preparation of the financial statements

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

The presentation of the financial statements has been made as per the requirements of DFIM Circular No: 11, dated December 23, 2009 issued by the Department of Financial Institutions and Markets (DFIM) of Bangladesh Bank. The activities and accounting heads mentioned in the prescribed form, which are not applicable for the financial institutions, have been kept blank in the financial statements.

The requirements of accounting standards as per IFRS that have been departed to comply with Bangladesh Bank requirements have been disclosed in detail in note-2.3 & Annexure-E.

However, this departure with IFRS has been made by following all of the relevant provisions of IAS-1 and the details disclosures are given in note-2.3 & Annexure-C by following the provision of Para 20 of IAS-1 (Presentation of Financial Statements).

2.2 Basis of measurement

This financial statements have been prepared based on International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs) and no adjustment has been made for inflationary factors affecting the financial statements. The accounting policies, unless otherwise stated, have been consistently applied by the Company and are consistent with those of the previous year.

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

Bangladesh Bank (the local Central Bank) is the prime regulatory body for Financial Institutions in Bangladesh. Some requirements of Bangladesh Bank's rules and regulations contradict with those of financial instruments and general provision standards of IAS and IFRS. As such the company has departed from those contradictory requirements of IAS/ IFRS in order to comply with the rules and regulations of Bangladesh Bank, which are disclosed in Annexure-E along with financial impact where applicable.

2.4 Significant accounting policies

Same disclosed accounting policies and methods of computation have been followed in these Financial Statements as were applied in the preparation of the financial statements of MIDAS Financing Limited as at and for the year ended 31 December 2021.

2.5 Use of estimates and judgments

The preparation of financial statements in conformity with International Accounting Standards (IASs) and International Financial Reporting Standards (IFRS) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. It also requires disclosures of contingent assets and liabilities at the date of the financial statements.

The most critical estimates and judgments are applied to the following:

a. Provision for impairment of loans, leases, investments, income tax and deferred tax.

b. Useful life of depreciable assets.

c. Gratuity.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

However, the estimates and underlying assumptions are reviewed on an ongoing basis and the revision is recognized in the period in which the estimates are revised. In accordance with the guidelines as prescribed by IAS 37, "Provisions, Contingent Liabilities and Contingent Assets" , provisions are recognized in the following situations:

Provisions

Provisions are liabilities that are uncertain in timing or amount. Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Contingent Liability :

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present obligation as a result of past events but is not recognized because it is not likely that an outflow of resources will be required to settle the obligation; or the amount cannot be reliably estimated. Contingent liabilities normally comprise legal claims under arbitration or court process in respect of which a liability is not likely to occur.

Contingent Assets:

A contingent asset is possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are never recognized, rather they are disclosed in the financial statements when they arise.

2.6 Accounting for term finance & other finances

Books of accounts for term finance operation are maintained based on the accrual method of accounting. Outstanding loans, along with the accrued interest thereon, for short-term finance, and unrealised principal for long-term finance, real estate finance, car loans and other finances are accounted for as term finance assets of the Company. Interest earnings are recognised as operational revenue periodically.

2.7 Investment in securities

Investment in marketable ordinary shares has been shown at cost, on an aggregate portfolio basis. Investment in non-marketable shares has been valued at cost. Full provision for diminution in value of shares as on closing of the year on an aggregate portfolio basis is made in the financial statements as required by Bangladesh Bank DFIM circular No. 02 dated January 31, 2012.

2.8 Consolidation of operation of subsidiary

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

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

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

2.9 Risk and uncertainty for use of estimates (Provisions)

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

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

a. When the Company has an obligation as a result of past events;

b. When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

c. Reliable estimate can be made of the amount of the obligation.

2.10 Components of the financial statements

The financial statements comprise of (As per DFIM Circular No. 11, Dated December 23, 2009):

a) Balance Sheet as at 31 December 2021;

b) Profit and Loss Account for the year ended 31 December 2021;

c) Statement of Cash Flows for the year ended 31 December 2021;

d) Statement of Changes in Equity for the year ended 31 December 2021;

e) Liquidity Statement for the year ended 31 December 2021;

f) Notes to the Financial Statements for the year ended 31 December 2021.

2.11 Directors' responsibility statement

The Board of Directors' takes the responsibility for the preparation and presentation of these financial statements.

2.12 Reporting period

These financial statements have been prepared for the period from January 01, 2021 to December 31, 2021.

2.13 Date of authorization

The Board of directors has authorized this financial statements on June 08, 2022

2.14 Comparative information

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

2.15 Functional and presentation currency

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

2.16 Statement of cash flows

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

2.17 Leases

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

Changes in significant accounting policies - IFRS 16 Leases

Nature and impact of changes

Definition of a lease

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

As a leasee

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

Leases classified as opertaing lease under IAS 17

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

Leases previously classified as finance lease

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

As a lessor

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

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

Accounting policy for IFRS 16: Leases

MFL has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 as Operating Lease.

2.18 Fixed assets (property, plant and equipments) and depreciation

2.18.1 i) Recognition and measurement

Items of own fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the assets to its working condition for its intended use as per International Accounting Standard (IAS) 16, "Property, Plant and Equipment".

2.18.2 ii) Subsequent expenditure on Fixed assets

Subsequent expenditure is capitalised only when it increases the future economic benefit from the assets and that cost can be measured reliably. All other expenditures are recognised as an expense as and when they are incurred.

Fixed Assets are depreciated based on Reducing Balance and Straight Line Method and rate of depreciation are charged from 2.5% to 20%. Addition to fixed assets are depreciated from the month of acquisition for full month irrespective of the date of acquisition of the month of the assets at the applicable rate while no depreciation is charged on any item in the month of disposal. No depreciation was charged on land.

I. Free holds assets	Method	Rate of Depreciation
Land	N/A	N/A
Building	Straight Line	2.5%
ROU-Assets for lease rent	Straight Line	Lease term
Office Equipment	Reducing Balance	18%
Computer Equipment	Reducing Balance	18%
Furniture & Fixtures	Reducing Balance	10%
Motor Vehicle	Reducing Balance	20%

2.18.3 Investment Property

Investment property is held to earn rentals or for capital appreciation or both. Therefore, an investment property generates cash flows largely independently of the other assets held by an entity. This distinguishes investment property from owner occupied property. The production or supply of goods or services (or the use of property for administrative purposes) generates cash flows that are attributable not only to property, but also to other assets used in the production or supply process. As per IAS 40, an entity may choose either the fair value model or the cost model for all other investment property The Company decided to measure the investment properties in cost value of the property.

2.19 **Intangible assets and amortisation of intangible assets**

Recognition & Measurement

Intangible assets comprise the value of computer software. Intangible assets acquired separately are measured on initial recognition at cost and are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Amortisation

Amortisation is calculated using the straight line method to write down the cost of intangible assets to their residual values over their estimated useful lives based on the management best estimates of 3 or 5 years.

Subsequent expenditure

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits in the specifications to which it relates. All other expenditures are expensed as incurred.

II. Intangible assets	Method	Rate of Depreciation
System & software	Reducing Balance	30%

2.20 On disposal of fixed assets, the written down value are eliminated from sale proceeds and gain or loss on such disposal is reflected in the profit and loss account as per requirement of IAS-16.
Depreciation methods, useful lives and residual values, if any are reviewed at the balance sheet date.

2.21 **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.

2.22 **Bank loans**

Bank loans are recorded at the proceeds received. Interest on bank loans is accounted for on accrual basis and charged to profit and loss account.

2.23 **Statutory reserve**

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

2.24 **Employees benefit obligation**

(a) Defined contribution plan

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

(b) Gratuity

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

2.25 **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 (Non SME)	1%
Financing to the Subsidiaries and/or Sister Concerns/Brokerage House/ Merchant Banks/Stock Dealers	2%
Special mention account (SMA)	5%
Specific provision on:	
Substandard loans and advances (SS)	20%
Doubtful loans and advances (DF)	50%
Bad/loss loans and advances (BL)	100%

2.26 Income Tax

2.26.1 Current tax

Provision for current income tax has been made as per IAS 12 and in accordance with the Income Tax Ordinance 1984 and amendment made there to from time to time.

2.26.2 Deferred tax

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

2.27 Revenue recognition

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

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

2.27.1 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.

2.27.2 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.

2.27.3 Fees base income

Fees base incomes are taken into income on cash basis.

2.27.4 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.

2.27.5 Rental income

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

2.27.6 Gain/(Loss) on sale of securities

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

2.28 Borrowing costs

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

The Company capitalized borrowing costs that is directly attributable to the acquisition, construction or production of qualifying asset. Other borrowing costs are recognized as an expense as per IAS 23 "Borrowing Cost"

2.29 Interest suspense account

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

2.30 Write-off

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

2.31 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.

2.32 Earnings per share (EPS)

The Company calculates Earnings Per Share (EPS) in accordance with IAS 33: Earnings Per Share, which has been shown on the face of profit and loss account, and the computation of EPS is stated in Note 34. The compnay issued 3,474,825 nos shares during the year against the stock dividend declared for the year 2020. As a result, total number of share outstanding as of 31 December 2021 was 142,467,829 nos. Therefore, the EPS of 2020 has been restated to conform current year's presentation.

2.33 Related party disclosure

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

2.34 Going Concern

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

2.35 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.

2.36 Contingent liabilities and contingent assets

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

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

2.37 Liquidity statement

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

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) Deposits and other accounts are on the basis of their maturity terms and past behaviour trends.
h) Other liabilities are on the basis of their settlement terms.

2.38 Reclassifications

To facilitate comparison, certain relevant balances pertaining to the previous period have been rearranged/restated/ reclassified, whenever considered necessary, to conform to current period's presentation.

2.39 BASEL II and its implementation

To cope with the international best practice and to make the capital more risk sensitive as well as shock resilient, guidelines on "BASEL Accord for Financial Institutions (BAFI)" have been introduced from January 01, 2011 on test basis by Bangladesh Bank. At the end of the test run period, BASEL Accord regime has started and the guidelines namely "Prudential Guidelines on Capital Adequacy and Market Discipline for Financial Institutions (CAMD)" have come fully into force from January 01, 2012 with its subsequent supplements/revisions. Instructions regarding Minimum Capital Requirement (MCR), Adequate Capital and disclosure requirement as stated in these guidelines have to be followed by all Financial Institutions for the purpose of statutory compliance.As per CAMD guidelines, Financial Institutions should maintain a Capital Adequacy Ratio (CAR) of minimum 10% which is complied by the company. Latest status of Capital Adequacy Ratio (CAR) has been shown in note - 14.6 & 14.7

2.40 Status of compliance of International Accounting Standards and International Financial Reporting Standards

In addition to compliance with local regulatory requirements, in preparing the Financial Statements, MFL applied following IAS and IFRS:

Name of the IAS	IAS No.	Status
Presentation of Financial Statements	1	Applied *
Inventories	2	N/A
Statements of Cash Flow	7	Applied
Accounting Policies, Changes in Accounting Estimates and Errors	8	Applied
Events after the Reporting Period	10	Applied
Income Taxes	12	Applied
Property, Plant and Equipment	16	Applied
Employee Benefits	19	Applied
Accounting for Government Grants and Disclosure of Government Assistance	20	N/A
The Effects of Changes in Foreign Exchange Rates	21	Applied
Borrowing Costs	23	Applied
Related Party Disclosures	24	Applied
Accounting and Reporting by Retirement Benefit Plans	26	N/A
Separate Financial Statements	27	Applied
Investment in Associates and Joint Ventures	28	N/A
Financial Reporting in Hyperinflationary Economics	29	N/A
Interests in Joint Ventures	31	N/A
Earnings per share	33	Applied
Interim Financial Reporting	34	Applied
Impairment of Assets	36	Applied
Provisions, Contingent Liabilities and Contingent Assets	37	Applied
Intangible Assets	38	Applied
Investment Property	40	Applied
Agriculture	41	N/A

Name of the IFRS	IFRS No.	Status
Share Based payment	2	N/A
Business combination	3	N/A
Insurance Contracts	4	N/A
Non-current assets held for sale and discontinued operation	5	N/A
Exploration for and Evaluation of Mineral Resources	6	N/A
Financial Instruments: Disclosures	7	Applied *
Operating Segments	8	N/A
Consolidated Financial Statements	10	N/A
Joint Arrangement	11	N/A
Disclosure of Interest in Other Entities	12	N/A
Fair Value Measurement	13	Applied *
Revenue from Contract with Customers	15	Applied *
Leases	16	Applied *

N/A= Not Applicable

*As the regulatory requirements differ with the standards, relevant disclosures have been made in accordance with Bangladesh Bank's requirements.

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020
3	**Cash**			
	Cash in hand (including foreign currency)	3.1	271,661	283,744
	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)	3.2	91,857,754	87,958,098
	Total		**92,129,415**	**88,241,842**
3.1	**Cash in hand (including foreign currency)**			
	In local currency		271,661	283,744
	In foreign currency		-	-
	Total		**271,661**	**283,744**
3.2	**Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)**			
	In local currency		91,857,754	87,958,098
	In foreign currency		-	-
	Total		**91,857,754**	**87,958,098**
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 and DFIM circular # 03 dated June 21, 2020.			
	The minimum Cash Reserve Requirement on the Company's total term deposits and other deposits (except banks & financial institutions) at the rate of 1.50% 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		87,866,361	84,427,873
	Actual reserve maintained	3.2	91,857,754	87,958,098
	Surplus		**3,991,393**	**3,530,225**
3.5	**Statutory liquidity reserve (SLR)**			
	Required reserve (including CRR)		319,845,441	308,630,618
	Actual reserve held (including CRR)		644,655,137	477,173,581
	Surplus		**324,809,697**	**168,542,963**
3.6	**Actual reserve held (including CRR)**			
	Cash in hand (including foreign currency)		271,661	283,744
	Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)		91,857,754	87,958,098
	Balance with other banks and financial institutions		552,525,723	388,931,739
	Total		**644,655,137**	**477,173,581**
3(a)	**Consolidated cash**			
	Consolidated cash in hand (including foreign currency)			
	MIDAS Financing Ltd.		271,661	283,744
	MIDAS Investment Ltd.		3,437	3,437
	Total		**275,098**	**287,181**
3(b)	**Consolidated Balance with Bangladesh Bank and its agent bank(s) (including foreign currency)**			
	MIDAS Financing Ltd.		91,857,754	87,958,098
	MIDAS Investment Ltd.		-	-
	Total		**91,857,754**	**87,958,098**
4	**Balance with other banks and financial institutions**			
	Inside Bangladesh		552,525,723	388,931,739
	Outside Bangladesh		-	-
	Total		**552,525,723**	**388,931,739**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020
4.1	**Inside Bangladesh**			
A.	**STD accounts**			
	Standard Bank Ltd.		97,441,668	132,088,457
	United Commercial Bank Ltd.		9,532,982	8,290,915
	IFIC Bank Ltd.		1,721,718	2,453,265
	Janata Bank Ltd.		1,150	1,728
	Mercantile Bank Ltd.		2,584,508	6,110,780
	Uttara Bank Ltd.		2,492	3,245
	Agrani Bank Ltd.		1,366,378	-
	AB Bank Ltd.		285,842	434,859
	Dutch Bangla Bank Ltd.		1,342,741	603,645
	One Bank Ltd.		663,235	444,420
	The Premier Bank Ltd.		2,639,438	1,802,830
	Pubali Bank Ltd.		2,628,328	1,253,052
	Bangladesh Development Bank Ltd.		6,975	7,377
	Jamuna Bank Ltd		6,045,085	4,808,011
	Mutual Trust Bank Ltd.		2,613,531	2,017,484
	Modhumoti Bank Ltd.		65,548	57,653
	Bangladesh Krishi Bank		80,558	105,009
	Total A		**129,022,179**	**160,482,730**
B.	**Current accounts**			
	United Commercial Bank Ltd.		1,134,165	1,075,885
	Agrani Bank Ltd.		20,670	24,415
	Total B		**1,154,835**	**1,100,300**
C.	**Term deposits**			
	United Commercial Bank Ltd.		55,000,000	55,000,000
	Jamuna Bank Ltd.		50,000,000	50,000,000
	Standard Bank Ltd.		90,000,000	-
	The City Bank Ltd		50,000,000	50,000,000
	Bangladesh Industrial Finance and Investment Company Ltd.		22,348,709	22,348,709
	Exim Bank Ltd.		60,000,000	-
	Agrani Bank Limited		45,000,000	-
	Uttara Bank Ltd.		50,000,000	50,000,000
	Total C		**422,348,709**	**227,348,709**
	Total (A+B+C)		**552,525,723**	**388,931,739**
4.2	**Maturity grouping of balance with other banks and financial institutions**			
	On demand		130,177,013	161,583,030
	Not more than 3 months		185,000,000	35,000,000
	More than 3 months but less than 1 year		237,348,709	192,348,709
	More than 1 year but less than 5 years		-	-
	More than 5 years		-	-
	Total		**552,525,722**	**388,931,739**
4(a)	**Consolidated balance with other banks and financial institutions**			
	Inside Bangladesh			
	MIDAS Financing Ltd.	4.1	552,525,723	388,931,739
	MIDAS Investment Ltd.		217,314,271	206,538,064
	Adjustment for consolidation		(205,000,000)	(205,000,000)
			564,839,994	**390,469,803**
	Outside Bangladesh			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
			-	-
	Total		**564,839,994**	**390,469,803**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020
5	**Money at call and short notice**		-	-
6	**Investment**			
	a) Government securities		-	-
	b) Other investments			
	Investment in listed securities	6.1	217,369,433	243,526,530
	Investment in unlisted securities	6.2	22,569,450	22,569,450
	Total		**239,938,883**	**266,095,980**

6.1 Investment in listed securities

Details of listed securities (sector wise) are given below	No. of Share	Market Price	Cost Price	Cost Price
Bank	266369	4,554,910	5,028,282	11,713,735
Insurance	-	-	-	108,790
Mutual Fund	300000	2,400,000	3,062,640	3,062,640
Textile	226648	5,548,987	14,425,670	16,530,800
Pharmaceutical and Chemicals	991732	196,829,313	194,852,841	188,750,986
Engineering	-	-	-	9,612,629
Information Technology	-	-	-	11,016,646
Telecommunication	-	-	-	2,712,540
Miscellaneous	-	-	-	17,764
Total		**209,333,210**	**217,369,433**	**243,526,530**

6.2 Investment in unlisted securities

	No. of Share		
Central Depository Bangladesh Ltd.	571,181	4,569,450	4,569,450
Financial Excellence Ltd.	300,000	3,000,000	3,000,000
Lankabangla Securities Ltd.	97,828	5,000,000	5,000,000
Bangladesh Ventures Ltd.	1,100,000	10,000,000	10,000,000
Total		**22,569,450**	**22,569,450**

6.3 Maturity grouping of investment

On demand	-	-
Not more than 3 months	1,394,361	178,398,792
More than 3 months but less than 1 year	175,379,289	17,702,099
More than 1 year but less than 5 years	37,533,143	44,362,999
More than 5 years	25,632,090	25,632,090
Total	**239,938,883**	**266,095,980**

6(a) Consolidated investment

a) Government securities		
MIDAS Financing Ltd.	-	-
MIDAS Investment Ltd.	-	-
	-	**-**
b) Other investment		
MIDAS Financing Ltd.		
Investment in listed securities	217,369,433	243,526,530
Investment in unlisted securities	22,569,450	22,569,450
	239,938,883	**266,095,980**
MIDAS Investment Ltd.		
Investment in listed securities	73,444,992	96,584,158
Investment in unlisted securities	16,683,930	10,000,000
	90,128,922	**106,584,158**
Total	**330,067,804**	**372,680,138**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020
7	**Lease, loans and advances**			
a)	**Inside Bangladesh**			
	Lease receivable	7.a.i	895,952,304	809,281,334
	Term finance	7.a.ii	7,429,240,701	7,101,141,784
	Housing finance	7.a.iii	1,241,250,613	1,138,450,947
	Staff loan	7.a.iv	29,478,806	25,373,633
	Consumer credit	7.a.v	342,919	943,567
	Interest receivable	7.a.vi	35,990,525	554,266,550
			9,632,255,868	**9,629,457,815**
b)	**Outside Bangladesh**		-	-
	Total (a+b)		**9,632,255,868**	**9,629,457,815**
7.a.i	**Lease receivable**			
	Opening balance		809,281,335	749,461,704
	Add: Addition during the year		132,558,436	132,100,000
			941,839,771	**881,561,704**
	Less: Realization during the year		43,401,779	72,280,370
	Less: Write off		2,485,687	-
	Closing balance		**895,952,305**	**809,281,334**
7.a.ii	**Term finance**			
	Opening balance		7,101,141,784	7,188,415,673
	Add: Addition during the year		892,159,425	509,029,385
			7,993,301,209	**7,697,445,058**
	Less: Realization during the year		549,710,889	596,303,274
	Less: Write off		14,349,618	-
	Closing balance		**7,429,240,702**	**7,101,141,784**
7.a.iii	**Housing finance**			
	Opening balance		1,138,450,947	1,200,491,926
	Add: Addition during the year		102,354,970	29,300,000
			1,240,805,917	**1,229,791,926**
	Less: Realization during the year		(444,696)	91,340,979
	Closing balance		**1,241,250,613**	**1,138,450,947**
7.a.iv	**Staff loan**			
	Opening balance		25,373,633	33,141,003
	Add: Addition during the year		8,398,000	3,595,500
			33,771,633	**36,736,503**
	Less: Realization during the year		4,292,827	11,362,870
	Closing balance		**29,478,806**	**25,373,633**
7.a.v	**Consumer credit**			
	Opening balance		943,567	1,381,309
	Add: Addition during the year		-	350,000
			943,567	**1,731,309**
	Less: Realization during the year		600,648	787,742
	Less: Write off		-	-
	Closing balance		**342,919**	**943,567**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020
7.a.vi	**Interest receivable**			
	Lease finance		207,085	87,257,464
	Term finance		33,827,335	379,327,153
	Housing finance		1,950,833	80,311,876
	Consumer credit		581	7,666
	Staff loan		4,691	7,362,391
	Total		**35,990,525**	**554,266,550**
	During the year Tk. 2,618,078.00 against term finance interest receivable, Tk. 295,087.00 against lease finance interest receivable have been written off.			
7.1	**Residual maturity grouping of lease, loans and advances**			
	Receivable on demand		723,844,874	810,672,204
	Not more than 3 months		1,254,972,775	1,558,834,780
	Over 3 months but not more than 1 year		3,975,678,577	3,748,814,093
	Over 1 year but not more than 5 years		2,054,216,238	2,205,684,123
	Over 5 years		1,623,543,404	1,305,452,615
	Total		**9,632,255,868**	**9,629,457,815**
7.2	**Investments on the basis of significant concentration**			
	Lease, loans and advances to the institutions in which Directors have interest		-	-
	Lease, loans and advances to chief executives and other senior executives		29,483,497	32,736,024
	Lease, loans and advances to customer groups		9,602,772,371	9,596,721,791
	Total		**9,632,255,868**	**9,629,457,815**
7.3	**Investments allowed to group exceeding 15% of NBFI's total capital**			
	Total capital of the company		1,665,971,373	1,618,836,984
	15% of company's total capital		249,895,706	242,825,548
	Total outstanding amount to such customers at end of the year		1,764,901,418	1,909,988,978
	Number of such types of customers		5	6
	Amount of classified lease, loans and advances thereon		-	-

7.4 Sector-wise classification of lease, loans and advances

Particulars	Composition			
	31 Dec. 21	31 Dec. 20		
Agriculture	0.95%	1.47%	91,119,452	141,587,785
Cement and Allied Industry	0.12%	0.23%	11,859,369	22,170,119
Electronics and Electric products	1.06%	1.77%	102,134,018	170,100,782
Food Production / Processing Industries	9.18%	8.50%	884,143,784	818,571,619
Garments and Knitwear	5.86%	0.90%	564,873,021	86,475,758
Glass, Glassware and Ceramic Ind.	0.00%	0.00%	-	294,049
Iron, Steel & Engineering	5.54%	6.91%	533,769,806	664,961,357
In-house Employees' Loan	0.31%	0.34%	29,483,497	32,736,024
Jute & Jute Products	0.00%	0.03%	-	3,032,781
Leather & Leather Goods	0.38%	0.41%	36,823,458	39,807,018
Merchant Banking / LLS	0.51%	0.73%	48,753,789	70,236,146
Others	23.45%	22.51%	2,258,927,540	2,167,981,329
Pharmaceuticals and Chemicals	1.79%	1.83%	172,850,108	175,965,028
Paper, Printing and Packaging	1.41%	1.77%	135,910,718	170,382,347
Power, Gas, Water & Sanitary service	0.01%	0.00%	935,361	-
Plastic Industries	0.85%	0.83%	81,767,059	80,254,109
Real Estate & Housing	11.11%	12.66%	1,070,317,353	1,218,762,823
Ship Manufacturing Industry	4.54%	3.34%	436,838,361	321,224,097
Trade and Commerce	22.22%	23.05%	2,140,092,396	2,219,563,460
Textile	10.71%	12.72%	1,031,656,777	1,224,527,614
Telecommunication/Information Technology	0.00%	0.01%	-	823,570
Total	**100.00%**	**100.00%**	**9,632,255,868**	**9,629,457,815**

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020

7.5 Geographical location-wise lease, loans and advances

Particulars	Composition			
	31 Dec. 21	31 Dec. 20		
Chattogram	24.66%	24.19%	2,375,159,808	2,329,555,124
Dhaka	66.40%	66.45%	6,395,443,267	6,399,151,881
Khulna	3.16%	3.59%	304,261,159	346,132,183
Rajshahi	5.79%	5.76%	557,391,632	554,618,627
Total	**100.00%**	**100.00%**	**9,632,255,868**	**9,629,457,815**

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

Unclassified	84.17%	84.89%	8,107,000,119	8,174,728,311
Special mention account (SMA)	0.95%	3.72%	91,112,208	357,884,955
Substandard	2.69%	2.44%	259,463,065	235,309,852
Doubtful	0.99%	1.02%	95,815,775	98,388,815
Bad or loss	11.20%	7.93%	1,078,864,700	763,145,882
Total	**100.00%**	**100.00%**	**9,632,255,868**	**9,629,457,815**

7.7 Particulars of provision for lease, loans and advances

	Basis for provision	Rate (%)		
A. General Provision				
Unclassified	4,868,789,396	1.00%	48,687,894	50,550,806
Unclassified (SME)	2,027,110,951	0.25%	5,067,777	7,799,119
Financing to the Subsidiaries and/or Sister Concerns/ Brokerage House/Merchant Banks/Stock Dealers	402,068,586	2.00%	8,041,372	-
Special mention account	52,988,366	5.00%	2,649,418	15,996,562
			64,446,461	**74,346,488**
Deferrel Provision				
Unclassified	674,626,130	2.00%	13,492,523	-
Unclassified (SME)	582,353,373	2.00%	11,647,067	-
			25,139,590	**-**
Special Provision				
Unclassified	295,851,903	1.00%	2,958,519	-
Unclassified (SME)	513,179,283	0.25%	1,282,948	-
Special mention account	27,296,787	5.00%	1,364,839	-
Substandard	151,217,278	20.00%	30,243,456	-
Doubtful	18,973,771	50.00%	9,486,886	-
Bad or loss	98,276,797	100.00%	98,276,797	-
			143,613,444	**-**
Total General Provision			**233,199,496**	**74,346,488**
B. Specific Provision				
Substandard	173,965,199	20.00%	34,793,040	27,032,523
Doubtful	47,335,168	50.00%	23,667,584	29,462,283
Bad or loss	363,324,495	100.00%	363,324,495	229,666,706
Total Specific Provision			**421,785,119**	**286,161,512**
Required provision for lease, loans and advances (A+B)			**654,984,614**	**360,508,000**
Required provision for Diminution in value of investment			**8,036,223**	**-**
Required provision for Rental receivable			**7,414,578**	**1,402,580**
Required provision for Other Assets			**14,629,480**	**14,742,708**
Required provision for Off balance sheet exposure			**1,000,000**	**-**
Required provision for FDR			**11,648,709**	**6,848,709**
Total provision required			**697,713,605**	**383,501,998**
Total provision maintained (Note-13.1, 13.2, 13.7)			**697,713,635**	**383,501,998**
Excess/(short) provision			**30**	**0**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020
7.8	**Particulars of lease, loans and advances**			
(i)	Debts considered good in respect of which the MFL is fully secured		1,628,487,027	1,653,072,920
(ii)	Debts considered good for which the MFL holds no other security other than the debtor's personal guarantee;		29,483,497	32,736,024
(iii)	Debts considered good and secured by personal security of one or more parties in addition to the personal security of the debtors;		7,974,285,343	7,943,648,871
			9,632,255,868	**9,629,457,815**
(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;		29,483,497	32,736,024
(vi)	Debts due by companies or firms in which the directors of the MFL are interested as directors, partners or managing agents or in the case of private companies as members (Note 39.4);		-	-
(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;		3,598,000	1,175,000
(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;		-	-
(x)	Total amount of advance on which profit is not credited;		1,078,864,700	763,145,882
(xi)	**Cumulative amount of written off loans and advances:**			
	Opening Balance		491,566,077	517,316,692
	Add: Amount written off during the year		19,748,470	-
	Less: Amount received of during the year		(14,162,029)	(25,750,615)
	Balance of written off loans and advances yet to be recovered		**497,152,518**	**491,566,077**
7(a)	**Consolidated lease, loans and advances**			
	Inside Bangladesh			
	MIDAS Financing Ltd.		9,632,255,868	9,629,457,815
	MIDAS Investment Ltd.		31,626,401	23,642,818
	Adjustment for consolidation		(236,145,983)	(240,019,797)
			9,427,736,286	**9,413,080,836**
	Outside Bangladesh			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
			-	-
	Total		**9,427,736,286**	**9,413,080,836**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020
8	**Fixed assets including land, building, furniture and fixtures**			
	Free hold assets		140,130,092	142,534,816
	Intangible assets		135,800	194,001
	Total		**140,265,892**	**142,728,817**
	A schedule of fixed assets including land, building, furniture and fixtures is given in **Annexure-A**			
8(a)	**Consolidated fixed assets including land, building, furniture and fixtures**			
	MIDAS Financing Ltd.	8	140,265,892	142,728,817
	MIDAS Investment Ltd.		36,263,346	36,828,582
	Total		**176,529,238**	**179,557,400**
	A schedule of consolidated fixed assets including land, building, furniture and fixtures is given in **Annexure-B**			
8.1	**Investment property-Building Annexure-C**		**138,006,169**	**143,049,658**
8.1.(a)	**Consolidated Investment Property - Building Annexure-D**		**277,788,211**	**286,415,855**
9	**Others assets**			
	Interest receivable on FDR		9,715,417	7,246,702
	Investment in MIDAS Investment Ltd.		249,998,000	249,998,000
	Advance against purchase of shares		55,734,726	2,588,684
	Advance income tax	9.1	133,124,679	104,146,523
	Advance against expenditure		9,243,724	322,440
	Advance office rent		1,534,900	1,874,900
	Security deposit	9.2	637,500	637,500
	Stamp, stationery etc, in hand		240,827	137,260
	Asset held for sale		8,522,976	8,522,976
	Receivable from rental income & others		92,718,681	67,716,570
	Dividend receivable		19,999,840	19,999,840
	Advance Against Purchase of Software		2,700,000	2,700,000
	Over due interest receivable		62,197,317	62,197,317
	Receivable Against BB Refinance		3,554,854	-
	Total		**649,923,441**	**528,088,712**
9.1	**Advance income tax**			
	Opening balance		104,146,523	79,361,206
	Add: Addition during the year		28,978,157	24,785,317
			133,124,679	**104,146,523**
	Less: Adjustment during the year		-	-
			133,124,679	**104,146,523**
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
	Water bill- Security deposit- Cumilla		4,000	4,000
	Total		**637,500**	**637,500**
9.3	**Maturity grouping of other assets**			
	Receivable on demand		104,677,565	85,285,683
	Not more than 3 months		52,454,285	7,206,560
	Over 3 months but not more than 1 year		7,789,754	4,574,900
	Over 1 year but not more than 5 years		194,428,933	149,142,112
	Over 5 years		290,572,904	281,879,457
	Total		**649,923,441**	**528,088,712**

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020
9(a)	**Consolidated others assets**			
	MIDAS Financing Ltd.	9	649,923,441	528,088,712
	MIDAS Investment Ltd.		108,703,078	94,820,473
	Adjustment for consolidation		(249,998,000)	(249,998,000)
	Total		**508,628,519**	**372,911,185**
10	**Non-banking assets**			
	Habib Vegitable Product Ltd.		67,085,523	52,700,000
	Biswas Febrics Ltd.		28,065,467	28,065,467
	Total		**95,150,990**	**80,765,467**
	MIDAS Financing limited was awarded absolute ownership of the mortgaged properties of the above mentioned clients, by the competent court against default loans.			
11	**Borrowings from other banks, financial institutions and agents**			
	Secured		1,529,448,130	1,404,835,168
	Unsecured		521,247,740	619,281,997
			2,050,695,870	**2,024,117,165**
	Inside Bangladesh	11.1	2,050,695,870	2,024,117,165
	Outside Bangladesh		-	-
	Total		**2,050,695,870**	**2,024,117,165**
11.1	**Inside Bangladesh**			
	Term loan from other Banks & FIs	11.2	1,351,847,481	1,229,008,767
	Refinance against SME loan from Bangladesh Bank		59,095,417	44,706,250
	Refinance against Housing loan from Bangladesh Bank		6,012,950	7,397,088
	Refinance against SMEPD loan from Bangladesh Bank		19,500,000	33,660,000
	Refinance against CMSME loan from Bangladesh Bank		1,860,000	5,000,000
	Loan from SME foundation		8,957,500	11,200,000
	Short term loan from Banks & FIs	11.3	523,422,522	633,145,060
	Call loan	11.4	80,000,000	60,000,000
	Total		**2,050,695,870**	**2,024,117,165**
11.2	**Term loan from other Banks & FIs**			
	Agrani Bank Ltd.		1,057,838,548	688,852,788
	One Bank Ltd.		-	17,521,797
	Midland Bank Ltd.		-	34,180,182
	The UAE Bangladesh Investment Company Ltd.		-	19,611,859
	Modhumoti Bank Ltd.		28,045,022	63,213,254
	Shahjalal Islami Bank Ltd.		7,140,951	74,110,465
	Bangladesh Krishi Bank		258,822,961	331,518,422
	Total		**1,351,847,481**	**1,229,008,767**
11.3	**Short term loan from Banks & FIs**			
	Standard Bank Ltd.		53,000,000	114,497,143
	Pubali Bank Ltd.		51,986,628	58,588,144
	United Commercial Bank Ltd.		46,693,790	46,768,945
	Jamuna Bank Ltd.		45,945,914	36,922,587
	The City Bank Ltd.		40,882,722	44,734,321
	Agrani Bank Ltd		240,835,247	284,233,373
	Uttara Bank Ltd.		44,078,221	47,400,548
	Total		**523,422,522**	**633,145,060**

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020
11.4	**Call loan**			
	Sonali Bank Ltd.		40,000,000	60,000,000
	National Credit & Commerce Bank Ltd.		40,000,000	-
	Total		**80,000,000**	**60,000,000**
11.5	**Maturity grouping of borrowings from other banks, financial institutions and agents**			
	Repayable on demand		80,000,000	60,000,000
	Within 1 month		161,377,445	170,446,812
	Over 1 months but not more than 6 months		599,562,801	737,321,999
	Over 6 months but not more than 1 year		96,742,596	88,582,596
	Over 1 year but not more than 5 years		654,971,966	791,049,468
	Over 5 years		458,041,062	176,716,290
	Total		**2,050,695,870**	**2,024,117,165**
11(a)	**Consolidated borrowings from other banks, financial institutions and agents**			
	Inside Bangladesh			
	MIDAS Financing Ltd.	11	2,050,695,870	2,024,117,165
	MIDAS Investment Ltd.		236,145,983	240,019,797
	Adjustment for consolidation		(236,145,983)	(240,019,797)
			2,050,695,870	**2,024,117,165**
	Outside Bangladesh			
	MIDAS Financing Ltd.		-	-
	MIDAS Investment Ltd.		-	-
			-	**-**
	Total		**2,050,695,870**	**2,024,117,165**
12	**Deposits and other accounts**			
	Term deposits	12.1	**6,152,076,788**	**6,108,557,201**
	Other Deposits			
	Security deposits		4,868,217	4,868,217
	Advance lease rental		16,079,511	17,015,463
			20,947,728	**21,883,680**
	Total		**6,173,024,516**	**6,130,440,881**
12.1	**Term deposits**			
	General deposits		6,052,076,788	6,008,557,201
	Deposit from other Banks and Financial institutions	12.2	100,000,000	100,000,000
	Total		**6,152,076,788**	**6,108,557,201**
12.2	**Deposits from other banks and financial institutions**			
	Agrani Bank Ltd.		100,000,000	100,000,000
	Total		**100,000,000**	**100,000,000**
12.3	**Maturity analysis of deposits and other accounts**			
	Repayable on demand		50,463,893	66,132,158
	Within 1 month		666,336,763	578,946,586
	Over 1 months but not more than 6 months		2,245,612,341	2,223,511,885
	Over 6 months but not more than 1 year		2,082,081,998	2,117,520,492
	Over 1 year but not more than 5 years		1,116,989,050	1,139,679,760
	Over 5 years		11,540,470	4,650,000
	Total		**6,173,024,515**	**6,130,440,881**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020
12(a)	**Consolidated deposits and other accounts**			
	Term deposits			
	MIDAS Financing Ltd.	12.1	6,152,076,788	6,108,557,201
	MIDAS Investment Ltd.		-	-
	Adjustment for consolidation		(205,000,000)	(205,000,000)
			5,947,076,788	**5,903,557,201**
12(b)	**Other deposits**			
	MIDAS Financing Ltd.		20,947,728	21,883,680
	MIDAS Investment Ltd.		-	-
			20,947,728	**21,883,680**
	Total		**5,968,024,516**	**5,925,440,881**
13	**Other liabilities**			
	Provision for lease, loans & advances	13.1	654,984,645	360,508,001
	Provision for investment in securities	13.2	8,036,223	-
	Provision for tax	13.3	196,674,471	172,101,509
	Deferred tax liability	13.4	9,537,754	25,363,805
	Interest payable on borrowings		9,658,039	23,094,941
	Interest payable on deposits		231,979,969	450,532,983
	Advance against installment		118,640,562	95,775,290
	Advance rent from MIDAS Centre & NGS		552,020	684,376
	Payable & provision against expenditure	13.5	16,741,033	6,090,724
	Interest suspense	13.6	353,518,172	325,097,860
	Provision for rental income & others	13.7	34,692,767	22,993,997
	Lease liabilities		14,361,195	11,693,776
	Unclaimed Dividend		1,127,772	27,737
	Total		**1,650,504,621**	**1,493,965,000**
13.1	**Provision for lease, loans & advances**			
	(a) General provision on unclassified lease, loans and advances			
	Provision held at the beginning of the year		74,346,499	72,971,889
	Required provision- during the year	33	(9,900,034)	1,374,610
	Required provision - Special General Provision-Covid 19		25,139,590	-
	Required provision - Special Provision		5,606,306	-
	Balance at the end of the year		**95,192,361**	**74,346,499**
	(b) Specific provision on classified lease, loans and advances			
	Provision held at the beginning of the year		286,161,502	270,154,194
	Required provision during the year	33	152,458,950	16,007,307
	Required provision - Special Provision		138,007,138	
	Less: Write off during the year		(16,835,305)	-
	Balance at the end of the year		**559,792,284**	**286,161,501**
	Total provision		**654,984,645**	**360,508,000**
13.2	**Provision for investment in securities**			
	Provision held at the beginning of the year		-	79,397,550
	Required provision during the year		8,036,223	(79,397,550)
	Balance at the end of the year		**8,036,223**	**-**

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020
13.3	**Provision for tax**			
	Balance at the beginning of the year		172,101,509	125,550,775
	Provision made during the year		24,572,962	46,550,734
	Adjustment during the year		-	-
	Balance at the end of the year		**196,674,471**	**172,101,509**
	Detail shown in **Annexure-F**			
13.4	**Deferred tax liability**			
	Balance at the beginning of the year		25,363,805	24,046,673
	Deferred tax (income)/expenses during the year		(15,826,052)	1,317,132
	Balance at the end of the year		**9,537,754**	**25,363,805**
	Deferred tax has been calculated based on deductible/taxable temporary difference arising due to difference in the carrying amount of the assets and its tax base in accordance with the provision of International Accounting Standard (IAS) 12.			
	Computaion of deffered tax			
	Accounting written down value of fixed assets		278,272,061	285,778,476
	Tax base written down value of fixed assets		252,838,052	218,141,662
	Net taxable temporary differences		**25,434,009**	**67,636,814**
	Applicable tax rate		37.50%	37.50%
	Defferred tax liability		**9,537,754**	**25,363,805**
	Deferred tax (income)/expenses during the year		**(15,826,052)**	**1,317,132**
	Detail shown in **Annexure-G**			
13.5	**Payable & provision against expenditure**			
	Payable to CDBL		2,436	2,436
	Payable against utilities		2,308,181	3,945,947
	Liability for others		3,022,931	319,510
	Audit fees		189,750	165,000
	Withholding VAT,Tax & Excise duty		9,487,992	(37,537)
	CIB fees		1,717,669	1,683,294
	Advance Against SME Fair		12,074	12,074
	Total		**16,741,033**	**6,090,724**
13.6	**Interest suspense**			
	Lease finance		107,571,728	105,520,226
	Term finance		205,918,343	187,148,098
	Consumer credit		33,371	-
	Housing finance		39,994,730	32,429,536
	Total		**353,518,172**	**325,097,860**
13.7	**Provision for rental income & others**			
	Provision for rental income		7,414,578	1,402,580
	Provision for Others		14,629,480	14,742,708
	Provision against FDR		11,648,709	6,848,709
	Provision against Off balance sheet exposure		1,000,000	-
			34,692,767	**22,993,997**
13.8	**Movement of interest suspense account**			
	Balance at the beginning of the year		325,097,860	258,018,321
	Add: Net charge during the year		31,333,477	67,079,539
	Less: Realized during the year		-	-
	Less: Write off during the year		(2,913,165)	-
	Total		**353,518,172**	**325,097,860**
13.9	**Maturity grouping of other liabilities**			
	Repayable on demand		16,741,033	158,415,508
	Within 1 month		42,728,991	67,926,417
	Over 1 month but not more than 6 months		556,862,109	479,049,219
	Over 6 months but not more than 1 year		381,848,303	204,922,865
	Over 1 year but not more than 5 years		556,862,109	511,147,600
	Over 5 years		95,462,076	72,503,391
	Total		**1,650,504,621**	**1,493,965,000**

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Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020
13(a)	**Consolidated other liabilities**			
	MIDAS Financing Ltd.	13	1,650,504,621	1,493,965,000
	MIDAS Investment Ltd.		128,869,307	115,507,735
	Adjustment for consolidation		-	-
	Total		**1,779,373,928**	**1,609,472,735**
14	**Share Capital**			
14.1	**Authorized Capital**			
	200,000,000 ordinary shares of Tk. 10 each		2,000,000,000	2,000,000,000
14.2	**Issued, Subscribed and Paid up Capital**			
	At the beginning of the year		1,389,930,040	1,356,029,310
	Add: Bonus share issued		34,748,251	33,900,730
	Total at the end of the year		**1,424,678,291**	**1,389,930,040**
14.3	**Shareholding position**			
	Sponsor shareholders group		449,867,550	438,895,190
	General shareholders group	14.3.1	974,810,741	951,034,850
	Total		**1,424,678,291**	**1,389,930,040**
14.3.1	**General shareholders group**			
	Non resident		6,497,020	14,903,870
	Companies & institutions		376,194,150	474,442,080
	General public		592,119,571	461,688,900
	Total		**974,810,741**	**951,034,850**

14.4

Classification of shareholders by holding	No. of Shareholders	Percentage of holding shares	No. of shares	No. of shares
Less than 500 shares	2241	0.23%	322,640	185,274
501 to 5,000 shares	2496	3.54%	5,037,418	3,293,031
5,001 to 10,000 shares	598	3.10%	4,417,883	2,714,433
10,001 to 20,000 shares	363	3.70%	5,271,194	3,589,041
20,001 to 30,000 shares	139	2.40%	3,421,055	2,301,932
30,001 to 40,000 shares	69	1.70%	2,424,667	1,252,661
40,001 to 50,000 shares	39	1.27%	1,811,327	1,642,219
50,001 to 1,00,000 shares	67	3.28%	4,678,383	4,448,425
1,00,001 & above shares	87	80.78%	115,083,262	119,565,988
Total	**6099**	**100.00%**	**142,467,829**	**138,993,004**

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020

14.5 Year wise details break up of raising paid up capital

Year	Declaration	No of shares	Value of shares Per share @Tk. 10	Paid up capital (Cumulative)
May 16, 1995	1st Allotment share	10,000	100,000	100,000
1996-1997	Allotment share	5,021,000	50,210,000	50,310,000
1999-2000	Allotment share	509,000	5,090,000	55,400,000
2002-2003	IPO	4,460,000	44,600,000	100,000,000
2003-2004	Bonus share	689,200	6,892,000	106,892,000
2004-2005	Bonus share	1,068,920	10,689,200	117,581,200
2004-2005	Right share	11,758,120	117,581,200	235,162,400
2005-2006	Bonus share	2,351,620	23,516,200	258,678,600
2006-2007	Bonus share	2,586,790	25,867,900	284,546,500
2007-2008	Bonus share	2,845,460	28,454,600	313,001,100
2008-2009	Bonus share	3,912,510	39,125,100	352,126,200
2009-2010	Bonus share	5,281,890	52,818,900	404,945,100
2010-2011	Bonus share	14,173,070	141,730,700	546,675,800
2011-2012	Bonus share	5,466,758	54,667,580	601,343,380
2014-2015	Right share	60,134,338	601,343,380	1,202,686,760
2018	Bonus share 2017	12,026,867	120,268,670	1,322,955,430
2019	Bonus share 2018	3,307,388	33,073,880	1,356,029,310
2020	Bonus share 2019	3,390,073	33,900,730	1,389,930,040
2021	Bonus share 2020	3,474,825	34,748,251	1,424,678,291

14.6 Capital adequacy - As per BASEL-II

a) Core Capital (Tier-I)			
Paid-up capital	14.2	1,424,678,291	1,389,930,040
Statutory reserve	16	140,714,913	124,338,385
Retained earnings	17	100,578,168	104,568,559
		1,665,971,372	**1,618,836,984**
b) Supplementary Capital (Tier-II)			
General provision	13.1 (a)	95,192,361	74,346,499
c) Total eligible capital (a + b)		**1,761,163,732**	**1,693,183,482**
Total assets including off-balance sheet exposures		**11,640,196,380**	**11,710,260,030**
d) Total risk weighted assets (RWA)		**9,454,995,216**	**9,404,602,576**
e) Required capital based on risk weighted assets (10% of d)		**945,499,522**	**940,460,258**
f) Capital surplus/(shortfall) (c-e)		**815,664,211**	**752,723,225**
Capital Adequacy Ratio (%)		**18.63**	**18.00**

14.7 Consolidated Capital adequacy - As per BASEL-II

a) Core Capital (Tier-I)			
Paid-up capital	14.2	1,424,678,291	1,389,930,040
Statutory reserve	16	140,714,913	124,338,385
Retained earnings	17(a)	109,384,298	110,824,677
		1,674,777,502	**1,625,093,102**
b) Supplementary Capital (Tier-II)			
General provision	13.1 (a)	95,192,361	74,346,499
c) Total eligible capital (a + b)		**1,769,969,862**	**1,699,439,601**
Total assets including off-balance sheet exposures		**11,572,873,893**	**11,627,025,963**
d) Total risk weighted assets (RWA)		**9,632,286,624**	**9,696,104,700**
e) Required capital based on risk weighted assets (10% of d)		**963,228,662**	**969,610,470**
f) Capital surplus/(shortfall) (c-e)		**806,741,200**	**729,829,131**
Capital Adequacy Ratio (%)		**18.38**	**17.53**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			31 Dec. 2021	31 Dec. 2020
15	**General reserve**			
	Opening balance		-	-
	Add: Addition during the year		-	-
			-	-
16	**Statutory reserve**			
	Opening balance		124,338,385	101,829,235
	Add: Addition during the year		16,376,528	22,509,150
	Closing balance		**140,714,913**	**124,338,385**
	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.			
17	**Retained earnings**			
	Opening balance		104,568,559	82,333,420
	Add: Profit after tax		81,882,639	112,545,749
	Less: Transfer to statutory reserve		(16,376,528)	(22,509,150)
	Less: Issuance of stock dividend		(34,748,251)	(33,900,730)
	Less: Issuance of cash dividend		(34,748,251)	(33,900,730)
	Closing balance		**100,578,168**	**104,568,559**
17(a)	**Consolidated retained earnings**			
	Opening balance		110,824,677	85,846,598
	Add: Profit after tax		84,432,652	115,288,689
	Less: Transfer to statutory reserve		(16,376,528)	(22,509,150)
	Less: Issuance of stock dividend		(34,748,251)	(33,900,730)
	Less: Issuance of cash dividend		(34,748,251)	(33,900,730)
	Closing balance		**109,384,298**	**110,824,677**
18	**Business commitments and contingencies**			
	In the normal course of business, the Company makes various commitments and incurs certain contingent liabilities. No material losses are anticipated as a result of these transactions. These contingent liabilities and business commitments are quantified are below:			
18.1	**Contingent liabilities**			
	Acceptances and endorsements		-	-
	Letters of guarantee		100,000,000	-
	Irrevocable letters of credit		-	-
	Bills for collection		-	-
	Total		**100,000,000**	**-**
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		-	442,900,000
	Claims against the bank not acknowledged as debts		-	-
	Total		**-**	**442,900,000**

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Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			2021	2020
19	**Profit and loss account**			
	Income			
	Interest income	20	1,238,901,798	1,048,795,003
	Dividend income	22	22,822,768	24,802,946
	Commission, exchange and brokerage		1,100,000	-
	Gains less losses arising from investment securities	22	50,122,554	20,153,579
	Other operating income	23	46,094,063	44,858,581
			1,359,041,184	**1,138,610,108**
	Expenses			
	Interest on deposits & borrowings, etc.	21	762,986,485	862,777,843
	Administrative expenses		152,442,341	148,140,242
	Other operating expenses	32	6,216,705	4,725,940
	Depreciation on fixed assets	31(a)	15,605,933	15,348,369
			937,251,464	**1,030,992,394**
	Profit before provision		**421,789,719**	**107,617,714**
20	**Interest income**			
	Interest on lease, loans & advances	20.1	1,224,131,068	1,032,830,100
	Interest on placement with other Banks & FIs	20.2	14,770,731	15,964,903
	Total		**1,238,901,798**	**1,048,795,003**
20.1	**Interest on lease, loans & advances**			
	Interest income on lease finance		48,775,716	62,036,745
	Interest income on term finance		984,370,929	793,534,577
	Interest on housing finance		176,926,923	148,571,774
	Interest on consumer credit		138,138	270,845
	Interest on staff loan		(242,667)	2,665,544
	Revenue from writeoff collection		14,162,029	25,750,615
	Total		**1,224,131,068**	**1,032,830,100**
20.2	**Interest on placement with other Banks & FIs**			
	Interest on FDR		13,973,319	14,861,261
	Interest on STD accounts		797,412	1,103,642
	Total		**14,770,731**	**15,964,903**
20(a)	**Consolidated interest income**			
	Interest on lease, loans & advances			
	MIDAS Financing Ltd.	20.1	1,224,131,068	1,032,830,100
	MIDAS Investment Ltd.		7,408,995	4,322,746
	Adjustment for consolidation		(29,921,824)	(31,286,865)
			1,201,618,239	**1,005,865,981**
	Interest on placement with other Banks & FIs			
	MIDAS Financing Ltd.	20.2	14,770,731	15,964,903
	MIDAS Investment Ltd.		19,799,783	21,692,417
	Adjustment for consolidation		(19,799,783)	(21,692,417)
			14,770,731	**15,964,903**
	Total		**1,216,388,971**	**1,021,830,884**
21	**Interest on deposits & borrowings, etc.**			
	Interest paid on deposits		608,082,118	675,455,692
	Interest paid on borrowings	21.1	154,904,367	187,322,150
	Total		**762,986,485**	**862,777,843**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			2021	2020
21.1	**Interest paid on borrowings**			
	Interest expenses on bank loan		142,983,383	166,412,826
	Interest expenses on call loan		5,217,587	2,476,875
	Interest expenses on re-financing loan		1,590,455	3,405,288
	Interest expenses- BD Bank SMEDP		930,810	1,289,564
	Interest Expenses - Bd Bank CMSME		230,950	5,625
	Interest expenses on lease liabilities		1,338,181	981,632
	Other financing cost		2,613,000	12,750,340
	Total		**154,904,367**	**187,322,150**
21(a)	**Consolidated interest on deposits and borrowings, etc.**			
	Interest paid on deposits			
	MIDAS Financing Ltd.		608,082,118	675,455,692
	MIDAS Investment Ltd.		331,191	146,173
	Adjustment for consolidation		(19,799,783)	(21,692,417)
			588,613,525	**653,909,448**
	Interest paid on borrowings			
	MIDAS Financing Ltd.		154,904,367	187,322,150
	MIDAS Investment Ltd.		29,921,824	31,286,865
	Adjustment for consolidation		(29,921,824)	(31,286,865)
			154,904,367	**187,322,150**
	Total		**743,517,892**	**841,231,598**
22	**Income from investment**			
	Income from investment in shares		50,122,554	20,153,579
	Dividend income		22,822,768	24,802,946
	Total		**72,945,322**	**44,956,525**
22(a)	**Consolidated income from investment**			
	Income from investment in shares			
	MIDAS Financing Ltd.	22	50,122,554	20,153,579
	MIDAS Investment Ltd.		5,394,251	2,287,308
			55,516,805	**22,440,887**
	Dividend income			
	MIDAS Financing Ltd.		22,822,768	24,802,946
	MIDAS Investment Ltd.		2,749,754	2,317,446
			25,572,522	**27,120,392**
	Less: Dividend from subsidiary		(19,999,840)	(19,999,840)
	Total		**61,089,487**	**29,561,439**
23	**Other operating income**			
	Transfer price for leased asset		-	110,544
	Processing and other fees		5,324,927	2,453,499
	Sale of application form		73,850	69,500
	Rental income-MIDAS Centre & Nahar green		39,989,741	41,710,999
	Other income	23.1	705,545	514,039
	Total		**46,094,063**	**44,858,581**
23.1	**Other income**			
	Notice pay		208,389	114,867
	News paper & other sales		-	-
	Miscellaneous income from deposits (Delay fine)		409,016	380,890
	Miscellaneous income others		88,140	18,282
	Total		**705,545**	**514,039**

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Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			2021	2020
23(a)	**Consolidated other operating income**			
	MIDAS Financing Ltd.	23	46,094,063	44,858,581
	MIDAS Investment Ltd.		29,805,323	37,128,425
	Total		**75,899,387**	**81,987,006**
24	**Salary and allowances**		**123,996,306**	**122,699,715**
24(a)	**Consolidated salary & allowances**			
	MIDAS Financing Ltd.	24	123,996,306	122,699,715
	MIDAS Investment Ltd.		5,941,281	5,109,726
	Total		**129,937,586**	**127,809,441**
25	**Rent, taxes, insurances, electricity, etc.**			
	Rates & taxes		1,977,094	1,196,471
	Office rent		240,055	450,820
	Insurance		188,068	247,888
	Utilities		5,335,089	5,677,915
	Total		**7,740,306**	**7,573,093**
25(a)	**Consolidated rent, taxes, insurance, electricity, etc.**			
	MIDAS Financing Ltd.	25	7,740,306	7,573,093
	MIDAS Investment Ltd.		919,299	690,123
	Total		**8,659,605**	**8,263,216**
26	**Legal expenses**			
	Legal/professional fees		1,841,849	1,272,568
	Other legal expenses/Non judicial stamp		1,042,273	583,224
	Total		**2,884,122**	**1,855,792**
26(a)	**Consolidated legal expenses**			
	MIDAS Financing Ltd.	26	2,884,122	1,855,792
	MIDAS Investment Ltd.		115,000	61,595
	Total		**2,999,122**	**1,917,387**
27	**Postage, stamp, telecommunication, etc.**			
	Postage & courier expenses		158,373	130,430
	Telephone, mobile, fax and internet		2,494,435	2,349,336
	Total		**2,652,808**	**2,479,766**
27(a)	**Consolidated postage, stamps, telecommunication, etc.**			
	MIDAS Financing Ltd.	27	2,652,808	2,479,766
	MIDAS Investment Ltd.		169,042	160,684
	Total		**2,821,850**	**2,640,450**
28	**Stationery, printing, advertisements, etc.**			
	Stationery		683,705	410,027
	Printing		797,203	287,084
	Advertisement and publicity		771,695	740,606
	Signboard and banner		53,771	12,239
	Total		**2,306,374**	**1,449,956**
28(a)	**Consolidated stationery, printing, advertisements, etc.**			
	MIDAS Financing Ltd.	28	2,306,374	1,449,956
	MIDAS Investment Ltd.		79,800	33,384
	Total		**2,386,174**	**1,483,340**
29	**Managing Director's salary and benefits**		**9,472,004**	**9,472,000**

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Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			2021	2020
30	**Directors' fees and expenses**			
	Honorarium for attending meeting (including VAT)		1,295,200	1,179,200
	Incidental expenses for meeting		-	-
	Total		**1,295,200**	**1,179,200**
	Total 13 nos of Board meeting, 5 nos of audit committee meeting and 3 executive committee (EC) meeting were held during the period of January 01, 2021 to December 31, 2021. Each Director was paid Tk.8,000 for attending in each meeting.			
30(a)	**Consolidated directors' fees and expenses**			
	MIDAS Financing Ltd.	30	1,295,200	1,179,200
	MIDAS Investment Ltd.		80,000	96,000
	Total		**1,375,200**	**1,275,200**
31	**Depreciation and repair of company's assets**			
	i) Depreciation of company's assets (Annexure A)			
	Building		3,112,584	3,112,575
	Right of use of assets		4,582,841	4,011,447
	Office equipment		572,539	677,881
	Office furniture		1,242,673	1,325,894
	Motor vehicle		312,727	390,900
	Intengible asset		58,200	83,148
	Computer equipment		680,881	703,035
			10,562,444	**10,304,880**
	ii) Building (Investment property)		**5,043,489**	**5,043,489**
	iii) Repair of company's assets			
	Office repair and maintenance		1,490,304	987,094
	Car maintenance		415,167	278,627
			1,905,471	**1,265,721**
	Total		**17,511,404**	**16,614,090**
31(a)	**Consolidated depreciation and repair of company's assets**			
	a) Depreciation of company's assets (Annexure B)			
	MIDAS Financing Ltd.	31(i)	10,562,444	10,304,880
	MIDAS Investment Ltd.		618,130	1,054,839
			11,180,574	**11,359,719**
	b) Building (Investment property)		**8,627,644**	**9,454,757**
	c) Repair of company's assets:			
	MIDAS Financing Ltd.	31(ii)	1,905,471	1,265,721
	MIDAS Investment Ltd.		68,295	317,135
			1,973,766	**1,582,856**
	Total		**21,781,984**	**22,397,332**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			2021	2020
32	**Other expenses**			
	Fuel		357,500	93,972
	Traveling and conveyance		1,003,309	841,521
	Public relation and AGM expenses		567,602	242,000
	News paper & periodicals		21,600	10,410
	Business promotion & development		96,988	50,000
	Entertainment		1,020,740	1,012,388
	Training, seminar & workshop		15,000	17,250
	Membership fees & subscription		2,162,902	1,589,132
	Bank charge		695,876	782,605
	Share management expenses		259,979	39,219
	Miscellaneous expenses		100	1,600
	Loss on sale of fixed assets		15,109	45,843
	Total		**6,216,705**	**4,725,940**
32(a)	**Consolidated other expenses**			
	MIDAS Financing Ltd.	32	6,216,705	4,725,940
	MIDAS Investment Ltd.		1,541,411	1,448,890
	Total		**7,758,117**	**6,174,830**
33	**Provision against loans, lease finance & others**			
	General provisions	13.1 (a)	20,845,862	1,374,610
	Specific provisions	13.1 (b)	290,466,088	16,007,307
	Provisions for diminution in value of investments	13.2	8,036,223	(79,397,550)
	Provision for off balance sheet exposures		1,000,000	-
	Other provisions		10,811,998	9,219,732
	Total		**331,160,170**	**(52,795,902)**
33(a)	**Consolidated provision against loans, lease finance & others**			
	General provisions			
	MIDAS Financing Ltd.		20,845,862	1,374,610
	MIDAS Investment Ltd.		-	-
	Total		**20,845,862**	**1,374,610**
33(b)	**Specific provisions**			
	MIDAS Financing Ltd.		290,466,088	16,007,307
	MIDAS Investment Ltd.		-	-
	Total		**290,466,088**	**16,007,307**
33(c)	**Provisions for diminution in value of investments**			
	MIDAS Financing Ltd.		8,036,223	(79,397,550)
	MIDAS Investment Ltd.		(13,711,454)	(7,677,587)
	Total		**(5,675,230)**	**(87,075,137)**
33(d)	**Current tax**			
	MIDAS Financing Ltd.		24,572,962	46,550,734
	MIDAS Investment Ltd.		7,946,424	3,294,890
	Total		**32,519,386**	**49,845,624**

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Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			2021	2020
33(e)	**Deferred tax**			
	MIDAS Financing Ltd.		(15,826,052)	1,317,132
	MIDAS Investment Ltd.		(1,115,015)	(1,535,796)
	Total		**(16,941,067)**	**(218,664)**
33(f)	**Other provisions**			
	MIDAS Financing Ltd.		10,811,998	9,219,732
	MIDAS Investment Ltd.		6,061,192	6,061,192
	Total		**16,873,190**	**15,280,924**
33(g)	**Provision for off balance sheet exposures**			
	MIDAS Financing Ltd.		1,000,000	-
	MIDAS Investment Ltd.		-	-
	Total		**1,000,000**	**-**
34	**Earnings per share (EPS)**			
	Net profit after tax (A)		81,882,639	112,545,749
	Number of ordinary shares outstanding (denominator) (B)		142,467,829	142,467,829
	Earnings per share (A/B) (Restated)		**0.57**	**0.79**
34(a)	**Consolidated earnings per share (EPS)**			
	Consolidated net profit after tax (A)		84,432,832	115,288,871
	Number of ordinary shares outstanding (denominator) (B)		142,467,829	142,467,829
	Earnings per share (A/B) (Restated)		**0.59**	**0.81**
35	**Net assets value (NAV) per share**			
	Net assets (A)		1,665,971,373	1,618,836,984
	Number of ordinary shares outstanding (denominator) (B)		142,467,829	142,467,829
	Net assets value (NAV) per share (A/B) (Restated)		**11.69**	**11.36**
35(a)	**Consolidated net assets value (NAV) per share**			
	Net assets (A)		1,674,777,503	1,625,093,102
	Number of ordinary shares outstanding (denominator) (B)		142,467,829	142,467,829
	Consolidated net assets value (NAV) per share (A/B) (Restated)		**11.76**	**11.41**
36	**Net operating cash flow per share**			
	Net operating cash flow (A)		177,514,606	(64,982,486)
	Number of ordinary shares outstanding (denominator) (B)		142,467,829	142,467,829
	Net operating cash flow per share (A/B) (Restated)		**1.25**	**(0.46)**
36(a)	**Consolidated net operating cash flow per share**			
	Net operating cash flow (A)		188,343,706	(67,507,784)
	Number of ordinary shares outstanding (denominator) (B)		142,467,829	142,467,829
	Consolidated net operating cash flow per share (A/B) (Restated)		**1.32**	**(0.47)**

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Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			2021	2020
37	**Reconciliation of net operating cash flow**			
	Net profit after tax		**81,882,639**	**112,545,750**
	Items not involved in cash movement:			
	Add: Depreciation		15,605,933	15,348,369
	Add/(Less): Provision for taxation		24,572,962	46,550,734
	Add/(Less): Provision for deferred tax		(15,826,052)	1,317,132
	Add: Provision for loans and investment		319,348,173	(62,015,633)
	Add: Provision for others		11,811,998	9,219,732
	Add/(Less):Accrued income		(41,269,442)	(22,814,164)
	Add/(Less):Accrued expenses		(231,989,916)	(9,385,878)
	Add: Adjustment for ROU lease rent		(2,667,419)	(2,797,912)
	Add: Loss on disposal of fixed assets		15,109	45,843
	Adjustments to reconcile net profit after tax to net cash provided by operating activities		**161,483,988**	**88,013,975**
	Changes in operating assets and liabilities			
	(Increase)/Decrease in Loans and lease finance to customers		11,363,977	(110,012,605)
	(Increase)/Decrease in Purchase/Sale of trading securities		26,157,097	(20,621,714)
	Increase/(Decrease) in Deposits from banks & individuals		42,583,635	(112,206,210)
	Increase/(Decrease) in Interest suspense		28,420,312	67,079,539
	(Increase)/Decrease in Income tax		(28,978,156)	(24,785,317)
	Increase/(Decrease) in Payable & accrued expenses		10,650,309	(661,493)
	(Increase)/Decrease in Other assets		(86,833,004)	(262,937)
	Increase/(Decrease) in Other liabilities		12,666,449	48,474,276
	Cash received/(paid) from operating assets and liabilities		**16,030,618**	**(152,996,461)**
	Net cash flow from/(used in) operating activites		**177,514,606**	**(64,982,486)**
37(a)	**Reconciliation of consolidated net operating cash flow**			
	Net profit after tax		**84,432,832**	**115,288,870**
	Items not involved in cash movement:			
	Add: Depreciation		19,808,218	20,814,476
	Add/(Less): Provision for taxation		32,519,386	49,845,624
	Add/(Less): Provision for deferred tax		(16,941,067)	(218,664)
	Add: Provision for loans and investment		305,636,720	(69,693,220)
	Add: Provision for others		17,873,190	15,280,924
	Add/(Less):Accrued income		(26,956,773)	(29,997,689)
	Add/(Less):Accrued expenses		(227,181,553)	(11,260,059)
	Add: Adjustment for ROU lease rent		(2,667,419)	(2,797,912)
	Add: Loss on disposal of fixed assets		15,109	45,843
	Adjustments to reconcile net profit after tax to net cash provided by operating activities		**186,538,643**	**87,308,194**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

Notes	Particulars	Ref. Notes	Amount in BDT	
			2021	2020
	Changes in operating assets and liabilities			
	(Increase)/Decrease in Other assets		(93,679,575)	(2,181,935)
	Increase/(Decrease) in Other liabilities		36,907,344	56,036,237
	(Increase)/Decrease in Purchase/Sale of trading securities		42,612,333	(15,163,867)
	(Increase)/Decrease in Loans and lease finance to customers		(31,490,755)	(115,276,024)
	Increase/(Decrease) in Deposits from banks & individuals		42,583,635	(112,206,210)
	(Increase)/Decrease in Income tax		(34,899,175)	(30,586,610)
	Increase/(Decrease) in Interest suspense		28,420,312	66,986,081
	Increase/(Decrease) in Payable & accrued expenses		11,350,945	(2,423,650)
	Cash received/(paid) from operating assets and liabilities		**1,805,063**	**(154,815,978)**
	Net cash flow from/(used in) operating activites		**188,343,706**	**(67,507,784)**

38 Disclosure on Audit Committee of the Board

a) Composition of audit committee

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

Sl. No	Name	Status with the company	Status with the Committee	Educational Qualification
1	Mr. Ghulam Rahman	Independent Director	Chairman	B.A. (Hons) and M.A. in Economics from D.U.
2	Mr. Abdul Karim	Director	Member	B.A. (Hons) and M.A. in Economics from D.U.
3	Mr. Ali Imam Majumder	Director	Member	M. Sc. In Mathematics from C.U.
4	Ms. Nazneen Sultana	Independent Director	Member	B.Sc. (Hons), M.Sc. In Physics from D.U.
5	Mr. Md. Shahedul Alam	Director	Member	MBS from D.U.

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

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

Sl. No	Meeting No	Date of Meetings	No of Attendances
1	87th Meeting	28.06.2021	5
2	88th Meeting	12.07.2021	4
3	89th Meeting	05.08.2021	5
4	90th Meeting	09.09.2021	5
5	91st Meeting	25.10.2021	5

c) Meeting of Audit Committee

During the period January 1, 2021 to December 31, 2021, the Audit Committee of the Board conducted 5 (Five) meetings. In those meetings, among others, the committee reviewed/discussed/oversaw the following issues

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

39 Related party disclosure

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

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Notes, comprising a summary of significant accounting policies and other explanatory notes

As at and for the year ended December 31, 2021

39.1 Name of the Directors and their interest in different entities

Sl. No.	Name of Directors	Status in MFL	Entities where they have interest	Position
1	Ms. Rokia A. Rahman	Chairman (Nominated by MIDAS)	R.R. Cold Storage Ltd.	Chairman & MD
			Mediaworld Ltd.	Chairman
			Arlinks Ltd.	Chairman
			Aris Holdings Ltd.	Chairman
			Mediastar Ltd.	Director
			Imaan Cold Storage Ltd.	Director
			ABC Radio	Director
			Bangladesh Lamps Ltd.	Independent Director
			Marico Bangladesh Ltd.	Independent Director
			MIDAS	Director
			BRAC	Governing Body Member
			Banchte Shekha, Jashore	Chairperson
			Presidency University	Member of Board of Trustees
2	Mr. Mohammed Nasir Uddin Chowdhury	Director (Nominated by Lanka-Bangla Finance Ltd.)	Rajshahi Agro Fisheries Complex Ltd.	Chairman
			FinExcel Ltd.	Vice Chairman
			LankaBangla Securities Ltd.	Managing Director
			Bengal Meat Processing Industry Ltd..	Director
			LankaBangla Investment Ltd.	Director
			BD Venture Ltd.	Director
			Eastern Cables Ltd.	Director
3	Mr. Abdul Karim	Director (Nominated by MIDAS)	MIDAS	Director
			SEP Bangladesh	Treasurer
			VERC	Treasurer
4	Mr. M. Hafizuddin Khan	Director (Nominated by MIDAS)	MIDAS Investment Limited	Director
			MIDAS	Director
			Transparency International - Bangladesh (TIB)	Member of Board of Trustees
			Anjuman Mufidul Islam	Vice President
5	Mr. Ali Imam Majumder	Director (Nominated by MIDAS)	MIDAS	Director
			Transparency International - Bangladesh (TIB)	Member of Board of Trustees
			NIS Suport Project, Phase-2	Senior Advisor
6	Mr. Ghulam Rahman	Independent Director	Consumer Associtaion of Bangladesh	President
			MIDAS Investment Ltd.	Director
			Anjuman Mufidul Islam	Vice President
7	Mr. Md. Shamsul Alam	Director (General Share holder Group)	Arasco Agro Food and Feed Ltd.	Managing Director
			Arafat Agro Trade	Proprietor
8	Mr. Md. Shahedul Alam	Director (General Share holder Group)	RADIO VISION	Partner
			Hay Agro (Pvt) Ltd.	Chairman
			SBL Capital Managemnt Ltd.	Director
9	Ms. Nazneen Sultana	Independent Director		

39.2 Significant contract in which the company, its subsidiary or any fellow subsidiary company was a party and wherein the directors have interest that subsisted at any time during the year or at the end of the year - Nill

39.3 Shares issued to Directors & Executives without consideration or issued at discount - Nill

39.4 Related party transactions

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

Name of the related party	Relationship	Transaction nature	Classification Status	Amount in BDT	
				2021	2020
MIDAS	Sponsor shareholder	Term deposits	N/A	100,000,000	107,339,750
MIDAS Investment Ltd	Subsidiary	STL & LTD	Standard	236,145,983	240,019,797
MIDAS Investment Ltd	Subsidiary	Term deposits	N/A	205,000,000	205,000,000
LankaBangla Securities Ltd.	Shareholder	Investment (un-listed)	N/A	5,000,000	5,000,000
LankaBangla Securities Ltd.	Shareholder	Maintainance of investment (Share) portfolio through BO A/C	N/A	273,104,159	246,115,214
Total				**819,250,142**	**803,474,761**

39.5 Lending policy to related parties

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

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

40 Number of employees

The number of employees engaged for the whole period or part thereof who received a total remuneration of Tk. 36,000 per annum or above were 182 at the end of December 31, 2021 as against 193 in 2020.

41 Events after the balance sheet date

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

41.1 Proposed dividend

The Board of Directors in its 340th Meeting held on June 08, 2022 has recommended to the shareholders @ 1% (percent) Stock Dividend (Subject to approval from Bangladesh Securities and Exchange Commission) and @ 1% (percent) Cash Dividend for the year ended December 31, 2021 as per the approval from Bangladesh Bank through letter # DFIM (C) 1054/41/2022-1484 dated May 30, 2022. The final approval of the dividend will come during the 26th Annual General Meeting of the company through digital platform as per Bangladesh Securities & Exchange Commission (BSEC) guideline.

MIDAS FINANCING LIMITED

ANNEXURE-A

Fixed assets including land, building, furniture and fixtures

For the period ended December 31, 2021

Amount in Taka

Particulars	COST				Rate of Dep	DEPRECIATION/AMORTIZATION				
	Balance as on Jan 1, 2021	Addition/ transfer during the year	Disposal/ adjustment during the year	Balance as on Dec 31. 2021		Balance as on Jan 1, 2021	Charged for the year	Adjustment/ transfer during the year	Balance as on Dec 31. 2021	WDV as on December 31, 2021
	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka	Taka
I. Free holds assets										
Land	19,505,978	-	-	19,505,978		-	-	-	-	19,505,978
Building	124,503,139	-	-	124,503,139	2.5%	35,647,401	3,112,584	-	38,759,985	85,743,154
Right of use of assets	22,021,230	6,306,181	-	28,327,411		8,111,173	4,582,841	59,359	12,753,373	15,574,038
Office equipment	10,184,358	451,099	335,114	10,300,343	18%	7,128,230	572,539	300,933	7,399,836	2,900,507
Furniture & fixtures	29,395,511	1,186,587	167,330	30,414,768	10%	17,384,477	1,242,673	149,802	18,477,348	11,937,420
Motor vehicle	8,119,543	-	-	8,119,543	20%	6,555,908	312,727	-	6,868,635	1,250,908
Computer equipment	14,397,848	266,719	-	14,664,567	18%	10,765,602	680,881	-	11,446,483	3,218,084
Sub total	**228,127,607**	**8,210,586**	**502,444**	**235,835,749**		**85,592,790**	**10,504,243**	**510,094**	**95,705,657**	**140,130,091**
II. Intangible assets										
System & software	1,339,275	-	-	1,339,275	30%	1,145,274	58,200	-	1,203,474	135,801
Total as on Dec 31, 2021	**29,466,882**	**8,210,586**	**502,444**	**237,175,024**		**86,738,064**	**10,562,444**	**510,094**	**96,909,132**	**140,265,892**
Total as on Dec 31, 2020	**222,165,114**	**7,625,728**	**323,960**	**229,466,882**		**76,697,302**	**10,304,880**	**264,117**	**86,738,064**	**142,728,817**

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

ANNEXURE-B

Consolidated Fixed assets including land, building, furniture and fixtures

For the period ended December 31, 2021

Amount in Taka

Particulars	COST				DEPRECIATION/AMORTIZATION				
	Balance as on Jan 1, 2021	Addition/ transfer during the year	Disposal/ adjustment during the year	Balance as on Dec 31. 2021	Balance as on Jan 1, 2021	Charged for the year	Adjustment/ transfer during the year	Balance as on Dec 31. 2021	WDV as on December 31, 2021
	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
I. Free holds assets									
Land	37,161,905	-	-	37,161,905	-	-	-	-	37,161,905
Building	146,664,477	-	-	146,664,477	39,248,614	3,576,587	-	42,825,201	103,839,276
Right of use of assets	22,021,230	6,306,181		28,327,411	8,111,173	4,582,841	59,359	12,753,373	15,574,038
Office equipment	10,327,703	473,031	335,114	10,465,620	7,451,234	601,948	300,933	7,752,249	2,713,371
Furniture & fixtures	30,424,203	1,186,587	167,330	31,443,460	17,877,308	1,261,888	149,802	18,989,394	12,454,066
Motor vehicle	8,119,543	-	-	8,119,543	6,555,908	312,727	-	6,868,635	1,250,908
Computer equipment	15,413,032	297,679	-	15,710,711	11,842,080	691,098	-	12,533,178	3,177,533
Sub total	**270,132,093**	**8,263,478**	**502,444**	**277,893,127**	**91,086,317**	**11,027,087**	**510,094**	**101,722,028**	**176,171,099**
II. Intangible assets									
System & software	2,494,275	-	-	2,494,275	1,982,649	153,488	-	2,136,137	358,138
Total as on Dec 31, 2021	**272,626,368**	**8,263,478**	**502,444**	**280,387,402**	**93,068,966**	**11,180,576**	**510,094**	**103,858,166**	**176,529,237**
Total as on Dec 31, 2020	**265,324,600**	**7,625,728**	**323,960**	**272,626,368**	**81,973,366**	**11,359,718**	**264,117**	**93,068,968**	**179,557,400**

MIDAS FINANCING LIMITED

Investment Property

For the period ended December 31, 2021

ANNEXURE-C

Amount in Taka

Particulars	COST				Rate of Dep	DEPRECIATION				WDV as on December 31, 2021
	Balance as on Jan 1, 2021	Addition/ transfer during the year	Disposal/ adjustment during the year	Balance as on Dec 31. 2021		Balance as on Jan 1, 2021	Charged for the year	Adjustment/ transfer during the year	Balance as on Dec 31. 2021	
	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka	Taka
Nahar Green	63,390,907	-	-	63,390,907	2.5%	18,441,682	1,584,773	-	20,026,455	43,364,452
MIDAS Centre	138,348,874	-	-	138,348,874	2.5%	40,248,441	3,458,716	-	43,707,157	94,641,717
Total as on Dec 31, 2021	201,739,781	-	-	201,739,781		58,690,123	5,043,489	-	63,733,612	138,006,169

MIDAS FINANCING LIMITED

Investment Property

For the period ended December 31, 2020

Particulars	COST				Rate of Dep	DEPRECIATION				WDV as on December 31, 2020
	Balance as on Jan 1, 2020	Addition/ transfer during the year	Disposal/ adjustment during the year	Balance as on Dec 31. 2020		Balance as on Jan 1, 2020	Charged for the year	Adjustment/ transfer during the year	Balance as on Dec 31. 2020	
	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka	Taka
Nahar Green	63,390,907	-	-	63,390,907	2.5%	16,856,909	1,584,773	-	18,441,682	44,949,225
MIDAS Centre	138,348,874	-	-	138,348,874	2.5%	36,789,725	3,458,716	-	40,248,441	98,100,433
Total as on Dec 31, 2020	201,739,781	-	-	201,739,781		53,646,634	5,043,489	-	58,690,123	143,049,658

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

ANNEXURE-D

Investment Property

For the period ended December 31, 2021

Amount in Taka

Particulars	COST				Rate of Dep	DEPRECIATION				WDV as on December 31, 2021
	Balance as on Jan 1, 2021	Addition/ transfer during the year	Disposal/ adjustment during the year	Balance as on Dec 31. 2021		Balance as on Jan 1, 2021	Charged for the year	Adjustment/ transfer during the year	Balance as on Dec 31. 2021	
	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka	Taka
MIDAS Financing Ltd.	201,739,781	-	-	201,739,781	2.5%	58,690,123	5,043,489	-	63,733,612	138,006,169
MIDAS Investment Ltd.	176,450,707	-	-	176,450,707	2.5%	33,084,510	3,584,155	-	36,668,665	139,782,042
Total as on Dec 31, 2021	378,190,488	-	-	378,190,488		91,774,633	8,627,644	-	100,402,277	277,788,211

MIDAS FINANCING LIMITED AND ITS SUBSIDIARY

Investment Property

For the period ended December 31, 2020

Particulars	COST				Rate of Dep	DEPRECIATION				WDV as on December 31, 2020
	Balance as on Jan 1, 2020	Addition/ transfer during the year	Disposal/ adjustment during the year	Balance as on Dec 31. 2020		Balance as on Jan 1, 2020	Charged for the year	Adjustment/ transfer during the year	Balance as on Dec 31. 2020	
	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka	Taka
MIDAS Financing Ltd.	201,739,781	-	-	201,739,781	2.5%	53,646,634	5,043,489	-	58,690,123	148,093,147
MIDAS Investment Ltd.	176,450,707	-	-	176,450,707	2.5%	28,673,242	4,411,268	-	33,084,510	143,366,197
Total as on Dec 31, 2020	378,190,488	-	-	378,190,488		82,319,876	9,454,757	-	91,774,633	291,459,344

Annexure-E

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

SL.	Nature of Departure	Title of IAS/ IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
1	Measurement of provision for leases, loans and advances (financial assets measured at amortized cost)	IFRS 9 "Financial Instruments"	An entity shall assess at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets measured at amortized cost is impaired. If any such evidence exists, expected credit losses are required to be measured through a loss allowance at an amount equal to: a) the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).	As per FID circular No. 08, dated 03 August 2002, FID circular No. 03, dated 03 May 2006 and FID circular No. 03, dated 29 April 2013, a general provision at 0.25% to 5% under different categories of unclassified loans (good/standard loans and Special Mentioned Accounts (SMA)) has to be maintained irrespective of objective evidence of impairment on lease, loans and advances. Also provision for sub-standard investments, doubtful investments and bad losses has to be provided at 20%, 50% and 100% respectively for investments depending on the duration of overdue.	In separate Financial Statements, an amount of BDT 31.13 crore has been charged as incremental provision for leases, loans and advances, which includes BDT 2.08 crore as general provision on good loan for the year 2021. Also, as at 31 December 2021, accumulated provision for leases, loans and advances stand at BDT 65.50 crore.
2	Valuation of Investments in quoted and unquoted shares	IFRS 9 "Financial Instruments"	Investment in shares falls either under at "fair value through profit/ loss (FVTPL)' or "fair value through other comprehensive income (FVTOCI)" where any change in the fair value in case of FVTPL at the year - end is taken to profit of loss, and any change in fair value in case of FVTOCI is taken to other comprehensive income.	As per FID circular No. 08, dated 03 August 2002 investments in quoted shares and unquoted shares are revalued at the year end at market price and as per book value of last audited balance sheet respectively. Provision should be made for any loss arising from diminution in value of investment; however in case of any unrealized gain, no such gain can be recognized and investments are recognized at cost only.	During this year, total market value of all shares of MIDAS Financing Ltd and its subsidiary is higher than the cost price. During the year the company made provision of BDT (0.57) crore for consolidated investment and BDT 0.80 crore for separate investment.

SL.	Nature of Departure	Title of IAS/ IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
3	Recognition of interest income for SMA and classified lease, loans and advances	IFRS 9 "Financial Instruments"	Income from financial assets measured at amortized cost is recognized through effective interest rate method over the term of the investment. Once a financial asset is impaired, investment income is recognized in profit and loss account on the same basis based on revised carrying amount.	As per FID circular No. 03, dated 03 May 2006, once an investment on leases, loans and advances is termed as "Special Mention Account (SMA)", interest income from such investments are not allowed to be recognized as income, rather the respective amount needs to be credited as a liability account like: interest suspense account.	At year end, interest suspense account has increased to BDT 35.36 crore from 32.51 crore resulting increase of BDT 2.85 crore of interest suspense. This amount has been shown as other liabilities in note 13.6
4	Presentation of cash and cash equivalent	IAS 7 "Statement of Cash Flows"	Cash equivalent are short term, highly liquid investments that are readily convertible to known amounts of cash and only include those investments which are for a short tenure like: 3 months or less period. In the light of above, balance with Bangladesh Bank and fixed term deposits should be treated as investment asset rather than cash equivalent as it is liquidated asset and not available for use in day to day operations.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements provided detail presentation for statement of cash flows.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.
5	Measurement of deferred tax asset	IAS 12 "Income Tax"	A deferred tax asset shall be recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.	As per DFIM circular No. 7, dated 31 July 2011, no deferred tax asset can be recognized for any deductible temporary difference against the provision for lease, loans and advances.	During this year there is no impact in the financial statements due to this departure as the Company did not consider any deductible temporary difference against the provision for leases, loans and advances.
6	Presentation and disclosure of Financial Statements and Financial Instruments	IAS 1 "Presentation of Financial Statements" IFRS 9 "Financial Instruments" & IFRS 7 "Financial Instruments: Disclosure"	Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement. IAS 1 requires separate line item for intangible assets on the face of statement of financial position. IFRS 9 and IFRS 7 require specific presentation and disclosure relating to all financial instruments.	Bangladesh Bank has issued templates for financial statements vide DFIM Circular No. 11, dated 23 December 2009 which will strictly be followed by all banks and NBFIs. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of Other Comprehensive Income allowed to include in a Single Comprehensive Income Statement.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank.

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
				Intangibles assets are not separately presented on the face of statement of financial position; rather it is presented along with the line item of fixed assets. As per Bangladesh Bank guidelines, financial instruments are categorized, recognized and measured differently from those prescribed in IAS 39. As such some disclosure and presentation requirements of IFRS 7 and IAS 32 have not been made in the accounts.	
7	Preparation of "Statement of Cash Flows"	IAS 7 "Statement of Cash Flows"	The Cash flow statement can be prepared using either the direct method or the indirect method. The presentation is selected to present these cash flows in a manner that is most appropriate for the business or industry. The method selected is applied consistently.	As per DFIM Circular No. 11, dated 23 December 2009, Cash flow statement has been guided by the Bangladesh Bank which is the mixture of direct and indirect method.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11 dated 23 December 2009) of Bangladesh Bank.
8	Current/Non-current distinction	IAS 1 "Presentation of Financial Statement"	As per Para 60 of IAS 1 "Presentation of Financial statement" An entity shall present current and non-current assets and current and non-current liabilities as separate classification in its statement of financial position.	As per DFIM Circular No. 11, dated 23 December 2009, Bangladesh Bank has issued templates for financial statements which is applicable for all the Financial Institutions. In this templates there is no current and non-current segmentation of assets and liabilities	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. Moreover, the liquidity statement shows the aging profile of all financial assets and liabilities from where current/non-current portion of assets and liabilities can be obtained.

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
9	Off-balance sheet items	IAS 1 "Presentation of Financial Statements"	There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.	As per DFIM Circular No. 11, dated 23 December 2009, off-balance sheet items (e.g. letter of credit, letter of guarantee etc.) must be disclosed separately on the face of the balance sheet.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure but there is a disclosure in the financial statements.
10	Impairment of Margin Loan (Loans and receivables	IFRS 9 "Financial Instruments"	Measurement after initial recognition at amortized cost and recording of changes through profit and loss.	As per Bangladesh Securities and Exchange Commission (BSEC) Circular No. SEC/CMRRCD/2009-193/196 dated 28 December 2016, provisions for the year 2016 on impairment of principal portion of margin loan shall be kept at 20% on each quarter for the five quarters starting from December 2016.	There is no such impact for this. However, we have been maintaining full provision for unrealized loss (if any) of margin loan in the portfolio.
11	Complete set of financial statements	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" complete set of financial statements are i) statement of financial position, ii)statement of profit or loss and other comprehensive income, iii) statement of changes in equity, iv) statement of cash flows, v) notes, comprising significant accounting policies and other explanatory information and vi) Statement of financial position at the beginning of preceding period for retrospective restatement.	As per DFIM Circular No. 11, dated 23 December 2009, complete set of financial statements are i) balance sheet, ii) profit and loss account, iii) statement of cash flows, iv) statement of changes in equity, v) statement of liquidity, vi) Notes, comprising significant accounting policies and other explanatory information.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.

SL.	Nature of Departure	Title of IAS/IFRS	Treatment of IAS/IFRS	Treatment Adopted as per Bangladesh Bank	Financial or Presentation Effect of the Departure
12	Intangible asset	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" para 54: the statement of financial position shall include separate line item for intangible assets.	As per DFIM Circular No. 11, dated 23 December 2009, there is no option for separate line item for intangible asset in the balance sheet. We present intangible asset in the balance sheet as part of fixed assets and provide details in annexure - A as separate line item.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.
13	Other comprehensive income	IAS 1 "Presentation of Financial Statements"	As per IAS 1: "Presentation of Financial Statements" Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single OCI statement.	Bangladesh Bank has issued templates for financial statements which will strictly be followed by financial institutions. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income (OCI) nor are the elements of OCI allowed to be included in a single OCI statement. As such the financial institution does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.	Financial Statements for 2021 and corresponding year 2020 have been prepared as per the guideline and templates issued by Bangladesh Bank. There is no financial impact for this departure in the financial statements.
14	Disclosure of presentation of profit	N/A	There is no requirement to show appropriation of profit in the face of statement of comprehensive income.	As per DFIM circular no 11, dated 23 December 2009, an appropriation of profit should be disclosed in the face of profit and loss account	Financial Statements for 2021 and corresponding year 2020 have been prepared as per guideline (DFIM Circular No. 11, dated 23 December 2009) of Bangladesh Bank. There is no financial impact for this departure in the financial statements.

MIDAS FINANCING LIMITED

Computation Of Taxable Income And Tax Liability According To Income Tax Law

For the period ended from January 01, 2021 to December 31, 2021

Assessment year 2022-2023

Annexure-F

			Taka
Net profit/(Loss) as per audited accounts			**90,629,549**
"Less: Capital gain from sale of shares of companies- listed with stock exchange for separate calculation"			50,122,554
Less: Dividend Income for separate calculation			22,822,768
Less: Rental Income for separate calculation			39,989,741
			112,935,063
A= Business Income/(Loss)			**(22,305,514)**
B= Add: Inadmissible expenses/Provision			
Provision for doubtful debts			331,160,170
Excess Perquisite			2,485,320
Depreciation on fixed assets for separate calculation			15,605,933
			349,251,423
C= (A+B)			**326,945,909**
D = Less: Admissible expenses			
Depreciation on fixed assets as per 3rd schedule			6,273,739
Bad debts Written off during the year			19,748,470
			26,022,209
E= Income/(Loss) from Business			**300,923,700**
Calculation of Tax :			
1. Income from Business	300,923,700		
Less: Loss carry forwarded from previous year- Annex.-3	(328,670,058)		
Loss carry forwarded for next year	**(27,746,358)**		-
2. Income from House Property - Annex.-2	**39,989,741**	X 37.5%	14,996,153
3. Dividend Income	**22,822,768**	X 20%	4,564,554
4. Capital Gain from sale of share	**50,122,554**	X 10%	5,012,255
	Total Tax Liability		**24,572,962**

MIDAS FINANCING LIMITED
DEFERRED TAX CALCULATION
For the year ended 31 December 2021

Annexure-G

	Carrying Amount in Balance Sheet	Tax Base	Taxable/(deductible) temporary difference
Written down value of own assets	**278,272,061**	**252,838,052**	**25,434,009**
Applicable tax rate			**37.50%**
Deffered Tax Liabilities/(deferred tax assets)			9,537,754
Deffered Tax maintained in the accounts			25,363,805
Deffered Tax liabilities/(deferred tax assets) to be maintained			**(15,826,051)**

Fixed Assets

Particulars	Opening Balance	Addition	Deletion	Not applicable for depreciation allowance	Rate	Depreciation	WDV
Land	19,505,978	-	-	-	-	-	19,505,978
Building (Chattogram)	10,185,418				10%	1,018,542	9,166,876
Building (Bagura)	2,840,923				10%	284,092	2,556,831
Building (2.5 no of floors MC) Own use	27,200,209				10%	2,720,021	24,480,188
Building (NG) Rented	45,185,039			45,185,039	0%	-	45,185,039
Building (4 no of floors MC) Rented	135,268,637			135,268,637	0%	-	135,268,637
Office Equipment	5,856,341	451,099	335,114	-	10%	597,233	5,375,093
Computer equipment	1,403,680	266,719	-	-	30%	501,120	1,169,279
Furniture & Fixtures	9,267,864	1,186,587	167,330	-	10%	1,028,712	9,258,409
Motor Vehicle	244,452	-	-	-	20%	48,890	195,562
System & software	751,288	-		-	10%	75,129	676,159
Total	**257,709,829**	**1,904,405**	**502,444**	**180,453,676**		**6,273,739**	**252,838,052**

HIGHLIGHT AS REQUIRED BY BANGLADESH BANK

MIDAS Financing Ltd. and its subsidiary

As on December 31, 2021

SL	Particulars	BDT/%	Solo		Consolidated	
			2021	2020	2021	2020
1	Paid-up capital	BDT	1,424,678,291	1,389,930,040	1,424,678,291	1,389,930,040
2	Total capital	BDT	1,665,971,373	1,618,836,984	1,674,777,503	1,625,093,102
3	Capital surplus	BDT	424,678,291	389,930,040	424,678,291	389,930,040
4	Total assets	BDT	11,540,196,380	11,267,360,030	11,472,873,893	11,184,125,963
5	Total deposits	BDT	6,173,024,516	6,130,440,881	5,968,024,516	5,925,440,881
6	Total lease, loans and advances	BDT	9,632,255,868	9,629,457,815	9,427,736,286	9,413,080,836
7	Total contingent liabilities and commitments	BDT	100,000,000	442,900,000	100,000,000	442,900,000
8	Credit deposit ratio	%	156.04%	157.08%	157.97%	158.86%
9	Percentage of classified loan against total loans	%	14.89%	11.39%	14.89%	11.39%
10	Net profit after taxation	BDT	81,882,639	112,545,750	84,432,832	115,288,871
11	Classified lease, loans and advances	BDT	1,434,143,540	1,096,844,549	1,434,143,540	1,096,844,549
12	Provisions kept against classified loans	BDT	559,792,284	286,161,501	559,792,284	286,161,501
13	Provision surplus/(deficit) against classified loan	BDT	30.32	0	30.32	0
14	Cost of fund	%	9.08%	10.30%	9.08%	10.30%
15	Interest earnings assets	BDT	9,308,710,414	8,965,972,802	9,563,965,717	9,230,553,935
16	Non-interest earnings assets	BDT	2,231,485,966	2,301,387,228	1,908,908,176	1,953,572,028
17	Return on investment in shares (ROI)	%	28.83%	17.58%	17.39%	8.10%
18	Return on assets (ROA)	%	0.72%	1.01%	0.75%	1.04%
19	Income from investment	BDT	72,945,322	44,956,525	61,089,487	29,561,439
20	Earnings per share (Restated)	BDT	0.57	0.79	0.59	0.81
21	Operating profit per share (Restated)	BDT	2.96	0.77	2.97	0.80
22	Price earning ratio (Restated)	Times	30.97	22.72	30.03	22.18
23	Market price per share	BDT	17.80	18.40	17.80	18.40
24	Net assets value (NAV) per share(Restated)	BDT	11.69	11.36	11.76	11.41

FINANCIAL STATEMENTS OF MIDAS INVESTMENT LIMITED



FAMES & R
CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT
To the Shareholders of MIDAS INVESTMENT LIMITED

Repot on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MIDAS INVESTMENT LIMITED which comprises the statement of financial position as at December 31, 2021 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements gives a true and fair view of the financial position of the Company as at December 31, 2021 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that gives a true and fair view in accordance with IFRSs, 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.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, we also report the following:

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

b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books; and

c) the statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of accounts.



Fouzia Haque, FCA
Partner
FAMES & R
Chartered Accountants
DVC # 2204111032AS848062

Date :April 11, 2022
Place : Dhaka

MIDAS INVESTMENT LIMITED

Statement of Financial Position

As at Decmber 31, 2021

Particulars	Notes	Amount in Taka	
		December 31, 2021	December 31, 2020
ASSETS			
Non-current Assets:			
Property, plant and equipment	3	36,041,009	36,510,958
Building (Investment Property)	4	139,782,042	143,366,197
Intangible Assets	5	222,338	317,625
Long-term investment	6	205,000,000	205,000,000
Total non-current assets		**381,045,388**	**385,194,780**
Current Assets			
Cash and Cash Equivalents	7	12,317,708	1,541,501
Investment in Securities	8	90,128,922	106,584,158
Margin Loan to portfolio investors		31,626,401	23,642,818
Rental income receivable	9	41,080,253	35,250,228
Other assets	10	1,803,266	786,721
Advance income tax	11	61,684,593	55,763,574
Deferred tax	12	4,134,967	3,019,952
Total current assets		**242,776,110**	**226,588,952**
Total Assets		**623,821,498**	**611,783,731**
EQUITY AND LIABILITIES			
Shareholders' Equity:			
Share capital	13	250,000,000	250,000,000
Retained earnings	14	8,806,228	6,256,196
Total Equity		**258,806,228**	**256,256,196**
Liabilities			
Non-current Liabilities			
Long-term loan	15	191,590,830	191,980,187
Current Liabilities:			
Short Term Loan	16	44,555,153	48,039,610
Provision for Tax	17	49,362,627	41,416,203
Other Liabilities & Provision	18	79,506,660	74,091,535
Total Current Liabilities		**173,424,440**	**163,547,348**
Total Liabilities		**365,015,270**	**355,527,535**
Total Equity and Liabilities		**623,821,498**	**611,783,731**

Annexed notes form integral part of these Financial Statements

Chairman | Director | Chief Executive Officer (CC) | Company Secretary

Signed as per our report of even date annexed

Fouzia Haque, FCA
Partner
FAMES & R
Chartered Accountants
DVC # 2204111032AS848062

Date : April 11, 2022
Place : Dhaka

MIDAS INVESTMENT LIMITED

Statement of Profit or Loss and other Comprehensive Income

For the year ended December 31, 2021

Particulars	Notes	Amount in Taka	
		December 31, 2021	December 31, 2020
Operating Income	19	7,408,995	4,322,745
Income from investment in securities	20	8,144,005	4,604,753
Less: Operating Expenses	21	(6,153,146)	(6,730,041)
Operating Income		**9,399,854**	**2,197,457**
Other income	22	25,505,238	34,117,846
		34,905,092	**36,315,303**
Administrative Expenses			
Salary and allowances		5,941,281	5,109,726
Utilities expenses		564,299	415,122
Bank charges & excise duty		132,501	79,615
Legal Fees - Consultant Fees		115,000	61,595
Audit Fee		57,500	46,000
Regulatory fees and charges	23	355,000	275,000
Printing & Stationary	24	79,800	33,384
Postage, stamp and telecommunication	25	169,042	160,684
Directors fees	26	80,000	96,000
Depreciation	27	4,202,285	5,466,107
Other expenses	28	1,477,205	1,686,410
Total administrative expenses		**13,173,913**	**13,429,643**
Profit before provision		**21,731,179**	**22,885,660**
Provision for investment in shares & Others	29	(13,711,454)	(7,677,587)
Provision for Rental receivable		6,061,192	6,061,192
Profit before taxation		**29,381,441**	**24,502,055**
Tax expenses:			
Current Tax	30	7,946,424	3,294,890
Deffered Tax		(1,115,015)	(1,535,796)
		6,831,409	**1,759,094**
Profit for the period		**22,550,032**	**22,742,961**
Earnings Per Share	**31**	**0.90**	**0.91**

Annexed notes form integral part of these Financial Statements

Chairman | Director | Chief Executive Officer (CC) | Company Secretary

Signed as per our report of even date annexed

Fouzia Haque, FCA
Partner
FAMES & R
Chartered Accountants
DVC # 2204111032AS848062

Date : April 11, 2022
Place : Dhaka

MIDAS INVESTMENT LIMITED

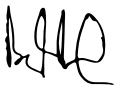
Statement of Changes in Shareholders' Equity

As at Decmber 31, 2021

Particulars	Share Capital	Reserve	Retained Earnings	Total
Balance as at January 01 2021	**250,000,000**	**-**	**6,256,196**	**256,256,196**
Profit for the period	-	-	22,550,032	22,550,032
Dividend declared for the year 2021	-	-	(20,000,000)	(20,000,000)
Balance as at 31st December,2021	**250,000,000**	**-**	**8,806,228**	**258,806,228**
Balance as at 31 December 2020	**250,000,000**	**-**	**6,256,196**	**256,256,196**



Chairman



Director



Chief Executive Officer (CC)



Company Secretary

Date : April 11, 2022
Place : Dhaka

MIDAS INVESTMENT LIMITED

Statement of Cash Flows

For the year ended December 31, 2021

Particulars	Amount in Taka	
	December 31, 2021	December 31, 2020
A) Cash flows from Operating Activities		
Fees & Commission Received	7,408,995	4,322,746
Interest received from TDR	19,799,783	21,692,417
Interest paid against borrowing	(25,113,461)	(33,161,045)
Profit/(Loss) from share investment	8,144,005	4,604,753
Cash payment to employees	(5,941,281)	(5,109,726)
Cash Payment for Others expenses	(2,835,563)	(3,005,871)
Income Tax Paid	(5,921,019)	(5,801,293)
Received from other Income	23,973,024	29,188,395
Sub Total	**19,514,483**	**12,730,376**
Changes in Operating Assets and Liabilities		
Purchase of Trading Securities	16,455,236	5,457,847
Increse in Current Asset	(1,016,545)	373,301
Increase in Current Liabilities	7,733,321	(823,402)
Sub Total	**23,172,012**	**5,007,746**
Net cash used in operating activities	**42,686,495**	**17,738,122**
B) Cash flows from Investing Activitives		
Fixed Assets Purchease	(52,892)	-
Increase in investment in Margin loan	(7,983,583)	(7,453,459)
Net cash used in Investing Activitives	**(8,036,475)**	**(7,453,459)**
C) Cash flows From Financing Activities		
Dividend Paid during the period	(20,000,000)	(15,000,000)
Increase/(decrease) of borrowings	(3,873,814)	2,190,040
Net cash from Financing Activitives	**(23,873,814)**	**(12,809,960)**
Net cash inflow & outflow (A+B+C)	**10,776,207**	**(2,525,297)**
Cash and cash equivalent at the beginning	**1,541,501**	**4,066,799**
Cash and cash equivalents at the Closing	**12,317,708**	**1,541,501**
Closing cash cash-equivalents at the Closing		
Cash in hand	3,437	3,437
Cash at bank	12,314,271	1,538,064
Total:	**12,317,708**	**1,541,501**

Chairman | Director | Chief Executive Officer (CC) | Company Secretary

Date : April 11, 2022
Place : Dhaka

MIDAS INVESTMENT LIMITED

Notes to the financial statements

For the year ended December 31, 2021

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 on 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 of the Company under-reporting have been prepared under the historical cost convention ongoing concern,period consistency and accrual basis concept in accordance with Generally Accepted Accounting Principles (GAAP) and practices in Bangladesh in compliance with the Companies Act 1994,The Securities and Exchange Rules, 2020 and International Accounting Standards (IAS), International Financial Reporting Standards (IFRS) and other applicable laws and regulations of the Country.

2.02 Basis of Preparation and Presentation of Financial Statements

The Financial Statements of the Company are prepared on a going concern basis under historical cost convention and in accordance with the International Accounting Standards (IASs) and International Financial Reporting Standards (IFRSs), the Companies Act 1994, The Securities and Exchange Rules, 2020 and other applicable laws & regulations in Bangladesh.

2.03 Components of the Financial Statements

The Financial Statements comprises the followings:

(a) Statement of Financial Position;
(b) Statement of Comprehensive Income;
(c) Statement of Changes in Equity;
(d) Statement of Cash Flows and
(e) Notes to the financial statements.

2.04 Application of Standards

The Financial Statements have been prepared in compliance with the requirements of IAS and the following IASs are applicable for the financial statements for the year under review :

IASs:

IAS-1 Presentation of Financial Statements;
IAS-2 Inventories;
IAS-7 Statement of Cash Flows;
IAS-8 Accounting Policies, Changes in Acounting Estimates and Errors;
IAS-10 Events after the Balance Sheet Date;
IAS-12 Income Taxes;
IAS-16 Property, Plant and Equipment;
IAS-19 Employee Benefits;
IAS-21 The Effects of Changes in Foreign Exchange Rates;
IAS-24 Related Party Disclosures;
IAS-33 Earnings per Share;
IAS-34 Interim Financial Reporting;
IAS-36 Impairment of Assets;
IAS-38 Intangible Assets;
IAS-39 Financial Instrument: Recognition and Measurement;

IFRSs:

IFRS-1 First-time Adoption of International Financial Reporting Standards;
IFRS-7 Financial Instrument: Disclosure;
IFRS-8 Operating Segments;
IFRS-9 Financial Instrument;
IFRS-13 Fair Value Measurement;
IFRS-15 Revenue from Contracts with Customers;
IFRS-16 Leases.

2.05 Going Concern

The company has adequate resources to continue in operation for the foreseeable future and hence, the Financial Statements have been prepared on a going concern basis. As per management assessment, there is no material uncertainties related to event or condition which may cast significant doubt upon the company's ability to continue as a going concern.

2.06 Approval of Financial Statements

These financial statements were approved by the Board of Directors on April 07, 2022.

2.07 Reporting Period

The financial period of the company covers 12 (Twelve) months period from January 01, 2021 to December 31, 2021

2.08 Use of estimates and judgment

Preparation of the financial statements in conformity with IAS 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.

2.09 Cash flow statement

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

2.10 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits and other short term/ fixed deposits with banks and non-banking financial institutions which are held and available for use by the company without any restriction. Cash and cash equivalents other than reporting currency is translated at closing rate as per IAS-21 "The Effects of Changes in Foreign Exchange Rates". Resulting translation difference is recognized as income through other comprehensive income.

2.11 Property plant & Equipment

Initial Recognition and measurement

Property, plant and equipment are capitalized at cost of acquisition and subsequently stated at cost or valuation less

accumulated depreciation in compliance with the requirements of IAS-16: Property, Plant and Equipment. The cost of acquisition of an asset comprises its purchase price and any directly attributable cost of bringing the assets to its working condition for its intended use inclusive of inward freight, duties, non-refundable taxes and un-allocated expenditures etc.

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 or loss account as expense.

Depreciation

Depreciation is recognized in the statement of profit or loss and other comprehensive income using 'Reducing Balance Method' over the estimated useful lives of each fixed assets. No depreciation is charged on Land & Land Development. Depreciation is charged on additions to fixed assets from the date when the assets are available for use. Depreciation on disposals of fixed assets, ceases at the earlier of the date that the assets are disposed. Depreciation is 100% as administrative expenses. The rates of depreciation being charged on different assets are given below:

Land	0%
Building	2.50%
Office decoration	15%
Office equipment	20%
Furniture and fixtures	15%
Computers & Accessories	33%
IT System and Software	30%

Disposal

On disposal of Property,Plant and Equipment the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the Profit or Loss and Other Comprehensive Income, which is determined with reference to the net book value of the assets and net sale proceeds. Depreciation charged on dispoal assets for upto the date of assets disposal.

2.12 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 or Loss Account.

2.13 Revenue Recognition

In accordance with the provisions of the IFRS-15: "Revenue from Contracts with Customers"; revenue from contracts with customers represents the amount that reflects the considerations to which entity expects to be entitled in exchange for goods supplied and service provided to customers during the year. Revenue from contracts with customers is recognized in the statement of profit or loss and other comprehensive income when the performance obligation (supply of promised goods and services) is satisfied. Performance obligation is satisfied at a point in time when customer obtains the control of goods and services. Revenue has been recognized at the time of invoice made for the services rendered by the company.

2.14 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.

2.15 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.

2.16 Provision on investment

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

2.17 Income and expenditures

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

2.18 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.

2.19 Borrowing cost

Interest and other cost incurred in the Company in connection with the borrowing of fund are recognized as expenses in the period in which they are incurred unless such borrowings cost related to acquisition/construction of assets in progress that are required to capitalized as per IAS-23: Borrowing Cost.

2.20 Taxation

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities. MIDAS INVESTMENT LIMITED is Full fledge Merchant Bank. As per the Income Tax Ordinance, 1984, provision for tax has been made at the existing rate of 37.5% in respect of business income.

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.

Deferred tax

Deferred tax has been recognized in accordance with the provision of IAS 12: Income Taxes, based on the deductible or taxable temporary difference between the carrying amount of assets/liabilities and its tax base. Deferred tax asset or liability is the amount of income tax recoverable or payable in the future periods recognized in the current period. Deferred tax asset or liability does not create a legal recoverability or liability from or to tax authority. Related deferred tax income/expense is recognized as well in the statement of comprehensive income. Deferred tax assets and liabilities are offsetted if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

2.21 Earnings Per Share (EPS)

This represents earnings for the period attributable to the ordinary shareholders. As there was no preference dividend, minority interest or extra ordinary items, the net profit for the period has been considered as fully attributable to ordinary shareholders. Basic earnings per share has been calculated by dividing the net profit or loss by the weighted average number of ordinary shares outstanding during the year. Computation of weighted average number of ordinary shares are required as number of shares outstanding has been changed during the year.

2.22 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.

2.23 Related party disclosure

As per International Accounting Standards (IAS) 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 33.

2.24 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.

2.25 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.

2.26 Uniform accounting policies

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

2.27 Proposed dividend

Proposed dividend has not been recognised as a liability in the balance sheet in accordance with International Accounting Standards (IAS) 10 "Events After the Balance Sheet Date".

2.28 General

i) Figures appearing in these Financial Statements have been rounded off to the nearest integer.
ii) Prior year's figures have been shown to ensure comparability with the current year.
iii) Bracket figures are denote negative.

MIDAS INVESTMENT LIMITED
Statement of Cash Flows
For the year ended December 31, 2021

Notes	Particulars	Amount in Taka	
		31 December, 2021	December 31, 2020
3.00	**Property, plant and equipment**		
	Fixed Assets at cost :		
	Opening Balance	42,004,485	42,004,485
	Addition during the period	52,892	-
	Closing Balance	**42,057,377**	**42,004,485**
	Accumulated Depreciation :		
	Opening Balance	5,493,526	4,785,189
	Charged during the period	522,843	708,339
	Closing Balance	**6,016,369**	**5,493,528**
	Written Down Value	**36,041,009**	**36,510,958**
	Details of Property, plant and equipments along with depreciation charged thereon as on December 31, 2021 has been shown in **Annexure-A** .Full amount of depreciation has been charged to Administration expenses.		
4.00	**Building (Investment Property)**		
	Cost Value	176,450,707	176,450,707
	Less: Accumulated Depriciation	36,668,665	33,084,510
	Written down value (WDV)	**139,782,042**	**143,366,197**
	Details of Building (Investment Property) along with depreciation charged thereon as on December 31, 2021 has been shown in **Annexure-A.**		
5.00	**Intangible Assets**		
	IT Software & System	1,155,000	1,155,000
	Less: Accumulated amortization	932,663	837,375
	Written down value (WDV)	**222,338**	**317,625**
	Details of Intangible Assets along with amortization charged thereon as on December 31, 2021 has been shown in **Annexure-A.**		
6.00	**Long-term investments**		
	Term deposits with MFL	205,000,000	205,000,000
		205,000,000	**205,000,000**
7.00	**Cash and Cash Equivalents**		
	Break up of the above head are as follows :		
	Cash in hand **(Note-7.01)**	3,437	3,437
	Cash at bank **(Note-7.01)**	12,314,271	1,538,064
	Balance	**12,317,708**	**1,541,501**
7.01	**Cash in hand**		
	Cash in hand as on December 31, 2021 was Tk. 3,437 which existed in Head office. Management has been provided cash certificate to the auditor.		
7.02	**Cash at bank**		
	The Cash at Bank amount has been lying with Four individual accounts. We have verified the Bank balance along with the Bank Statement and Bank Re-conciliation statement and found in agreement. Details as under:		
	Standard Bank Ltd. (CD A/C no.01433006114)	2,861,444	2,404
	Mercantile Bank Ltd. (SND A/C No.110213123408135)	21,442	150,426
	Mercantile Bank Ltd. (CD A/C No.110211122407841)	9,431,386	1,384,513
	Mercantile Bank Ltd. (PIAA A/C No.110213332701419)	-	721
	Total	**12,314,271**	**1,538,064**
8.00	**Investment in Securities**		
	Investments in listed securities (Note-8.1)	73,444,992	96,584,158
	Investments in non- listed securities (Note-8.2)	16,683,930	10,000,000
		90,128,922	**106,584,158**

8.1 Investments in listed securities, this represent investment made by the Company in Different Shares Listed with the stock Exchanges.

Investment In Listed Securities

Particulars	Cost Price	Market Price as on December 2021	Unrealized gain/ (Loss)
Bank	26,236,030	23,556,633	(2,679,397)
Engineering	2,295,319	1,734,911	(560,408)
Financial Institutions	697,531	520,000	(177,531)
Mutual Fund	4,803,779	3,627,500	(1,176,279)
Fuel & Power	7,034,887	5,067,380	(1,967,507)
Insuarance	2,503,933	2,235,000	(268,933)
Pharmaceuticalts and Chemicals	10,412,295	9,223,063	(1,189,232)
Ceramic	2,612,207	2,242,200	(370,007)
IT	11,616,681	7,848,667	(3,768,014)
Textile	3,227,234	2,135,069	(1,092,165)
Paper & Printing	2,005,095	943,950	(1,061,145)
Total amount in Taka	**73,444,992**	**59,134,373**	**(14,310,619)**

Notes	Particulars	Amount in Taka	
		31 December, 2021	31 December, 2020
8.2	**Investments in non- listed securities**		
	Arian Chemicals Ltd.	10,000,000	10,000,000
	Union Insurance Limited	46,430	-
	BD Thai Foods Limited	637,500	-
	Union Bank Limited	6,000,000	-
		16,683,930	**10,000,000**
9.00	**Rental income receivable**		
	Office space	38,016,868	32,609,423
	Garage space	291,000	255,000
	Service charge	2,772,385	2,385,805
	Balance	**41,080,253**	**35,250,228**

Details of the rental income receivable

SL	Name of Tenant	Taka	Taka
01	Brandwin Group of companies Ltd.	34,169,818	28,517,038
02	Esperto Health Care Ltd.	4,154,960	4,154,960
03	Associated Engineers General Construction (AEGC)	339,000	285,600
04	Secured Link BD- 3rd Floor north side	382,000	-
05	Secured Link BD- 3rd Floor South side	1,920,105	1,792,350
06	Transparency International Bangladesh	-	500,280
07	Howlader Maria & Co. (HMC)	114,370	-
	Total	**41,080,253**	**35,250,228**

***Rental Income Receivable has been shown in total amount of Taka 41,080,253 in which receivable from Brandwin Group of companies Limited and Esperto Health care Ltd. has major rental defaulter for an amount of Taka 34,169,818/- and Taka 4,154,960. As per the decision of the Board, Provision for Rental Income for Brandwin Group of companies Ltd. amount is Taka 11,517,950 and Esperto Health Care Ltd. amount is taka 3,336,224

Notes		Amount in Taka	
		31 December, 2021	December 31, 2020
10.00	**Other assets**		
	Advance against purchase of shares	1,515,016	492,781
	Refundable Security Deposit-CDBL	200,000	200,000
	Advance to Others	88,250	28,000
	Receivbale from panel Broker-LBSL	-	65,940
		1,803,266	**786,721**
11.00	**Advance Income Tax**		
	Balance at the beginning of the period 2014	10,322,223	10,322,223
	Addition for the year 2015	3,688,813	3,688,813
	Addition for the year 2016	6,996,122	6,996,122
	Addition for the year 2017	14,425,166	14,425,166
	Addition for the year 2018	7,479,026	7,479,026
	Addition for the year 2019	7,050,931	7,050,931
	Addition for the year 2020	5,801,293	5,801,293
	Add: Addition during the period	5,921,019	-
	Total amount	**61,684,593**	**55,763,574**
12.00	**Deferred Tax Liability/(Asset)**		
	Opening balance	(3,019,952)	(1,484,156)
	Deferred tax (income)/expenses accounted for during the year	1,115,015	(1,535,796)
	Total	**(4,134,967)**	**(3,019,952)**
	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 IAS-12		
	Computation of deferred tax		
	Accounting base written down value	176,045,388	180,194,780
	Tax base written down value	187,071,968	188,247,985
	Temporary differences	**(11,026,580)**	**(8,053,205)**
	Applicable tax rate	**37.5%**	**37.5%**
	Deferred tax Assets at the end of the period	**(4,134,967)**	**(3,019,952)**
	Deferred tax assets at the beginning of the year	(3,019,952)	(1,484,156)
	Deferred tax (income)/expenses accounted for during the period	**(1,115,015)**	**(1,535,796)**
13.00	**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**
	Details are as follows:		

Sl #	Name of Shareholders	No. of Shares	% of Shareholding	31 December, 2021	December 31, 2020
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.Bazlur Rahman Khan	100	0.0004%	1,000	1,000
		25,000,000	100%	**250,000,000**	**250,000,000**

14.00	**Retained Earnings**		
	Opening balance	6,256,196	3,513,234
	Add: Net profit after taxation	22,550,032	22,742,962
	Less: Dividend declared	(20,000,000)	(20,000,000)
	Balance	**8,806,228**	**6,256,196**
15.00	**Long term loan**		
	Opening balance	191,980,187	185,329,757
	Midas Financing Ltd	13,000,000	7,000,000
		204,980,187	**192,329,757**
	Less: Adjustment during the period	(13,389,357)	(349,570)
	Balance	**191,590,830**	**191,980,187**

MIDAS INVESTMENT LIMITED
Notes to the financial statements
For the year ended December 31, 2021

Notes	Particular	Amount in Taka	
		31 December, 2021	December 31, 2020
16.00	**Short Term Loan(STL)**		
	Opening balance	48,039,610	52,500,000
	Add: Addition during the period	-	-
	Less: deduction during the period	(3,484,457)	(4,460,390)
	Balance	**44,555,153**	**48,039,610**
17.00	**Provision for Tax**		
	Balance at the beginning of the period	41,416,203	38,121,313
	Add: Addition during the period	7,946,424	3,294,890
	Balance	**49,362,627**	**41,416,203**
18.00	**Other liabilities**		
	Withholding AIT & VAT payable	9,784	5,867
	Advance Rent- Secured Link BD Ltd.	756,105	379,000
	Provision for investment in shares (Note-18.1)	14,310,619	29,985,865
	Security money (Note-18.2)	3,614,000	5,333,000
	Audit Fee payable	57,500	46,000
	Clients payable	6,412,567	543,218
	Payable to Panel Broker	523,702	49,263
	Service charge payable to MFL	6,872,210	4,323,215
	Interest expense payable(D02921)	6,201,790	1,570,862
	Interest expense payable(MFL-STL)	542,979	365,544
	Dividend Payable	20,000,000	20,000,000
	Provision for Rental Income & Other Investment (Note-18.3)	17,817,966	9,792,982
	Other Accrued expenses	2,387,437	1,696,718
	Balance	**79,506,660**	**74,091,535**
18.1	**Provision for investment in shares**		
	Opening balance	29,985,865	38,663,452
	Adjustment during the year	(15,675,246)	(8,677,587)
	Balance	**14,310,619**	**29,985,865**
18.2	**Security money**		
	Opening balance (TIB)	4,575,000	4,575,000
	Adjustment during the year	(1,719,000)	-
	Security Deposit - TIB	2,856,000	-
	Security Deposit - Brandwin Group Ltd.	758,000	758,000
	Balance	**3,614,000**	**5,333,000**
18.3	**Provision for Rental Income & other Investment**		
	Rental provision for Esperto	3,336,224	2,505,232
	Rental provision for Brandwin	11,517,950	6,287,750
	Provsion for Investment in share-Placement share (Arian Chemical Ltd.)	2,000,000	1,000,000
	Provision for Margin Loan	963,792	-
	Balance	**17,817,966**	**9,792,982**

MIDAS INVESTMENT LIMITED
Notes to the financial statements
For the year ended December 31, 2021

Notes	Particular	Amount in Taka	
		31 December, 2021	December 31, 2020
19.00	**Operating Income**		
	Brokerage Commission	3,573,038	1,352,241
	Margin Interest income	3,699,957	2,909,504
	BO Account Opening Fee	27,000	37,000
	IPO Application Fee	10,000	-
	Underwriting Commision	25,000	-
	BO Account Renewal Fee	74,000	24,000
	Total	**7,408,995**	**4,322,745**
20.00	**Income from Investment in securities:**		
	Dividend Income	2,749,754	2,317,446
	Profit /(loss) on sale of Securities	5,394,251	2,287,308
	Total	**8,144,005**	**4,604,753**
21.00	**Operating Expenses**		
	CDBL Share Maintenance charges	260,141	102,772
	Interest expenses	5,821,955	6,583,869
	BO Account charges (opening & renewal)	71,050	43,400
	Total	**6,153,146**	**6,730,041**
22.00	**Other income**		
	Rental income-Office space	29,613,090	36,460,823
	Rental income-Garage space	186,000	228,000
	Interest Income on staff Loan	-	428,612
	Other Income	3,959	-
	Bank interest income- SND A/C	2,275	10,990
	Net Interest Income **(Note-22.1)**	(4,300,086)	(3,010,578)
	Total	**25,505,238**	**34,117,846**
22.1	**Net Interest Income**		
	Interest income on MFL (TDR- D0-2921)	19,799,783	21,692,417
	Less: Interest expenses on MFL (LTD -D0-2921)	(24,099,869)	(24,702,995)
	Total	**(4,300,086)**	**(3,010,578)**
23.00	**Regulatory fees and charges**		
	Bidding Fee-DSE	35,000	19,000
	Membership & Subscription-BMBA	100,000	100,000
	RJSC expenses	20,000	6,000
	Licence renewal fee-BSEC	200,000	150,000
	Total	**355,000**	**275,000**
24.00	**Printing & Stationeries**		
	Printing expenses	8,500	1,800
	Office supplies	71,300	31,584
	Total	**79,800**	**33,384**

MIDAS INVESTMENT LIMITED
Notes to the financial statements
For the year ended December 31, 2021

Notes	Particular	Amount in Taka	
		31 December, 2021	December 31, 2020
25.00	**Telecommunication, Postage, Stamp**		
	Telephone, Fax, Mobile & Others Charges	47,172	31,769
	Networking charges	120,000	124,000
	Stamp	1,870	4,915
	Total	**169,042**	**160,684**
26.00	**Directors Fees and expenses**		
	Directors Fees	80,000	96,000
		80,000	**96,000**
27.00	**Depreciation & Amortization**		
	Depreciation on Property,plant & equipment	522,843	708,339
	Depreciation on Investment Property	3,584,155	4,411,268
	Amortization on Intangible Assets	95,288	346,500
	Total	**4,202,285**	**5,466,107**
28.00	**Other expenses**		
	News paper & periodical expenses	-	2,800
	Repair & Maintenance	68,295	317,135
	Travelling & Conveyance	54,975	13,203
	Entertainment expenses	106,265	33,483
	Advertisement expenses	-	4,485
	Dis & Cable charges	3,600	3,600
	Holding Tax -City Corporation	957,634	957,634
	Software maintenance charges	143,000	143,000
	Miscellaneous expenses	143,436	211,070
	Total	**1,477,205**	**1,686,410**
29.00	**Provision for Investment in share-listed**	(15,675,246)	(8,677,587)
	Add: Provision on investment placement -Arian chemical	1,000,000	1,000,000
	Add: Provision for Margin Loan	963,792	-
	Total	**(13,711,454)**	**(7,677,587)**

30.00 Current Tax

Head of Income	Income	Tax Rate	Taka	Taka
Business Income/(Loss)	18,285,462	37.50%	6,857,048	-
House property income/(Loss)	(3,240,506)	37.50%	-	-
Dividend Income	2,749,754	20.00%	549,951	-
Capital Gain	5,394,251	10.00%	539,425	-
Current Tax during the year			**7,946,424**	

31.00	**Earnings Per Share**		
	a. Net profit after tax (Taka)	22,550,032	22,742,961
	b. No. of ordinary share outstanding	25,000,000	25,000,000
	Earnings Per Share (a/b)	**0.90**	**0.91**

Notes	Particular	Amount in Taka	
		31 December, 2021	December 31, 2020
32.00	**Non-controlling interest (taka)**		
	200 ordinary shares* EPS	180	182
	Interest of MFL		
	24,999,800 ordinary shares* EPS	22,549,852	22,742,779
	Total		

33.00 Related Parties

MIDAS FINANCING LIMITED (MFL) holds 99.9992% share of MIDAS investment Ltd. As a result , MFL is the controlling party of the company.

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 IAS 24-Related Party Disclosures.

Sl.	Name of the party	Relation with the entity	Name of transaction	December 31, 2021	December 31, 2020
1	MIDAS FINANCING LTD	Parent	Deposit	205,000,000	205,000,000
2	MIDAS FINANCING LTD	Parent	Interest expense	24,099,869	24,702,995
3	MIDAS FINANCING LTD	Parent	Loan	191,590,830	191,980,187
4	MIDAS FINANCING LTD	Parent	STL	44,555,153	48,039,610

34.00 Contingencies and commitment

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

35.00 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

Schedule of Property, Plant and Equipments

For the year ended December 31, 2021

FAMES & R
Chartered Accountants

Annexure-A

Amount in Taka

Particulars	Cost				Rate	Depreciation / Amortization				Written down value as at 31.12.2021
	Balance as at 01.01.2021	Addition during the year	Disposal/ adjustment during the year	Balance as at 31.12.2021		Balance as at 01.01.2021	Charged during the year	Disposal/ adjustment during the year	Balance as at 31.12.2021	
I.Free holds Assets:										
Land	17,655,927	-	-	17,655,927		-	-	-	-	17,655,927
Building (Own use)	22,161,338	-	-	22,161,338	2.5%	3,601,214	464,003	-	4,065,217	18,096,121
Furniture & fixtures	493,237	-	-	493,237	15%	365,136	19,215	-	384,351	108,886
Office decoration	535,455	-	-	535,455	15%	368,650	25,021	-	393,671	141,784
Office equipment	143,345	21,932	-	165,277	20%	143,344	4,387	-	147,731	17,546
Computer & accessories	1,015,183	30,960	-	1,046,143	33%	1,015,182	10,217	-	1,025,399	20,744
Sub Total :	**2,004,485**	**52,892**	**-**	**42,057,377**		**5,493,526**	**522,843**	**-**	**6,016,369**	**36,041,009**
02.Building (Investment Property)										
Building (Investment Property)	176,450,707	-	-	176,450,707	2.5%	33,084,510	3,584,155	-	36,668,665	139,782,042
Sub Total:	**176,450,707**	**-**	**-**	**176,450,707**		**33,084,510**	**3,584,155**	**-**	**36,668,665**	**139,782,042**
03. Intangible Assets:										
IT System & Software	1,155,000	-	-	1,155,000	30%	837,375	95,288	-	932,663	222,338
Sub Total :	**1,155,000**	**-**	**-**	**1,155,000**		**-**	**95,288**	**-**	**932,663**	**222,338**
Total as at 31st December 2021	**219,610,192**	**52,892**	**-**	**219,663,084**		**38,578,036**	**4,202,285**	**-**	**43,617,696**	**176,045,388**

Notice Of The 26th Annual General Meeting

Notice is hereby given that the 26th Annual General Meeting of MIDAS Financing Limited will be held on Thursday, July 21, 2022 at 10.00 a.m. The AGM will be held by using digital platform through the link: https://midasfinancing.bdvirtualagm.com to transact the following business:

1. To receive, consider and adopt the Audited Financial Statements of the Company and its subsidiary as of and for the year ended on December 31, 2021 together with the Auditors' Report and Directors' Report thereon.
2. To approve dividend for the year ended on December 31, 2021.
3. To elect/re-elect Directors of the Company.
4. To approve the re-appointment of the Independent Director of the Company.
5. To appoint Statutory Auditors of the Company until conclusion of next AGM and to fix their remuneration.
6. To appoint Corporate Governance Compliance Auditors for the year to be ended on December 31, 2022, in compliance with the requirements under the Corporate Governance Code imposed by BSEC and to fix their remuneration.
7. To transact any other business with the permission of the Chair.

Date: June 30, 2022

By order of the Board

Tanvir Hasan, FCA
Company Secretary

Notes:

1. The shareholders whose names appear on the Members/Depository Register of the Company on the Record Date i.e., Wednesday, June 29, 2022 shall be eligible to attend the 26th AGM (virtual meeting through digital platform/online live portal) and receive the Cash Dividend (if approved) for the year 2021. It is mentionable that Stock Dividend is subject to approval of Shareholders in the 26th AGM and subsequent approval of the Bangladesh Securities & Exchange Commission (BSEC). The Record Date for entitlement of Stock Dividend (Bonus Shares) will be notified later as per Notification No. BSEC/CMRRCD/2009-193/23/Admin/123, dated: June 30, 2021 upon receipt of consent from Bangladesh Securities And Exchange Commission.
2. The Board of Directors recommended 2% Dividend (Cash 1% and Stock 1%) for the year ended December 31, 2021.
3. The Detailed procedures for joining and participation will be communicated to the Shareholder's email address available with us as per CDBL record and it would also be available at the Company's website: www.mfl.com.bd
4. The Members will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging in to the system, the Members need to put their 16-digit Beneficial Owner (BO) ID number and other credential as proof of their identity.
5. A member eligible to attend the Annual General Meeting (AGM) may appoint a proxy to attend and vote on his/her behalf. The Proxy Form, duly filled, signed and stamped at BDT 20 must be sent through email to the Share Department of the Company at info@mfl.com.bd at least 72 hours before commencement of the AGM.
6. The softcopy of the Annual Report 2021 of the Company will be sent to the shareholders' respective e-mail addresses available with us as per CDBL record. However, interested shareholders may collect hard copy of the Annual Report-2021 from the Company's share office by submitting a written request. The Annual Report-2021 will be also available in the Company's official website: www.mfl.com.bd

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.

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 join and vote for me/us and on my/ our behalf at the 26th Annual General Meeting of the Company to be held on Thursday, July 21, 2022 at 10:00 a.m. on a Digital platform or at any adjournment thereof or at any ballot to be taken in consequence hereof

Signed this ..... Signature of proxy ..... day of 2022

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 joining at 26th Annual General Meeting of the Company to be held on Thursday, July 21, 2022 at 10:00 a.m. on a Digital platform.

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 Send the same through registered post/email (info@mfl.com.bd) to the registered office of the company at least 72 hours before commencement of the AGM.

Branches/ Booths of MFL

Chattagram
Excel SM Tower (1st Floor)
62, Zakir Hossain Road
East Nasirabad, Khulshi, Chattagram
Phone: 01971 818 808, 031-632 417

Khulna
Fatema Tower (2nd Floor)
2-A, KDA Avenue, Khulna- 9100
Phone: 02 477 721 857, 01971 896 844

Bagura
Jamil Shopping Center (3rd Floor), Borogola
Bagura Rangpur Road, Sadar, Bagura
Phone: 02 589 903 561, 02 589 903 566, 01974 096 092

Narayanganj
81/C B.B Rood (2nd Floor)
2 No. Rail Gate, Narayanganj
Phone: 01985 551 932, 01971 928 308

Cumilla
Salam Builders Mansion (2nd Floor)
Mogoltuli, Cumilla
Phone: 01973 116 447, 081-69 117

Feni
Hazi Latif Tower (3rd Floor)
626, Trunk Road, Cumilla Bus Stand, Feni
Phone: 01678 606 145

Gazipur
KS Tower (2nd Floor)
Chandana Chowrasta, Gazipur
Phone: 01970 450 482

Sitakunda
Nibir Biponi Bitan (1st Floor)
Sitakunda, Chattogram
Phone: 01978 488 460, 02 334 456 342

Islampur
Nurul Haque Tower (2nd Floor)
21 Patoatuly Road, Dhaka-1100
Phone: 02-951 1390, 01973 111 308, 01985 551 906

Chandpur
35 Haji Mohsin Road (1st Floor)
Chandpur- 3600
Phone: 02 334 486 059, 01970 451 675

Narsingdi
SK Tower (2nd floor)
House 04, Road: 10, Anaudi Road Narsingdi
Phone: 9446 808, 01979 303 463

Keranigonj
Marhum Shahadat Hossain Mansion (1st Floor)
House #OI, Golam Bazar Road, Kodamtoli
Bus Stand, Keranigonj, Dhaka
Phone: 01979 097 091

Hathazari
SA Shopping Complex (2nd Floor)
Hathazari, Chattogram
Phone: 01713 279 158, 01973 279 158

Brahmanbaria
Sikder Plaza, Court Road - 144, (3rd Floor)
Bank Potti, Brahmanbaria
Phone: 01816 109 773, 01973 279 157, 02 334 429 144

Jashore
Sardar Plaza (1st Floor)
135 M. K. Road, Jashore
Phone: 01718 445 935



MIDAS FINANCING LIMITED
a real friend of entrepreneurs

MIDAS Center(10th & 11th Floor)
House: 05, Road: 16(new), 27(old)
Dhanmondi, Dhaka-1209, Bangladesh
Tel: 02-9102205, 9102208, 09611221055
E-mail: info@mfl.com.bd
www.mfl.com.bd

Paper Rhyme