

# ANNUAL REPORT 2017-2018



**Manabik Shahajya Sangstha (MSS)**

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# Preface

The annual report of Manabik Shahajya Sangstha (MSS) outlines the accomplishment of the planned activities of various programs carried out during the financial year 2017-2018.

The number of Women's Credit Program (WCP) members as of June 2018, reached at 212,537. The average savings balance per member has increased from Tk. 8,185 in 2016-2017 to Tk. 8,320 in 2017-2018 resulting an increase in 1.65 % than the last fiscal year.

During the reporting period, the average loan disbursement was Tk.38,798 which was Tk.36,622 in the previous year. The total loan outstanding was Tk. 4,386,441,376 at the end of the fiscal year resulting a growth of 10.96%.

Introduced in 2010, the Grihayan Tahabil has been proved to be effective for mitigating the housing problem of the marginalized people and as of June 2018, MSS disbursed housing loan of Tk. 19,490,000 among 390 target people and realized Tk. 14,677,123.

The Eye Care Project (ECP)-MSS has been progressing well with its commitment and mission towards reducing avoidable blindness of the underserved people providing primary eye care services and supporting cataract surgery both in urban and remote areas of the country. In 2017-2018, a total of 13,044 patients' eyes were screened conducting 28 eye camps of which 857 underwent surgery with the financial support of ECP-MSS. In addition, some 4,477 patients also received eye glasses free of cost. Also, a total of 2,819 school students' eyes were screened during the same period. On the other hand, some 3,477 patients received primary eye care services from Eye Vision Center of MSS.

Supported by Save the Children, the Shishuder Jonno Integrated Child Development Program (ICDP) has been strengthened with more beneficiary coverage and involvement of senior management level local government authorities in its program operations. A total of 13,544 children were administered de-worming tablets and some 195 children got admitted into mainstream schools during reporting period. The management level joint monitoring initiated by Shishuder Jonno-Save the Children and MSS management added a new dimension in program operations to ensure program quality and to keep the program on the right track.

PKSF supported ENRICH (Enhancing Resources and Increasing Capacities of Poor Households towards elimination of their poverty) project has been playing an effective role towards improving socio-economic development of the target people.

In 2018, the organization under its social services program has provided Taka 21,52,800 scholarships to 262 meritorious children of its Women's Credit Program members.

The management has given much importance to human resource development and the Community Based Resource Center (CBRC) has been significantly contributing to develop human resource. During 2017-2018, a total of 677 trainees attended training on various professional courses at CBRC.

We express our heartfelt thanks to development partners, government and local government officials, local elected bodies and patrons for their kind support and cooperation provided for successful accomplishment of various development projects. Our warm gratitude is due to the members of the General Body, Executive Committee and Finance Committee of MSS for their continuous support and guidance towards smooth program operations.

Sincere thanks to all staffs of MSS for their dedicated efforts provided round the year. Last but not the least, we express our gratitude to our valued members, project participants for their contributions and timely support provided for smooth functioning of various program activities.



A N Md. Emam Hasanath  
Executive Director



Feroz M Hassan  
President

# Chronological Program Highlights

1974	MSS Started its Mission through Rehabilitation Program
1977	Got an Organizational Shape
1978	Registered with the Government Agencies
1982	Initiated Family Planning Program
1984	Initiated Microfinance Program
1989	Initiated Women's Credit Program (WCP), Phase-I
1991	MSS received prestigious Prime Minister's "Population Award-1991"
1991	Launched Women's Credit Program, Phase-II
1992	MSS received the Mayor's Award for its EPI Program
1992	Initiated Governance Partnership Program
1996	Got Sustainability in the Microfinance Program
1997	Initiated Electoral Assistance Program and Set up Day Care Program in Slums
1998	Started Partnership with CARE Bangladesh INCOME Project-II
1999	Initiated Self-Sustainable Social Services Project
2000	Initiated Civic Voter Education & Legislative Support Service Project
2001	Started Partnership with CARE Bangladesh INCOME Project-III
2002	Land Purchased for MSS in Dhaka City for multi-purpose use
2003	Purchased office space and shifted head office and other project offices at its own space
2003	Initiated Study Circle Resource Center Project
2003	Initiated Human Rights Education Project
2004	Partnership with Commercial Bank for microfinance Program
2005	Launched SHOUHARDO program with CARE Bangladesh
2005	Introduced Merit Nurture Initiative Program under WCP
2006	Launched Project Dignity with Grameen Trust
2006	Initiated MSS-Foundation for the Justice Friendship Project
2006	Launched Preparedness for Effective Emergency Response Project with Concern Worldwide
2006	Initiated Voter and Civic Education and Observation of the 9th Parliamentary Election
2006	Initiated partnership with Election Working Group (EWG) of The Asia Foundation
2007	Became member of Palli Karma Sahayak Foundation (PKSF)
2007	Launched Rehabilitation of Non-motorized Transport Pullers and Owners Project
2007	Became member of International Housing Coalition (IHC)
2008	Became member of Banking With The Poor (BWTP) Network
2008	Got Microcredit Regulatory Authority (MRA) Certificate
2009	Started construction of Community Based Resource Center (CBRC)
2010	Introduced Grihayan Tahabil (housing fund) Management
2010	Launched VGD Project with GoB
2010	Set up Eye Vision Center
2010	Established Community Based Resource Center (CBRC)
2013	Launched ENRICH (Enhancing Resources and Increasing Capacities of Poor Households towards elimination of their poverty) project
2013	Launched SUCHALA Project
2014	Launched Eye Care Project-MSS
2014	Received 9th Citi Micro-entrepreneurship Award 2013 as the best MFI
2014	Launched Integrated Child Development Project (ICDP)
2014	Launched Euglena Genki Program
2015	Launched SMAP

# Institutional Overview

## Background

Manabik Shahajya Sangstha (MSS), a national level non-government organization started its mission to stand by the distressed people with humanitarian aid when the country was hit by a massive flood in 1974. After the task is over and having an organizational shape in 1977, MSS redirected its focus to poverty alleviation and empowerment of the poor especially the urban and rural women of Bangladesh. Thereafter, MSS started health and population services in 1982; an integrated savings and credit program for the urban poor in 1984 which has since become sustainable and was again in the front line when focus of development shifted to building democratic societies and promoting good governance.

Alongside working for poverty alleviation of the marginalized people, MSS is also promoting child rights, food security, nutrition, health services, housing and non-formal primary education with a vision to establish a society free from poverty where there is equality among citizens and citizens' rights are respected.

MSS-WCP is growing with the inclusion of more members and opening new branches. Until June 2018, MSS was operating its microfinance program through 140 branches in 102 upazillas and thanas of 17 districts.

## Legal Status

MSS is registered under the following agencies:

- Registrar of Joint Stock Companies: No.  $\frac{S-657}{33}$  Dated: 17/4/1979
- N.G.O Affairs Bureau No:-130 Dated: 23/11/1982
- MRA: registration No. 00165-01033-00233, dated May 14, 2008

## Vision

Establish a society free from poverty where there is equality among citizens, citizen's rights are respected and they actively participated in the democratic process for establishing those rights.

## Mission

Empower disadvantaged people by developing their institution building and leadership capabilities, enhance their awareness on rights and provide access to resources for their socio-economic upliftment.

## Strategies of MSS

MSS believes that if the consciousness and capability of the poor people can be raised through education and training then it will be easier to provide them with suitable economic and social program. Their economic and social empowerment would enable them to develop their own organizations and peruse economic rights, which would be possible by their access to available resources and facilities.

## Objectives of MSS

- Initiate welfare projects for the underprivileged segments of the society
- Promote democracy, good governance and rights focusing women and children
- Promote savings and extend credit to underprivileged urban and rural women
- Provide healthcare services, family planning and child immunization and clinical back up
- Provide relief to calamity stricken people



# Governance

## General Body (GB), Executive Committee (EC) and Management

Any adult citizen engaged in any profession and with initiative and enthusiasm for social welfare is eligible to become a member of MSS's General Body (GB). The General body members elect a seven member Executive Committee (EC) for a period of two years from amongst themselves in accordance with procedures specified in the constitution.

The EC formulates policies and guidelines for the management and appoints the Executive Director (ED)/Chief Executive Officer (CEO) and other project directors. They are full time staff of the organization and are responsible for execution of the policies. The top management is supported by a group of committed staff.

MSS has a 17-member general body. The EC has necessary skills to assist the management. The EC is elected every three years. It meets at least four times a year. In case of emergencies, it may, however, meet anytime to cope with the situation.

## Functions of GB, EC and Management

The GB mainly approves annual report, audit report, budget and appoints the Auditor. The CEO is appointed by the president as per powers delegated to him by EC. Different committees constituted by EC exist. The CEO has job description prepared by EC in addition to the broad job responsibilities as stipulated in the constitution. The performance of CEO is evaluated by EC particularly based on the success of the programs.

## Transparency

MSS prepares annual reports and audits its accounts by external auditor. The reports are used for dissemination to different stakeholders.

## Strategic Focus

MSS has a 10 years business plan. The Finance Committee gives its views on any plan before placing the same to EC. The organization adopts programs based on the needs of its target people.

## Internal Control Systems

The internal auditing and monitoring system of MSS are in place. In addition, it has a management information system (MIS). MSS has a Finance Committee (FC) that meets once in every two months to deal with the financial matters. It also has a core committee comprising heads of the department and a senior management committee consisting heads of the department and that of the wing. Each committee has its own terms of references. For smooth operation of microfinance activities, it has a committee at the area level called Loans Administration Committee (LAC) that meets once a week. Branch managers also sit in the LAC meeting. The committee looks into progress of clients and programs. The LAC gives formal approval to loans. The organization has service rules and procurement policy. MSS follows the policy strictly for any purchase and hiring staffs and consultants.

The EC meeting is held quarterly. The management reports on programs and financial status or any special projects or issues of importance is submitted to EC by CEO. The CEO discusses matters with the President who then consults all relevant issues with the members. If the issue is financial, the convener of finance committee is consulted. Decisions of the committee are recorded.

There is an internal audit department headed by a Deputy Director-Audit and Compliance who reports to the CEO on any discrepancy that he finds at the head office and field level operations. Headed by a Deputy Director-Finance & Accounts, MSS has its finance department that follows international accounting standard and principles. The finance department maintains cash books, ledger, different registers and all relevant documents. The staffs are involved in recording all financial transactions, preparing financial statements, budgets and analyzing financial reports. Regular supervision and monitoring are done to see accuracy of reports and information sent from the field level offices. The CEO and the Head of Finance and Accounts sign all cheques regarding operational expenditure.

The financial statements are prepared monthly as well as on yearly basis. These include: Receipts and Payments Account, Income and Expenditure Account, Balance Sheet and Cash Flow Statement. To evaluate financial performance ratio analysis is also done periodically.

# Programs and Wings of MSS

## Women's Credit Program-WCP

- Area survey
- Baseline survey
- Women's mobilization
- Institutional building
- Savings mobilization
- Provide Credit
- Encourage micro entrepreneurship
- Promote small & medium enterprise
- Provide IGA & Skill development training
- Awareness raising and counseling
- Disaster response
- Merit Nurture Initiative
- Grihayan Tahabil (housing fund)

## Social Services Program

- Day Care Service
- Family Planning
- Mother and Child Health
- General treatment
- Eye Care Service
- Non-Formal Primary Education

## Projects

- Integrated Child Development Program
- Eye Care Project-MSS
- ENRICH
- Suchala
- Euglena Genki Program

## Networking & Advocacy

- Initiate networking
- Partnership with NGOs
- Consortium
- Advocacy at national level

## Training & Development

- Capacity assessment/TNA
- Module /Manual development
- Training conduction for staffs
- Skill training for clients
- Basic computer training for clients' children
- Training evaluation

## Research, Monitoring & Evaluation

- Baseline survey
- Research conduction
- Progress monitoring
- Impact assessment
- Mid term evaluation
- Final evaluation
- Case study

## Wings of MSS

- Program Department
- Finance & Accounts Department
- Monitoring & Evaluation
- Training & Research
- Internal Audit & Compliance
- HR & Admin
- Advocacy & Communication



# Women's Credit Program (WCP)

## Introduction

The microfinance program of MSS is being used as an important tool for poverty alleviation and empowering the poor. MSS took the first initiative to start urban micro credit program in 1984 styled as "Small Credit Fund" (SCF) with the objective of encouraging income generating activities in the non formal sector for poverty alleviation and empowering the disadvantaged segment of the society. In that program urban poor male and women were the target group. On the basis of the good performance shown by the women members in the SCF, MSS started Women's Credit Program in 1989 as an integrated savings and credit program.

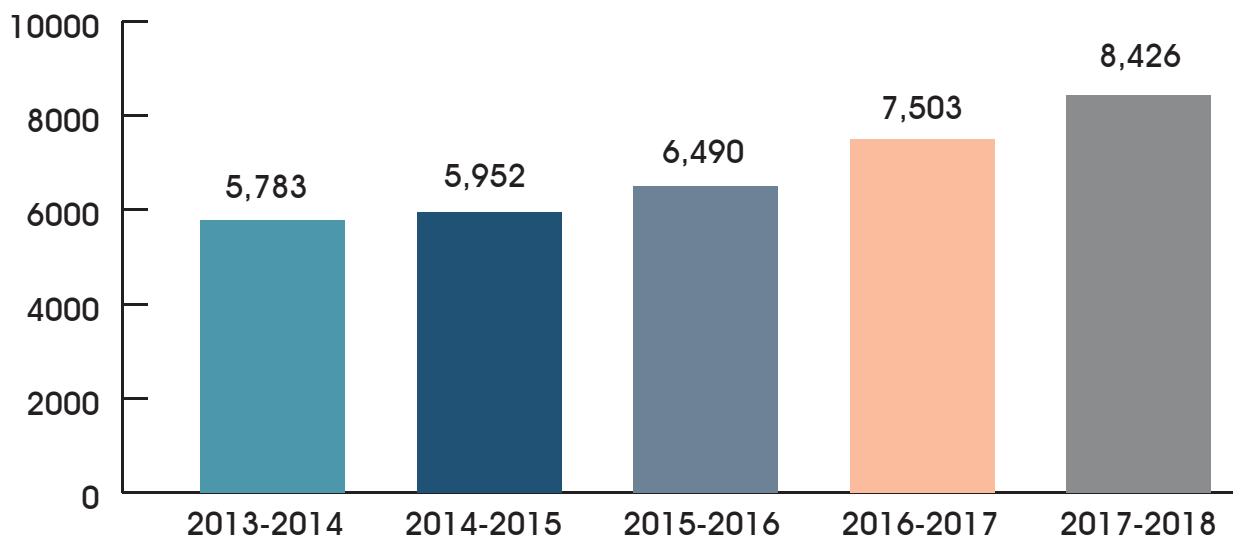
Based on successful operation in the previous years and to retain the overall growth of the organization, MSS-WCP management decided to carry on its expansion plan of microfinance program in more urban and rural areas by enrolling more distressed women, making credit available to the urban and rural poor enabling them to become involved in different income generating activities, which in turn, allows them to become economically self reliant. Through this process, MSS proved itself a cost effective, sustainable, reliable financial service for employment and income generating activities for the poor, while still achieving a recovery rate of above 99% since 1989.

In 2017-2018, MSS was operating its microfinance programs through 140 branches and total number of active members stood at 212,537. The total loan outstanding was Tk. 4,386.44 million at the end of June 2018. The loan recovery rate was 99.47%. During the reporting period MSS-WCP registered 10.17 % annual growth of assets.

## Group Formation

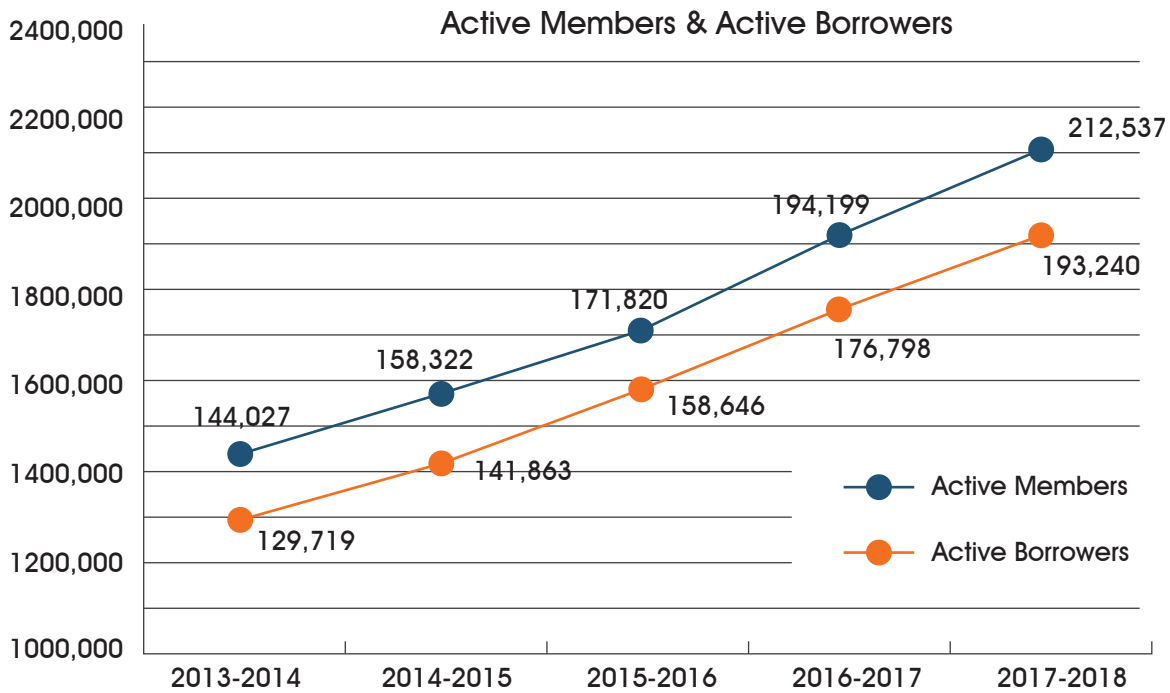
The formation of community based group which is known as Kendra is done through social mobilization as it strengthens participation of the community people in local decision making. Kendra is the center point of women's credit program where the women meet once in a week, make loan proposal, pays back weekly loan installment and discuss various social issues. Each Kendra comprising 25-30 members has a Kendra leader and each Kendra consists of 5-6 groups.

In 2017-2018, a total of 923 Kendra were added to WCP totaling 8,423 Kendras with 212,537 members.



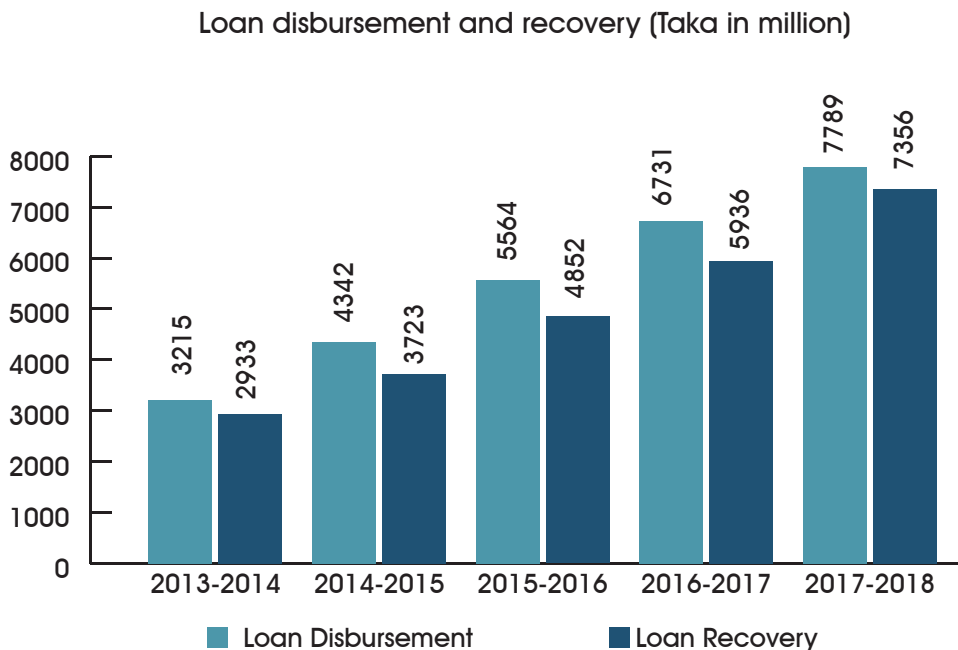
## Members' enrollment including active borrowers

With the expansion of WCP, each year the number of WCP members increases with the enrollment of new members. At the end of the fiscal year 2017-2018, the number of active members and that of the active borrowers stood at respectively 212,537 and 193,240. The growth of active members and active borrowers is shown in the graph below:



## Achievement of loan disbursement and recovery:

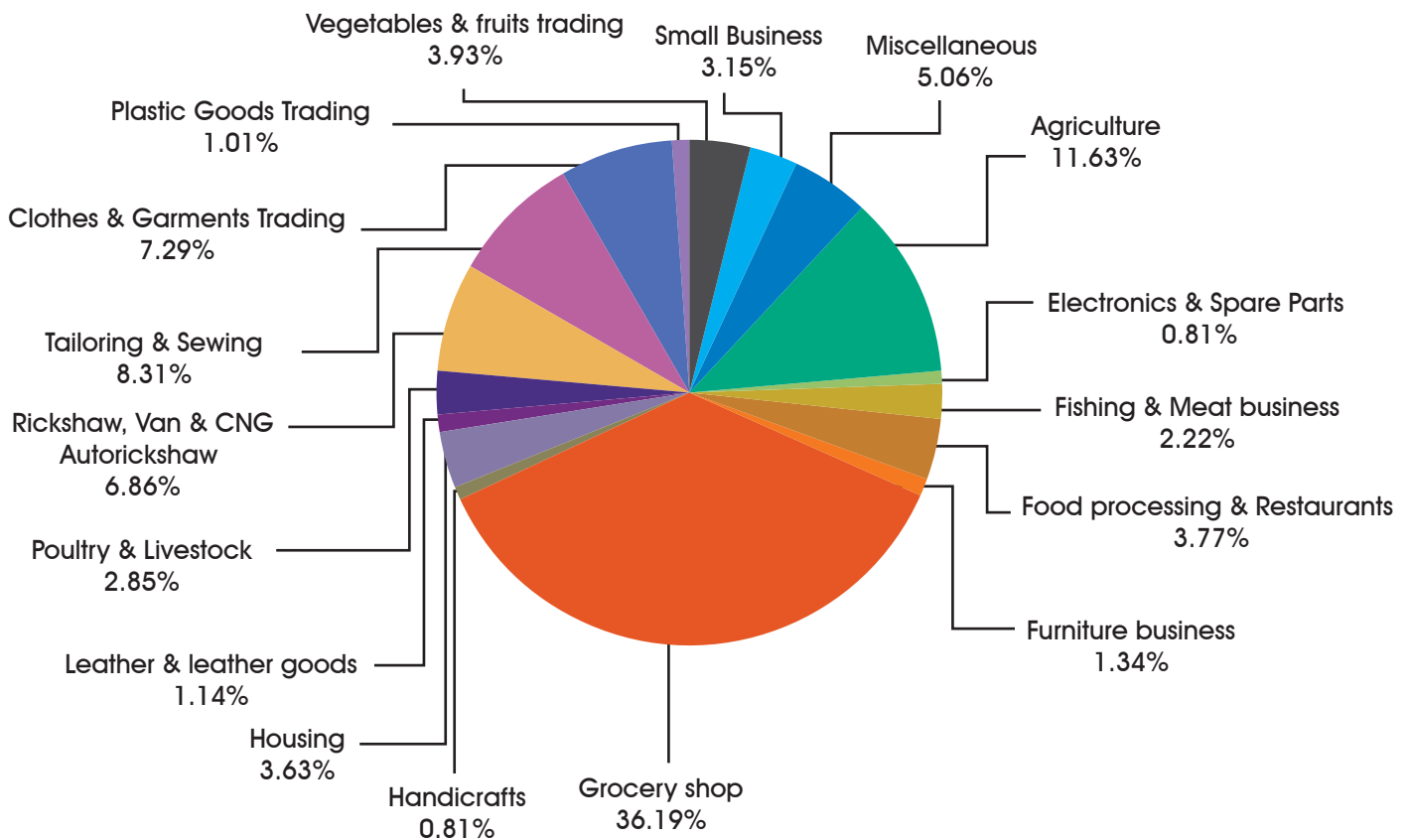
During reporting period, in total Tk. 7,789.45 million was disbursed among 200,770 members and Tk. 7,356.24 million was realized against the recovery target of Tk. 7,545.64 million achieving 97.49% of the target. The achievement of loan disbursement and recovery is shown below:



## Sector-wise investment by clients:

Most of the members of MSS invest their loan in line with their loan proposal. In 2017-2018, major investment sectors were: agriculture (11.63%), electronics & parts (0.81%), fishing & meat business (2.22%), food processing & restaurants (3.77%), furniture business (2.29%), grocery shop (36.19%), handicrafts (0.81%), housing (3.63%), leather & leather goods (1.14%), poultry & livestock (2.85%), rickshaw/van/CNG auto-rickshaw driving (6.86%), tailoring business (8.31%), clothes trading (7.29%), plastic goods trading (1.01%), vegetables & fruits trading (3.93%), small business (3.15%) and other sectors (5.06%). Sector-wise loan utilization by clients is given below:

### Sector-wise Investment



# Loan Products of WCP

## General Loan (RMC & UMC):

In terms of loan disbursement, the general loan is the primary and biggest loan product of WCP and any WCP member has the opportunity to take this loan. During the reporting period 2017-2018, a total of Tk.4,822.25 million has been disbursed among 150,663 members with an average loan of Tk.32,007. The total general loan (RMC & UMC) outstanding was Tk. 2,655.30 million at the end of June, 2018. The general loan (RMC & UMC) recovery rate was 99.62%.

## Micro-enterprise Loan (ME):

The graduated WCP members are eligible to get this loan. The purpose of introducing this loan product is to improve their living standard by generating more income investing more money in their businesses. The loan size ranges from Tk. 50,000 to Tk. 1,500,000 which is repayable within one or two years and mode of repayment is weekly.

During the reporting period 2017-2018, a total of 21,006 members received Tk.1,969.84 million micro-enterprise loan in rural and urban areas and an amount of Tk. 1,776.68 million has been realized, achieving a recovery rate of 99.05%. As of June 2018, the status of micro-enterprise loan is shown below:

Table 1: Micro-enterprise Loan status in 2017-2018

Micro-enterprise Loan	Amount (Taka)
Cumulative Micro-enterprise Loan Disbursed (Taka in millions)	9,411.91
Cumulative Micro-enterprise Loan Recovered (Taka in millions)	8,201.94
Total Principal Micro-enterprise Loan Outstanding (Taka in millions)	1,209.98
Cumulative Micro Loan Recovery Rate (RR)	99.05%
Micro-enterprise Loan Outstanding Growth Rate	19.00%
Yearly Micro-enterprise Loan Disbursed (Taka in millions)	1,969.84
Yearly Micro-enterprise Loan Recovered (Taka in millions)	1,776.68
Yearly Micro-enterprise Loan Recovery Rate (OTR)	95.78 %
Average Micro-enterprise Loan Size (Taka)	93,775
Average Micro-enterprise Loan Outstanding by Client (Taka)	55,600
Average Annual Micro-enterprise Loan Outstanding (Taka in millions)	1,113.39

## Ultra Poor Loan:

The ultra poor loan product was introduced with the objective of improving livelihood of the target people that includes widows, abandoned women, day laborers, divorcees, etc. involving them in income generating activities.

## Agriculture Sector Microcredit:

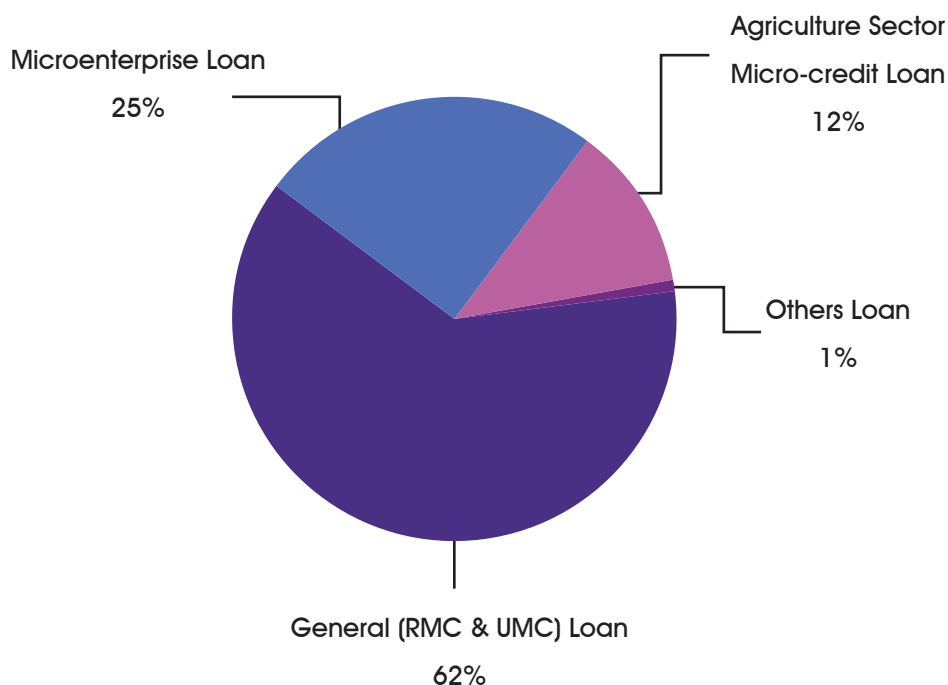
The agriculture is the growing and potential sector in Bangladesh. Considering the needs of the small and shared farmers and to help boost agricultural production, the ASM loan was introduced in July 2011. During the 2017-2018 year, Tk. 946.11 million was disbursed among 26,868 borrowers and an amount of Tk. 1,107.67million has been realized, achieving a recovery rate of 99.40%.

## Housing Loan:

Housing is one of the fundamental needs of the human being. Realizing the basic needs, the housing loan scheme was introduced in 2011 with the objective of mitigating housing problem of MSS-WCP members. Up to June 2018, a total of Tk.19.49 million was disbursed among the WCP members.

Table 2: Product -wise loan disbursement & recovery status in 2017-2018

Product Name	Disbursement in Taka	Recovery in Taka
General (RMC & UMC) Loan	4,822,253,000	4,429,026,347
Micro-Enterprise (ME) Loan	1,969,844,000	1,776,681,663
Agriculture Sector Micro credit (ASM) Loan	946,117,000	1,107,675,810
Ultra Poor (UP) Loan	29,558,000	25,261,666
Housing Loan (HL)	3,710,000	2,393,241
Income Generating Activities (IGA) Loan	15,943,000	12,161,153
Livelihood (LH) Loan	510,000	782,287
Asset Creation (AC) Loan	1,355,000	2,089,140
Project Dignity Loan	157,000	173,964
Total	7,789,447,000	7,356,245,271





## Puspa Rani - a successful pottery maker

Puspa Rani, aged 35 is a pottery maker who lives in Norpara village of Asulia union under Dhamrai Thana. She is an active member of Women's Credit Program of Manabik Shahjaya Sangstha (MSS). Her experience in pottery and the loan facility of MSS changes her life. She is now a successful pottery maker. A total of six women workers assist her in pottery making and thus created employment opportunity for them. Each month soil which is used to make earthen pots and lids comes twice from Gazipur by trawler and boat. Each worker makes on an average 100 pots or lids a day. Each worker gets two taka wage for making one pot. The potteries made are sold to Rayerbazar businessmen of Dhaka. Besides, the potteries are also sold to nearby fair. Because of quality the products created demand in the market.

Puspa Rani carries on this traditional business getting inspiration from her predecessor. Her monthly net profit ranges from Tk. 10,000 to Tk. 15,000.

Her son and daughter passed HSC and SSC examinations respectively from Afaz Uddin college and Shimulia high school of Dhamrai. She wants to continue the studies of her children. Her husband Babu Chandra is a petty businessman.

## Members' Savings (Regular Savings):

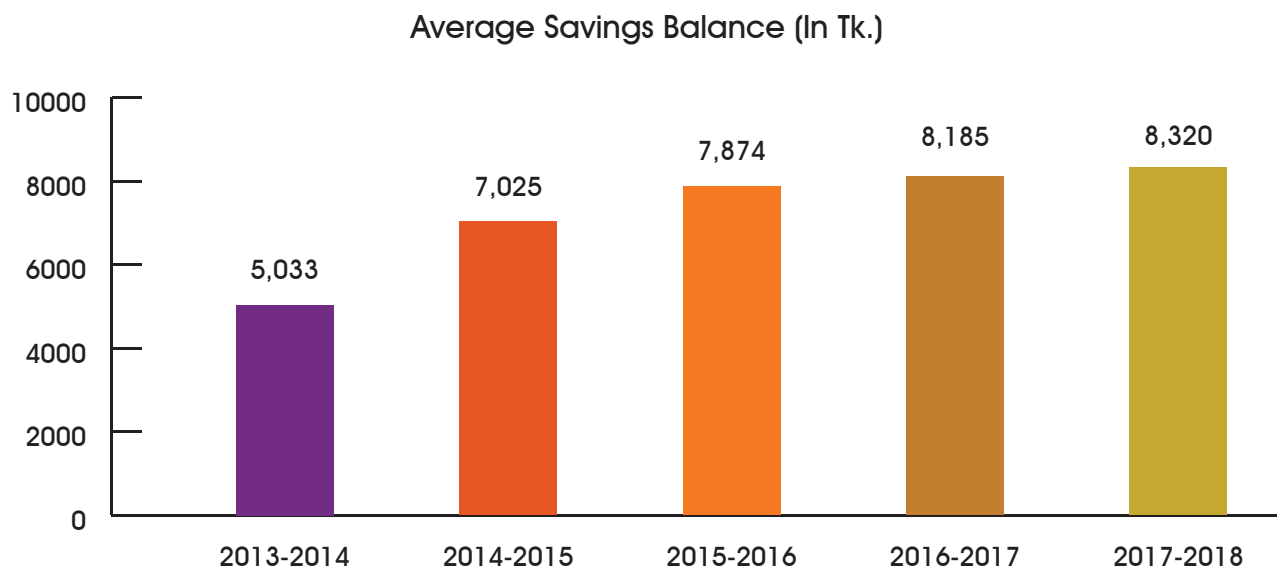
Savings is very often helpful for someone at time of needs. To develop savings habit, the members of MSS-WCP are encouraged for savings asking them to deposit weekly a fixed amount of money from their earnings so that they can utilize the savings during their emergency needs. In 2017-2018, a total of Tk.2,324.57 million was collected under savings scheme. The cumulative deposit was Tk. 11,413.03 million and cumulative savings withdrawal was Tk. 9,644.80 million. Details of savings balance during the last 5 years including 2017-2018 fiscal year are given below:

Table 3: Savings status in last 5 years (Taka in millions)

Year	Collection	Withdrawal	Cumulative Balance
2013-2014	881.85	718.33	724.83
2014-2015	1,380.41	992.97	1,112.28
2015-2016	1,758.69	1,518.08	1,352.89
2016-2017	1,995.06	1,758.52	1,589.43
2017-2018	2,324.57	2,145.78	1,768.22

## Average Savings Balance:

The average savings balance of MSS-WCP has been increasing overtime. This has been possible because of proper directions and guideline of the management and effective field operations of WCP. The increasing trend of average savings balance during the last 5 years including 2017-2018 fiscal year is given below:





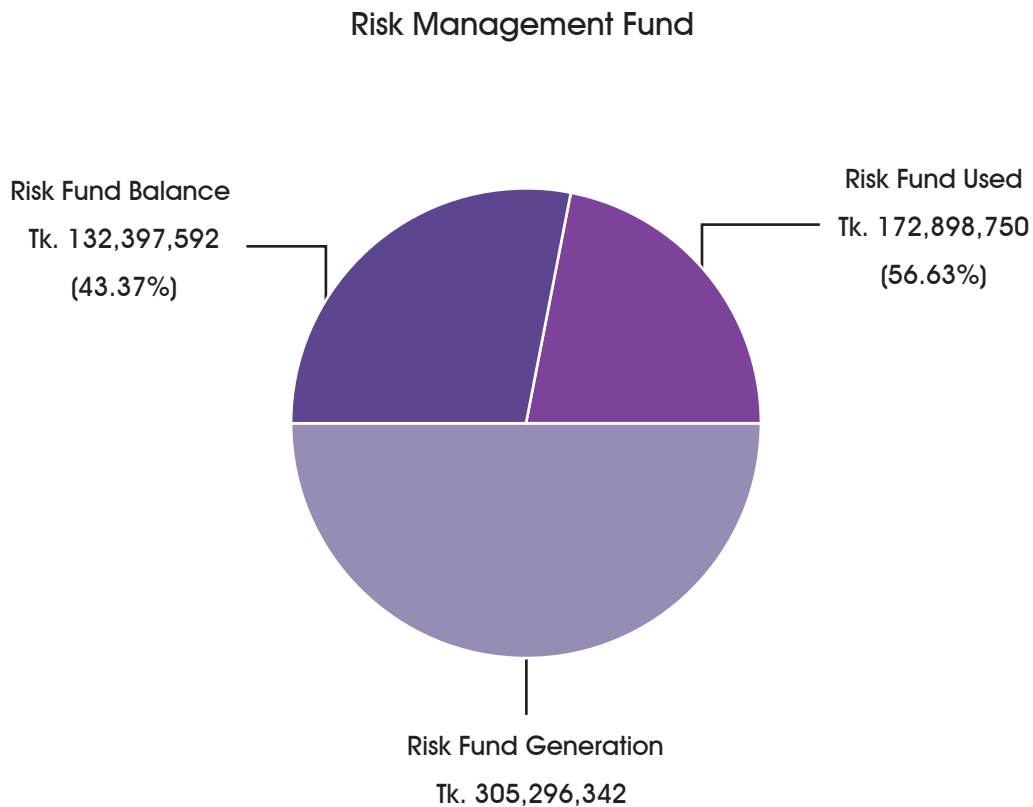
### Risk Management Account:

Each member deposits Tk. 0.7% of the received loan amount to this account. The fund generated to this account is used to mitigate the sufferings of MSS-WCP members caused by disaster (fire or natural disaster) through recovering the loss of their assets.

During disaster period, the affected WCP members get support in kind or in cash from this account. Also, it is utilized to support the cost of funeral of the deceased members as per the customs of their respective religions. Unpaid loan of the deceased member is also adjusted from this account. During 2017-2018 period, a total of Tk. 47,443,701 was provided to meet up the claim from risk management account in aid of 3,103 members.



The status of risk management fund generation up to June 2018 is given below:



### Health Services:

As part of social welfare initiative and from the view point of social responsibilities, MSS has been providing health services to its members and their family members through its branch offices. The poor patients who cannot afford to buy medicines and unable to bear treatment cost are provided financial support for their healing. During 2017-2018 period, a total of 15,765 members of MSS received health services through its branch offices.

### Sustainable Status of the MSS-Women's Credit Program:

An organization becomes sustainable when all costs (entire operational management cost, cost of capital, loan loss provision and inflation) can be met from its income. In 2017-2018, a satisfactory level of 137.67% Operational Self Sufficiency (OSS) and 126.12% Financial Self Sufficiency (FSS) were maintained by the organization.

### Sources of Funding:

Fund from various sources is used to run Women's Credit Program. In 2017-2018, grant capital, retained surplus, members' savings, loan from Commercial Banks, PKSF, Bangladesh Bank to support SMAR, Anukul Foundation-MDF, Grameen Trust, Shafiuddin Ahmed Foundation and other internal sources were used. Total capital and liabilities stood at Tk.5,124.75 million in 2017-2018 as against Tk. 4,651.87million in 2016-2017, resulting an increase in 10.17%.

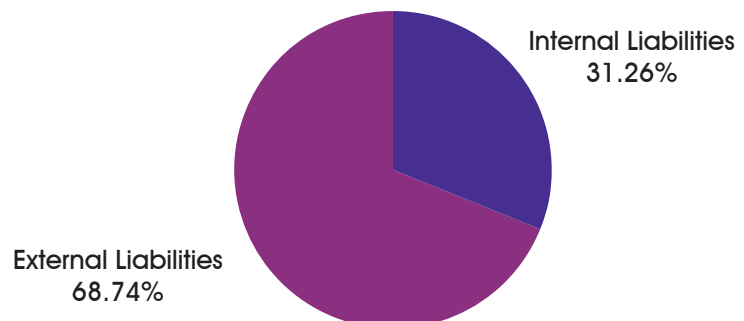
Table 4: Head-wise fund sources up to June 2018

SOURCES OF CAPITAL FUND/ FINANCED BY (RLF)	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Revolving Loan Fund (Grant Capital)	14,372,687	14,372,687	14,372,687	14,372,687	14,372,687
Reserve Fund (Retained Surplus)	137,078,221	109,778,804	83,875,000	62,607,000	52,475,000
Apodkalin Tahabil	210,748	174,978	123,186	0	0
Cumulative Profit (Retained Earning)	1,233,493,236	987,834,259	754,746,955	563,387,323	434,140,748
Borrowing from Bank	445,146,347	632,033,942	472,330,688	576,126,962	479,241,428
Borrowing from Grihayan Tahabil	6,958,000	5,376,000	8,230,000	5,574,000	2,086,000
Borrowing from Bangladesh Bank-SMAP	310,000,000	220,000,000	205,600,000	0	0
Borrowing from Anukul Foundation	53,360,348	48,045,702	39,815,172	36,691,672	42,357,407
Borrowing from Grameen Trust	356,002	356,002	356,002	356,002	356,002
Borrowing from Provident Fund	0	0	0	0	25,000,000
Borrowing from PKSF	790,120,750	730,136,500	546,703,168	280,950,000	177,300,000
Borrowing from Staff Welfare Fund	0	0	0	0	5,000,000
Borrowing from Shafiuddin Ahmed Foundation	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Borrowing from MSS-General Fund	29,000,000	29,000,000	26,000,000	25,500,000	25,500,000
Members Savings	1,768,224,046	1,589,433,713	1,352,887,612	1,112,277,093	724,831,072
Risk Management Account	132,397,592	124,399,340	103,213,830	83,871,661	69,973,229
Safety Fund & WES Fund	0	0	0	52,261,222	94,627,492
Disaster Management Fund (DMF)	0	0	0	23,592,013	18,666,303
Employees Security Deposit	9,358,418	8,371,684	6,725,195	5,953,579	6,257,878
Gratuity Provision	0	0	12,400,000	10,000,000	10,000,000
Loan Loss Reserve / Provision	187,680,148	135,852,07	101,770,945	91,067,438	85,748,438
Staff Security Fund	231,795	12,504,749	10,379,524	8,207,714	6,347,355
Advance for Enrich Project	703,158	3,011,616	2,508,601	2,054,987	2,259,749
Accounts Payable	5,056,476	190,287	174,800	0	418,000
<b>TOTAL CAPITAL &amp; LIABILITY</b>	<b>5,124,747,971</b>	<b>4,651,872,341</b>	<b>3,743,213,364</b>	<b>2,955,851,353</b>	<b>2,277,958,787</b>

### Internal and external liabilities:

Grant capital and cumulative profit are treated as internal liabilities and members' savings, risk fund, borrowing as well as employees' security deposit are treated as external liabilities. The total internal liabilities in 2017-2018 were 31.26% as against 68.74% external liabilities. The internal and external liabilities are shown in a pie chart.

### Internal & External Liabilities



# Some Selected Financial Key Ratios

## Profitability

The fiscal year 2017-2018 achieved a net surplus of Tk. 272.99 million compared to Tk. 259.04 million in 2016-2017 resulting in 5.39% increase due to increased loan disbursement to the beneficiaries.

The financial cost ratio decreased to 4.58% in 2017-2018 from 4.75% in 2016-2017. This ratio is decreased due to lower interest rate in external borrowing. The operational cost increased to 14.16 % in 2017-2018 from 12.89% in 2016-2017.

## Effective Yield on Average Portfolio

The yield on average portfolio in 2017-2018 was 23.05%.

## Operational and Financial Self-Sufficiency

The Operational Self-Sufficiency (OSS) decreased to 137.67 % in 2017-2018 as compared to 146.36 % in 2016-2017 and the Financial Self-Sufficiency (FSS) has decreased to 126.12 % in 2017-2018 from 133.58 % in 2016-2017.

## Savings-Credit Ratio

The savings-credit ratio has increased to 40.31% in 2017-2018 from 40.21% in 2016-2017 due to the increase of loan disbursement.

## Borrower-Member Ratio

The borrower-member ratio was found to be satisfactory as loans were at the hands of majority of the members. The ratio in 2017-2018 stood at 90.92%.

## Growth of Assets

The average annual growth of assets registered 10.17 % in the fiscal year 2017-2018.

## Challenges Encountered

Staff turnover still remains a major challenge towards smooth operation as well as expansion of Women's Credit Program while fire in slums, forced eviction of slums and change in government policy are the added barrier in WCP especially in loan disbursement and loan installment collection activities that slows down the rise in profit of the organization and consequently hampers the social services activities.



### Community Based Resource Center

The establishment of the Community Based Resource Center (CBRC) has geared up the human resource development process of the organization. This resource center is not only developing the professional skills of the MSS's staff but is also creating opportunity to other external stakeholders for capacity building of their own staff and project beneficiaries as well by imparting various training.

During 2017-2018, a total of 677 trainees attended training on various professional courses at CBRC of which 297 were MSS-WCP staffs and the rest 380 were from other development organizations.

### Grihayan Tahabil

The Grihayan Tahabil has been playing effective roles to ease the housing problem of WCP members especially who are low income earners. This soft loan was introduced by Bangladesh Bank in 2010 to mitigate the housing problem of the target group.



Since signing the loan agreement with Bangladesh Bank in 2009-2010, MSS as of June 2018 disbursed housing loan of Tk. 19,490,000 among 390 target people and realized Tk. 14,677,123 maintaining a closing balance of Tk. 4,812,877. Details are stated below:

Table 5: Housing loan disbursed by Upazilla and No. of House

District	No. of Upazilla	No. of House	Unit Cost (Taka)	Total Cost (Taka)
Thakurgaon	1	204	35,000-70,000	10,490,000
Panchagarh	1	17	35,000-70,000	980,000
Nilphamari	1	134	35,000-70,000	6,410,000
Rangpur	1	14	35,000-70,000	525,000
Bogra	1	10	35,000-70,000	490,000
Naogaon	1	11	35,000-70,000	595,000
Total	6	390		19,490,000

### Project Dignity

Received from Grameen Trust, this interest free loan fund is used to improve the livelihoods of the ultra poor people bringing them in the mainstream of development involving them in income generating activities. Under this project, interest free loans are disbursed among the target people so that they can come out from the begging occupation and get involve in income generating activities. During 2017-2018, Tk.157,000 was disbursed and Tk. 173,964 was realized from the members.

### SU-CHALA Project

With the financial assistance of ANUKUL Foundation, MSS has been executing the SU-CHALA project in Keraniganj upazilla of Dhaka district. Under this project, the underprivileged working children who are unable to continue their education due to the financial hardship of their families, get financial support to carry on their studies. Children of poor women headed families are the target group of the project. The main objective of the SU-CHALA project is to support basic education of the poor working children providing monthly scholarships.

A total of 32 poor working children were enrolling during the reporting period. Each month, every student receives scholarships worth Tk. 500 to continue his/her studies. Besides, each student also receives Tk. 800 as one time grant to purchase stationeries required for the academic year.

### ENRICH Project

Supported by PKSF, MSS has been implementing the integrated development project **Enhancing Resources and Increasing Capacities of Poor Households Towards Elimination of their Poverty (ENRICH)** since July 2013, in Bangalipur union of Saidpur upazilla under Nilphamari district. The project is being implemented through holistic approach providing software and hardware support. The project has a target to cover 5,021 households.



Table 6: Performance of ENRICH by interventions during 2017-2018

Interventions	Performance
No. of health cards distributed	2075
Sanitary latrine installation at ENRICH center	09
Sanitary latrine installation at family level	100
Tube-well installation at ENRICH center	09
No. of persons underwent blood sugar test	1131
No. of persons underwent blood grouping test	379
No. of children learning centers established	25
Students enrolled at learning centers	656
Medicinal saplings (Basok) planted	2100
Vermin compost plant established	25
General health camp organized	04
Received services from health camp	640
Eye care services provided	200
No. of patient underwent cataract surgery	18
Static clinic organized	255
Received services from Static clinic	1621
Satellite clinic organized	48
Received services from Satellite clinic	1827
Organized ward coordination meeting	108

Table 7: Training conducted under ENRICH during 2017-2018

Name of Training	No. of Trainees
IGA training	150
Basic health education for health visitors	10
Courtyard sessions on health awareness raising	480
Issue based fundamental training for teachers	25
Self-realization and leadership development training	280



## SMAP

**The Small and Marginal Sized Farmers Agricultural Productivity Improvement and Diversification Financing Project (SMAP)** was introduced in view of increasing agricultural output, promoting agro-business, facilitating agro-based services and creating sustained employment opportunities. To this effect, MSS signed an agreement with Bangladesh Bank in September 2015 for implementing the project.

The purpose of introducing this 7 year project is to increase agricultural productivity and diversity of small and marginal sized farmers by financing agricultural loans along with providing them agricultural training and technical support as well. Under the project, the technical team of MSS is imparting training to its staff and WCP members.

Details of the training conducted under SMAP from July 2017 to June 2018 are furnished below:

Table 8: Training conducted under SMAP during 2017-2018

Training Title	No. of staff attended training	No. of farmers attended training
<ul style="list-style-type: none"> <li>▪ Coconut production</li> <li>▪ Increasing milk production of local milch cows</li> <li>▪ FMD disease of cow</li> <li>▪ Poultry production</li> </ul>	61	77
<ul style="list-style-type: none"> <li>▪ Ribbon retting of jute</li> <li>▪ After flood farmers' steps for production</li> <li>▪ Vaccination of livestock</li> </ul>	94	82
<ul style="list-style-type: none"> <li>▪ Drum seeder technique</li> <li>▪ Production of various <i>Robi</i> crops</li> <li>▪ Care of goats and cows</li> <li>▪ Shed management of cow</li> </ul>	50	86
<ul style="list-style-type: none"> <li>▪ Hybrid coconut production</li> <li>▪ Production of potatoes</li> <li>▪ Cows' feeding management</li> </ul>	107	83
<ul style="list-style-type: none"> <li>▪ Pest control of potatoes</li> <li>▪ Seed preservation techniques</li> <li>▪ <i>Krishi</i> call center</li> <li>▪ Vaccination of poultry birds</li> </ul>	82	55
<ul style="list-style-type: none"> <li>▪ Artificial hand pollination</li> <li>▪ Sex pheromone trap</li> <li>▪ Soil solarization</li> <li>▪ Beef fattening techniques</li> </ul>	62	61
<ul style="list-style-type: none"> <li>▪ Mango tree management</li> <li>▪ Duplicate fertilizer identification</li> <li>▪ Potatoes production</li> </ul>	68	97
<ul style="list-style-type: none"> <li>▪ Aphid control of potatoes</li> <li>▪ Use of fertilizer</li> <li>▪ Diseases of goat</li> </ul>	43	95
<ul style="list-style-type: none"> <li>▪ Management of Mango Orchard</li> <li>▪ Urea application in rice field</li> <li>▪ Feeding system of milch cows</li> </ul>	80	84
<ul style="list-style-type: none"> <li>▪ Insect and Pest control of rice</li> <li>▪ UMS preparation for livestock</li> </ul>	70	80
<ul style="list-style-type: none"> <li>▪ Green fertilizer production and its importance</li> <li>▪ Making yellow trap</li> <li>▪ Diseases of cattle</li> </ul>	90	100
<ul style="list-style-type: none"> <li>▪ Poultry production system in improved way</li> <li>▪ Jute retting techniques</li> <li>▪ Silage production</li> </ul>	40	120
<ul style="list-style-type: none"> <li>▪ FMD disease control of cows</li> <li>▪ Poultry feeding system</li> <li>▪ Jute retting techniques</li> </ul>	65	115
<ul style="list-style-type: none"> <li>▪ Homestead gardening</li> <li>▪ Use of mobile apps in agriculture sector</li> <li>▪ Mastitis disease of milch cow</li> </ul>	80	90
<ul style="list-style-type: none"> <li>▪ De-worming of cow</li> <li>▪ Use of Livestock diary</li> <li>▪ Organic fertilizer production and its importance</li> </ul>	45	90



**MSS-WOMEN'S CREDIT PROGRAM**  
**Non-Financial Information**

DESCRIPTION	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
<b>NON-FINANCIAL INFORMATION</b>					
Number of Districts	17	15	14	14	14
Number of Thana /Upazilla	102	119	118	106	83
Number of Union & Municipality	613	483	342	332	324
Number of Ward (Urban)	402	395	390	384	370
Number of Villages	2868	2490	2039	1833	1615
Number of Branches	140	132	112	94	83
Number of active Kendra / Center	8426	7503	6490	5952	5783
Number of active General Members (RMC & UMC)	158085	138294	124347	112917	109929
Number of active Micro Enterprise Members	23077	24160	24192	16937	12136
Number of active Agriculture Sector Members	29201	30240	22147	27633	21358
Number of active Ultra Poor Members	1934	1331	1012	804	604
Number of active Housing Members	123	150	200	175	110
Number of active Disaster Management Members	0	0	0	104	230
Number of active Project Dignity(PD)Members	32	33	26	29	127
Number of active IGA-Enrich Members	240	174	122	31	0
Number of active LH-Enrich Members	118	145	99	24	0
Number of active AC-Enrich Members	114	71	71	31	0
Number of Total Active Members	212537	194199	172820	158322	144027
Number of Active General Borrowers (RMC & UMC)	143854	125379	114262	100990	99116
Number of Active Micro Enterprise Borrowers	21762	22680	23082	15776	11334
Number of active Agriculture Sector Borrowers	25477	27231	20144	24362	18713
Number of active Ultra Poor Borrowers	1763	1203	948	724	556
Number of active Housing Borrowers	123	150	200	175	110
Number of active Disaster Management Borrowers	0	0	0	104	230
Number of active Project Dignity (PD) Borrowers	32	33	26	29	124
Number of active IGA-Enrich Borrowers	223	143	55	11	0
Number of active LH-Enrich Borrowers	118	145	99	24	0
Number of active AC-Enrich Borrowers	122	132	79	31	0
Number of Total Active Borrowers	193240	176798	158646	141863	129719
Number of General Loan Disbursed (RMC & UMC)	150663	130544	121238	107018	100346
No of Micro Enterprise Loan Disbursed	21006	23653	24311	16522	11354
Number of active Agriculture Sector Loan Disbursed	26868	27921	22481	27094	19390
Number of active Ultra Poor Loan Disbursed	1898	1282	1012	747	536
Number of active Housing Loan Disbursed	53	71	71	100	66
Number of active Disaster Management Loan Disbursed	0		0	75	180
Number of Project Dignity (PD) Loan Disbursed	30	30	28	25	51
Number of active IGA-Enrich Loan Disbursed	155	115	51	11	0
Number of active LH-Enrich Loan Disbursed	51	89	76	24	0
Number of active AC-Enrich Loan Disbursed	46	92	54	31	0
Yearly Number of Loan Disbursed	200770	183797	169322	151647	132046
<b>Total Male Staff</b>	1024	937	792	691	677
<b>Total Female Staff</b>	166	172	163	137	144
<b>Total Staff</b>	1190	1109	955	828	821
Total CDO / Loan Officer & Accountant	754	697	565	485	511
Accountant/ CDO cum Accountant	127	132	112	94	83
Number of Field Staff (CDO)	627	565	453	391	428
Average number of members per branches	1518	1471	1534	1684	1735
Average number of borrower per branches	1380	1339	1416	1509	1563
Average number of members per CDO	339	344	379	405	337
Average number of borrower per CDO	308	313	350	363	303

**Financial Information**  
**LOAN PORTFOLIO: (Amount in Taka)**

GENERAL LOAN: (RMC& UMC)

DESCRIPTION	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Cumulative General Loan Disbursed	25,981,616,300	21,159,363,300	17,296,676,300	14,159,885,300	11,683,821,300
Cumulative General Loan Recovered	23,326,318,782	18,897,292,435	15,525,228,674	12,756,854,612	10,585,556,479
Total Principal General Loan Outstanding	2,655,297,518	2,262,070,865	1,771,447,626	1,403,030,688	1,098,264,821
Current	2,566,765,443	2,204,333,064	1,726,706,823	1,364,510,971	1,048,385,044
Overdue	88,532,075	57,737,801	44,740,803	38,519,717	49,879,777
General Loan Outstanding Growth Rate	17.38%	27.70%	26.26%	27.75%	18.30%
Yearly General Loan Disbursed	4,822,253,000	3,862,687,000	3,139,045,000	2,476,064,000	1,966,727,000
Yearly General Loan Recovered	4,429,026,347	3,372,063,761	2,770,543,244	2,171,298,133	1,796,862,186
Cumulative General Loan Recovery Rate (CRR)	99.62%	99.70%	99.71%	99.70%	99.53%
Yearly General Loan Recovery Rate (OTR)	98.08%	98.32%	98.41%	98.26%	97.30%
Average General Loan Size	32,002	29,589	25,892	23,137	19,599
Average General Loan Outstanding by Client	18,458	18,042	15,503	13,893	11,081
Average Annual General Loan Outstanding	2,458,684,192	2,016,759,246	1,587,239,157	1,250,647,755	1,013,332,414
Portfolio General Loan per Loan Officer / CDO	4,234,924	4,003,665	3,910,480	3,588,314	2,566,039
General Loan Disbursement per Loan Off./CDO	7,690,994	6,836,614	6,929,459	6,332,645	4,595,157
Yearly General Loan Loss Expenses for Provision	24,444,852	16,178,325	1,187,859	(15,573,778)	2,873,000
Total General Loan Loss Provision Balance	91,868,970	67,424,120	51,245,795	50,057,935	65,631,713
General Loan Portfolio at risk: (Delinquency Loan)	124,096,499	73,598,099	59,285,380	46,857,620	60,673,626

**MICRO-ENTERPRISE LOAN: (Amount in Taka)**

DESCRIPTION	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Cumulative Micro Enterprise Loan Disbursed	9,411,914,000	7,442,070,000	5,531,579,000	3,755,994,000	2,546,408,000
Cumulative Micro Enterprise Loan Recovered	8,201,937,760	6,425,256,097	4,477,602,624	3,002,763,793	2,086,566,424
Total Principal Micro Enterprise Loan Outstanding	1,209,976,240	1,016,813,903	1,053,976,376	753,230,207	459,841,576
Current	1,131,667,983	959,542,177	1,017,413,702	723,694,343	431,655,402
Overdue	78,308,257	57,271,726	36,562,674	29,535,864	28,186,174
Micro Enterprise Loan Outstanding Growth Rate	19.00%	-3.53%	39.93%	63.80%	20.50%
Yearly Micro Enterprise Loan Disbursed	1,969,844,000	1,910,491,000	1,775,585,000	1,209,586,000	790,103,000
Yearly Micro Enterprise Loan Recovered	1,776,681,663	1,947,653,473	1,474,838,831	916,197,369	711,862,338
Cumulative Micro Loan Recovery Rate (CRR)	99.05%	99.12%	99.19%	99.03%	98.67%
Yearly Micro Loan Recovery Rate (OTR)	95.78%	97.14%	97.58%	96.88%	96.19%
Average Micro Enterprise Loan Size	93,775	80,772	73,036	73,211	69,588
Average Micro Loan Outstanding by Client	55,600	44,833	45,662	47,745	40,572
Average Annual Micro Loan Outstanding	1,113,395,071	1,035,395,140	903,603,291	606,535,892	420,721,245
Portfolio Micro Loan per Loan Officer/CDO	1,929,787	1,799,671	2,326,659	1,926,420	1,074,396
Micro Loan Disbursement per Loan Officer/CDO	3,141,697	3,381,400	3,919,614	3,093,570	1,846,035
Yearly Micro Loan Loss Expenses for Provision	22,596,542	13,842,828	9,226,790	14,817,672	6,160,000
Total Micro Loan Loss Provision Balance	76,279,057	53,682,515	39,839,687	30,612,897	15,795,225
Micro Loan Portfolio at risk: (Delinquency Loan)	103,382,773	71,474,077	44,705,712	36,066,080	34,906,129

**AGRICULTURE SECTOR MICROCREDIT (ASM): (Amount in Taka)**

DESCRIPTION	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Cumulative Agriculture Sector Loan Disbursed	4,092,776,000	3,146,659,000	2,223,286,000	1,598,958,000	959,084,000
Cumulative Agriculture Sector Loan Recovered	3,606,734,078	2,499,058,268	1,909,630,658	1,321,514,898	695,706,263
Total Principal Agriculture Sector Loan Outstanding	486,041,922	647,600,732	313,655,342	277,443,102	263,377,737
Current	464,095,558	637,949,308	304,214,684	267,045,770	255,158,424
Overdue	21,946,364	9,651,424	9,440,658	10,397,332	8,219,313
Agriculture Sector Loan Outstanding Growth Rate	-24.95%	1.06%	13.05%	5.34%	37.77%
Yearly Agriculture Sector Loan Disbursed	946,117,000	923,373,000	624,328,000	639,874,000	424,625,000
Yearly Agriculture Sector Loan Recovered	1,107,675,810	589,427,610	588,115,760	625,808,635	352,412,454

DESCRIPTION	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Cumulative Agriculture Sector Loan Recovery Rate (CRR)	99.40%	99.62%	99.51%	99.22%	98.83%
Yearly Agriculture Sector Loan Recovery Rate (OTR)	98.06%	98.39%	98.42%	98.37%	97.72%
Average Agriculture Sector Loan Size	35,214	33,071	27,771	23,617	21,899
Average Agriculture Sector Loan Outstanding by Client	19,078	23,782	15,571	11,388	14,075
Average Annual Agriculture Sector Loan Outstanding	566,821,327	480,628,037	295,549,222	270,410,420	227,271,464
Portfolio Agriculture Sector Loan per Loan Officer/CDO	775,186	1,146,196	692,396	709,573	615,369
Agriculture Sector Loan Disbursement per Loan Officer/CDO	1,508,959	1,634,288	1,378,207	1,636,506	992,114
Yearly Agriculture Sector Loan Loss Expenses for Provision	4,743,712	3,921,929	499,025	5,894,500	947,000
Total Agriculture Sector Loan Loss Provision Balance	18,992,166	14,248,454	10,326,525	9,827,500	3,933,000
Agriculture Sector Loan Portfolio at risk: (Delinquency Loan)	28,021,415	13,006,098	12,267,414	18,420,139	10,872,995

ULTRA POOR LOAN (UPL): (Amount in Taka)

DESCRIPTION	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Cumulative Ultra Poor Loan Disbursed	116,332,000	86,774,000	67,844,000	54,898,000	45,572,000
Cumulative Ultra Poor Loan Recovered	101,526,233	76,264,567	61,072,735	49,222,604	41,935,083
Total Principal Ultra Poor Loan Outstanding	14,805,767	10,509,433	6,771,265	5,675,396	3,636,917
Current	14,777,499	10,449,955	6,664,591	5,524,650	3,421,371
Overdue	28,268	59,478	106,674	150,746	215,546
Ultra Poor Loan Outstanding Growth Rate	40.88%	55.21%	19.31%	56.05%	-18.62%
Yearly Ultra Poor Loan Disbursed	29,558,000	18,930,000	12,946,000	9,326,000	6,629,000
Yearly Ultra Poor Loan Recovered	25,261,666	15,191,832	11,850,131	7,287,521	7,461,367
Cumulative Ultra Poor Recovery Rate (CRR)	99.97%	99.92%	99.83%	99.69%	99.49%
Yearly Ultra Poor Recovery Rate (OTR)	99.89%	99.61%	99.11%	97.97%	97.19%
Average Ultra Poor Loan Size	15,573	14,766	12,792	12,485	12,368
Average Ultra Poor Outstanding by Client	8,398	8,736	7,143	7,839	6,541
Average Annual Ultra Poor Outstanding	12,657,600	8,640,349	6,223,330	4,656,157	4,053,101
Portfolio Ultra Poor per Loan Officer/CDO	23,614	18,601	14,948	14,515	8,497
Ultra Poor Disbursement per Loan Officer/CDO	47,142	33,504	28,578	23,852	15,488
Yearly Ultra Poor Loss Expenses for Provision	11,150	(11,437)	(131,114)	86,106	10,000
Total Ultra Poor Loan Loss Provision Balance	165,205	154,055	165,492	296,606	210,500
Ultra Poor Loan Portfolio at risk: (Delinquency Loan)	50,154	78,407	135,155	161,398	251,311

HOUSING LOAN (HL): (Amount in Taka)

DESCRIPTION	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Cumulative Housing Loan Disbursed	19,490,000	15,780,000	15,780,000	10,810,000	5,810,000
Cumulative Housing Loan Recovered	14,677,123	12,283,882	8,814,148	5,669,558	3,796,947
Total Principal Housing Loan Outstanding	4,812,877	3,496,118	6,965,852	5,140,442	2,013,053
Current	4,705,640	3,369,690	6,891,331	5,057,694	1,921,210
Overdue	107,237	126,428	74,521	82,748	91,843
Housing Loan Outstanding Growth Rate	37.66%	-49.81%	35.51%	155.36%	95.95%
Yearly Housing Loan Disbursed	3,710,000	-	4,970,000	5,000,000	2,310,000
Yearly Housing Loan Recovered	2,393,241	3,469,734	3,144,590	1,872,611	1,324,267
Cumulative Housing Loan Recovery Rate (CRR)	99.27%	98.98%	99.16%	98.56%	97.64%
Yearly Housing Loan Recovery Rate (OTR)	95.71%	96.48%	97.69%	95.77%	93.51%
Average Housing Loan Size	70,000	0	70,000	50000	35,000
Average Housing Loan Outstanding by Client	39,129	23,307	34,829	29,374	18,300
Average Annual Housing Loan Outstanding	4,154,497	5,230,985	6,053,147	3,576,748	1,520,187
Portfolio Housing Loan per Loan Officer/CDO	7,676	6,188	15,377	13,147	4,703
Housing Loan Disbursement per Loan Officer/CDO	5,917	-	10,971	12,788	5,397
Yearly Housing Loan Loss Expenses for Provision	(20,977)	14,085	42,439	23,500	-
Total Housing Loan Loss Provision Balance	130,047	151,024	136,939	94,500	71,000
Housing Loan Portfolio at risk: (Delinquency Loan)	185,200	342,887	188,346	122,151	184,766

TOTAL LOAN PORTFOLIO: (Amount in Taka)

DESCRIPTION	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Cumulative Loan Disbursed	39,860,648,600	32,071,201,600	25,340,171,600	19,776,428,600	15,434,103,600
Cumulative Loan Recovered	35,474,207,224	28,117,961,953	22,181,704,419	17,329,627,299	13,606,455,387
Total Principal Loan Outstanding	4,386,441,376	3,953,239,647	3,158,467,181	2,446,801,301	1,827,648,213
Current	4,197,423,800	3,828,340,397	3,067,541,851	2,367,981,989	1,740,787,667
Overdue	189,017,576	124,899,250	90,925,330	78,819,312	86,860,546
Loan Outstanding Growth Rate	10.96%	25.17%	29.09%	33.88%	18.24%
Yearly Loan Disbursed	7,789,447,000	6,731,030,000	5,563,743,000	4,342,325,000	3,214,579,000
Yearly Loan Recovered	7,356,245,271	5,936,257,534	4,852,077,120	3,723,171,912	2,932,608,200
Cumulative Loan Recovery Rate (CRR)	99.47%	99.56%	99.59%	99.55%	99.37%
Yearly Loan Recovery Rate (OTR)	97.49%	97.94%	98.16%	97.93%	97.12%

DESCRIPTION	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Average Loan Size	38,798	36,622	32,859	28,634	24,344
Average Loan Outstanding by Client	22,699	22,361	19,909	17,248	14,089
Average Annual Loan Outstanding	4,169,840,511	3,555,895,823	2,802,634,241	2,137,224,757	1,686,662,813
Portfolio Loan Outstanding per Loan Officer/CDO	6,995,919	6,997,034	6,972,334	6,257,804	4,270,206
Portfolio Loan Disbursement per Loan Officer/CDO	12,423,360	11,913,327	12,281,993	11,105,691	7,510,699
Yearly Loan Loss Expenses for Provision	51,828,071	34,081,134	10,703,507	5,319,000	8,255,000
Total Loan Loss Provision Balance	187,680,148	135,852,079	101,770,945	91,067,438	85,748,438
Loan Portfolio at risk: (Delinquency Loan)	256,156,855	158,604,693	116,582,007	101,760,291	107,179,070

**SAVINGS PORTFOLIO: (Amount in Taka)**

SAVINGS PORTFOLIO	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Cumulative Savings Deposit	11,413,027,423	9,088,457,607	7,093,394,244	5,334,703,348	3,954,290,825
Cumulative Savings Withdrawals	9,644,803,377	7,499,023,894	5,740,506,632	4,222,426,255	3,229,459,753
Cumulative Savings Adjustment	220,757	220,757	220,757	220,757	220,757
Net Savings Balance	1,768,224,046	1,589,433,713	1,352,887,612	1,112,277,093	724,831,072
Net Savings Balance Growth Rate	11.25%	17.48%	21.63%	53.45%	29.13%
Average Net Savings Balance per Member	8,320	8,185	7,874	7,025	5,033
Yearly Savings Deposit	2,324,569,816	1,995,063,363	1,758,690,896	1,380,412,523	881,856,940
Yearly Savings Withdrawals	2,145,779,483	1,758,517,262	1,518,080,377	992,966,502	718,334,790
Yearly Net Savings Deposit / Balance Increase	178,790,333	236,546,101	240,610,519	387,446,021	163,522,150

**RISK MANAGEMENT ACCOUNT: (Amount in Taka)**

RISK MANAGEMENT ACCOUNT (A+B)	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Cumulative Risk Management A/C Deposit	305,296,342	249,854,389	202,207,988	163,565,552	132,629,279
Cumulative Risk Management A/C Support	172,898,750	125,455,049	98,994,158	79,693,891	62,656,050
Net Risk Management A/C Balance	132,397,592	124,399,340	103,213,830	83,871,661	69,973,229
Net Risk Management A/C Balance Growth Rate	6.43%	20.53%	23.06%	19.86%	11.93%
Average Net Risk Management A/C Balance per Member	623	641	601	530	486
Yearly Risk Management A/C Deposit	55,441,953	47,646,401	38,642,436	30,936,273	22,862,218
Yearly Risk Management A/C Support	47,443,701	26,460,891	19,300,267	17,037,841	15,403,042
Yearly Net Risk Management A/C Deposit	7,998,252	21,185,510	19,342,169	13,898,432	7,459,176

## KEY RATIOS:

KEY RATIOS	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014
Effective Yield on Average Portfolio	23.05%	22.19%	22.87%	23.05%	22.64%
Effective Yield on Average Assets	19.66%	18.80%	19.13%	18.82%	18.24%
Return on Average Performing Assets	21.00%	20.09%	20.92%	21.10%	20.58%
Gross Financial Margin	16.42%	15.34%	15.64%	15.85%	15.27%
Operating Margin	1.17%	1.61%	0.57%	0.49%	0.26%
Net Financial Margin	15.33%	14.50%	15.30%	15.64%	14.86%
Yearly Loan Loss Provision Ratio on average Portfolio	1.09%	0.84%	0.33%	0.25%	0.41%
Total Loan Loss Provision Ratio on average Portfolio	3.95%	3.34%	3.15%	4.26%	4.26%
Return on Investment Fund (NP / Total Capital)	5.33%	5.57%	5.68%	4.72%	4.51%
Financial cost ratio on average Performing Assets	4.58%	4.75%	5.28%	5.25%	5.31%
Operating cost ratio on average Performing Assets	14.16%	12.89%	14.74%	15.15%	14.60%
ROE ( Return on equity)	21.86%	26.36%	28.49%	24.42%	22.84%
ROA ( Return on assets)	5.58%	6.17%	6.35%	5.33%	4.91%
Adjusted Return on Assets	4.23%	4.90%	5.15%	4.24%	3.85%
Operating Self Sufficiency (OSS)	137.67%	146.36%	145.85%	135.62%	132.92%
Financial Self Sufficiency (FSS)	126.12%	133.58%	134.24%	126.46%	124.16%
Administrative Efficiency(OER)	15.34%	13.27%	15.10%	15.58%	16.10%
Total Expenses/ Total Average Assets	14.82%	13.31%	13.85%	14.95%	14.90%
Financial cost / Total Average Assets	4.45%	4.61%	5.10%	5.05%	5.11%
Administrative Cost / Total Average Assets	1.52%	1.50%	1.00%	1.06%	1.06%
Total Equity / Assets	27.03%	23.91%	22.79%	21.66%	21.99%
Total Equity / Liability	37.04%	31.42%	29.52%	27.66%	28.19%
Quick Ratio ( Liquid Assets/ Current Liabilities)	18.21%	18.47%	19.23%	21.18%	23.80%
Current Ratio	152.84%	148.92%	151.28%	151.12%	146.39%
Savings/ Credit	40.31%	40.20%	42.83%	45.46%	39.66%
Borrower/Members	90.92%	91.04%	92.33%	89.60%	90.07%
Average Annual Growth to Total Assets	10.17%	24.27%	26.64%	29.76%	19.31%
Portfolio at Risk Ratio	5.84%	4.01%	3.69%	4.16%	5.86%
Portfolio in Arrears	4.31%	3.16%	2.88%	3.22%	4.75%
Loan Loss Provision Ratio	4.28%	3.44%	3.22%	3.72%	4.69%
Leverage or Debt to Equity Ratio(Liabilities/Net Worth)	269.98%	318.27%	338.77%	361.59%	354.69%
Capital Adequacy Ratio	30.59%	27.22%	26.02%	25.07%	26.06%
Debt Service Coverage Ratio (DSCR)	117.41%	120.85%	123.53%	118.58%	117.97%
Liquidity to Savings Ratio	33.75%	35.57%	34.31%	36.10%	49.05%
Financial cost to RLF	4.37%	4.28%	4.72%	4.64%	4.90%
Administrative Cost to RLF	1.49%	1.39%	0.92%	0.97%	1.02%
Operating cost to RLF	13.50%	11.61%	13.16%	13.38%	13.48%
Total Real Cost (Admin+ Operating) to RLF	14.99%	13.00%	14.09%	14.35%	14.50%
Total Cost to RLF	14.54%	12.37%	12.81%	13.74%	14.29%
Total Income to RLF	20.02%	18.10%	18.68%	18.63%	19.00%
Total Service Charge to RLF	19.29%	17.46%	17.69%	17.29%	17.49%
Total Surplus to RLF	5.48%	5.73%	5.87%	4.89%	4.70%
Total Operating Cost to Service Charge	70.01%	66.51%	74.42%	77.37%	77.08%
Total Financial Cost to Service Charge	22.64%	24.50%	26.66%	26.81%	28.04%
Total Expenses to Service Charge	75.41%	70.83%	72.40%	79.45%	81.73%
Total Surplus to Service Charge	28.41%	32.83%	33.20%	28.30%	26.90%
Total Expenses to Income	72.64%	68.33%	68.56%	73.74%	75.24%
Total Expenses Growth Rate	29.69%	20.43%	18.57%	25.42%	14.39%

**PRODUCTIVITY & PROFITABILITY: (Amount in Taka)**

<b>PRODUCTIVITY &amp; PROFITABILITY</b>	<b>2017-2018</b>	<b>2016-2017</b>	<b>2015-2016</b>	<b>2014-2015</b>	<b>2013-2014</b>
Liquid Assets	596,848,258	565,437,200	464,216,435	401,561,796	355,498,063
Total Current Assets	5,009,324,377	4,558,230,108	3,652,439,270	2,865,777,456	2,186,396,276
Total Long Term Assets	115,423,594	93,642,233	90,774,094	90,073,897	91,562,511
Net Fixed Assets	115,423,594	93,642,233	90,774,094	90,073,897	73,695,351
Total Assets	5,124,747,971	4,651,872,341	3,743,213,364	2,955,851,353	2,277,958,787
Average Assets	4,888,310,156	4,197,542,852	3,349,532,358	2,616,905,070	2,093,587,426
Average Performing Assets	4,750,983,240	4,070,722,640	3,235,523,356	2,515,754,687	2,015,070,811
Total Current Liabilities	3,277,531,412	3,060,955,257	2,414,380,150	1,896,336,540	1,493,582,530
Total Long Term Liabilities	462,061,667	478,756,355	475,715,387	419,147,803	283,387,822
Total Internal Liabilities	1,384,944,144	1,111,985,750	852,994,641	640,367,010	500,988,434
Total External Liabilities	3,739,803,828	3,539,886,591	2,890,218,723	2,315,484,343	1,776,970,353
Total Concessional Loan	1,161,795,100	1,004,914,204	801,704,342	324,571,674	253,599,409
Total Liabilities	3,739,593,080	3,539,711,613	2,890,095,537	2,315,484,343	1,776,970,353
Reserve Fund-Yearly(10% of Surplus)	27,299,417	25,903,804	21,268,000	10,132,000	12,475,000
Reserve Fund (10% of Cumulative Surplus)	137,078,221	109,778,804	83,875,000	62,607,000	52,475,000
Apodkalin Tahabil Yearly	35,770	51,792	123,186		
Apodkalin Tahabil Cumulative	210,748	174,978	123,186		
NET WORTH / EQUITY	1,385,154,892	1,112,160,728	853,117,827	640,367,010	500,988,434
Total Service Charges	961,035,501	788,944,438	640,849,530	492,571,789	381,789,237
Total Financial Income	997,673,099	817,822,739	676,754,129	530,723,939	414,719,487
Total Administrative Cost	74,315,820	62,941,796	33,371,264	27,699,909	22,290,769
Total Financial Cost	217,592,296	193,303,970	170,869,181	132,038,561	107,045,456
Total Operating Expenses (Financial+General+Admin)	672,850,864	524,698,706	476,891,817	381,100,654	294,270,015
Total Expenses (Financial+General+Adm+LLP+DMF)	724,678,935	558,779,838	464,003,311	391,345,364	312,018,279
Yearly Surplus (Profit)	272,994,164	259,042,900	212,750,818	139,378,575	102,701,207
Yearly Surplus/Profit Growth Rate	5.39%	21.76%	52.64%	35.71%	57.08%
Cumulative Surplus/Profit (Retained Earning)	1,233,493,236	987,834,259	754,746,955	563,387,323	434,140,747.87
Cumulative Surplus/Profit Growth Rate	24.87%	30.88%	33.97%	29.77%	26.24%
Imputed Cost of Capital	66,391,053	53,438,210	40,121,447	28,326,085	21,998,653
Cost per taka money lent (Operating)	0.08	0.08	0.09	0.09	0.092
Total Cost per taka money lent (Total Expenses)	0.09	0.08	0.08	0.09	0.097
Cost per Loan made	3,351	2,855	2,816	2,513	2,228
Yearly Loan Paid	1,350,076,700	1,048,986,883	733,318,826	618,026,854	464,535,100

**REVOLVING LOAN FUND (RLF): (Amount in Taka)**

<b>REVOLVING LOAN FUND ( RLF )</b>	<b>2017-2018</b>	<b>2016-2017</b>	<b>2015-2016</b>	<b>2014-2015</b>	<b>2013-2014</b>
Liquid Assets	596,848,258	565,437,199	464,216,435	401,561,796	355,498,063
Total Loan Outstanding (Principal)	4,386,441,376	3,953,324,465	3,158,467,181	2,446,801,301	1,827,648,213
<b>TOTAL REVOLVING LOAN FUND ( RLF )</b>	<b>4,983,289,634</b>	<b>4,518,761,664</b>	<b>3,622,683,616</b>	<b>2,848,363,097</b>	<b>2,183,146,276</b>



## Social Services Program

As part of social responsibilities, MSS has been running the social services program since 2000 to benefit the disadvantaged segment of the society by providing various services including health, education, scholarship, day care etc. The social services program aims the following objectives:

- To provide basic medical treatment to women and children including family planning services.
- To provide the day care services to the children of WCP members and other working mothers in the respective area.
- To educate the members on basic issues of health, nutrition and sanitation.
- To educate the members on human rights and other civic issues.



### Social Services Activities:

- Family Planning-Maternal and Child Health(FP-MCH) clinic
- General treatment
- Day care centers for kids
- Awareness raising on maternal and child health
- Eye care service
- Eye camp
- Non-Formal Primary Education
- Medha Bikash Udyog (Merit Nurture Initiative)

Apart from providing Family Planning-Maternal and Child Health services, the FP-MCH clinic also provides general health services to the underprivileged women and children in Dhaka City. The FP-MCH clinic has also been playing an effective role in reducing child mortality supplementing the efforts Bangladesh government in the participation of its EPI program.



The performance of FP-MCH services during the reporting period is given below:

Table 9: Performance of FP-MCH

Services	Performance
Contraceptive pill distributed	300 cycles
Condom distributed	5000
Depo-Provera	194
Ante natal care& Post natal care	155
Infants' care	300
Pregnancy test	71
Blood sugar test	95
Other vaccinations	74
EPI	
BCG	46
Penta-1, Penta-2 & Penta-3	243
TT	124
Measles/Rubella	195
Vitamin A capsule administered	1350
General treatment	2252

Child protection, feeding, medical treatment and recreation are the basic needs of the children. MSS has been promoting these issues to the kids aged 3-5 years through its day care centers in a secured and homely atmosphere. The poor working urban mothers can continue their daily work keeping their kids in the day care centers all day long.



A total of 120 kids are enrolled in six day care centers in Karail, Mirpur, Lalbag and Keraniganj urban area. Each daycare center has 20 kids. Other than uniform, clothing during Eid festival and warm clothing during winter are also provided to them free of cost.

### Eye Care Service

MSS has been discharging eye care services through its Eye Vision Center to the underprivileged people of the society since 2011. The Vision Center was established in Kalabagan under Dhaka North City Corporation with the technical support of Sightsavers International. Reducing avoidable blindness is the ultimate goal of this Vision Center. The center has also been providing eye care services relentlessly in collaboration with Eye Care Project-MSS since 2014.



The cataract patients are referred to collaborative partner eye hospitals to undergo cataract surgery free of cost. The underprivileged patients get spectacles from the vision center free of cost.

### Eye Camp

To cater the needs of the poor people, the Eye Vision Center of MSS organizes eye camps throughout the year in its working areas. The purpose of organizing eye camp is to provide services at the door steps of the target people by covering wide number of people. The cataract patients screened through eye camps are referred to collaborative partner eye hospitals to undergo cataract surgery free of cost. A total of 3,477 patients were served through Eye Vision Center and eye camp in 2017-2018. Performance of Eye Vision Center during the period 2017-2018 is given below:

Table 10 : Performance of Eye Vision Center in 2017-2018

Types of Services	No. of patients served
Primary eye care at Eye Vision Center	825
Cataract surgery	130
Eye camp	2652
Eye glass distributed	344

### Non-Formal Primary Education

The Non-Formal Primary Education was introduced in 2006 with the objective of supporting education of the underprivileged slums children in Dhaka city and its adjacent areas. These underprivileged children who are out of mainstream education get the opportunity to study up to class four in these non-formal education centers from where they can get enroll in class five at Govt. primary school.



Free educational materials along with school uniform are provided to the students. MSS is running 6 non-formal education centers with the enrollment of 120 students in the slums under Dhaka North City Corporation and its adjacent area.

### MSS Medha Bikash Udyog

MSS Medha Bikash Udyog (Merit Nurture Initiative) was introduced to help continue education as well as obtain higher degree of the children of MSS-Women's Credit Program's members providing scholarship to its meritorious children.

Since the beginning of the program in 2005, until 2018 an amount of Tk. 13,058,200 has been awarded scholarship to 1,665 students from Junior School Certificate to Masters level including Medical/Engineering for their outstanding academic achievements. Details are given below:

Table 11: Year-wise scholarship given

Year	No. of students awarded scholarship		Amount in Taka
	Female	Male	
2005	07	06	60,000
2007	15	16	200,000
2008	17	21	222,000
2009	20	24	250,800
2010	37	41	468,000
2011	41	57	579,600
2012	54	42	580,800
2014	76	48	1,126,800
2015	141	86	2,023,200
2016	172	114	2,380,600
2017	222	146	3,033,600
2018	150	112	2,152,800

## Euglena Genki program for reducing child malnutrition

Child malnutrition is a major health concern in Bangladesh. To reduce this problem, MSS in collaboration with Euglena Company Limited of Japan under its “Euglena Genki” program is continuing its efforts to reduce the prevalence of malnutrition of the urban children in Bangladesh. Under the program, other than holidays each Non-Formal Primary Education student of MSS gets a sachet of high potency Euglena biscuit containing 59 vitamins everyday which they consume during school hour. Introduced in September 2014, the program is being implemented in Non-Formal Primary Education schools in Karail and Mirpur slums under Dhaka North City Corporation.

## Eye Care Project-MSS

With the slogan Give the Gift of Vision, MSS has been providing eye care services in Bangladesh through its Eye Care Project (ECP-MSS) since 2014. The vision of ECP-MSS is to make underserved people cataract free with the aims to identify and treat preventable blindness among the underprivileged; to promote community awareness and education on eye health; and to increase capacity and access to eye care services. To advance the goals, the following activities were implemented during July 2017 – June 2018 period.

### Activities Overview:

ECP-MSS eye camp is the most effective way to gather large number of underserved people at a pre-designated place to provide medical care of their eyes. The eye camps give us the opportunity to provide comprehensive eye care services to vast number of underprivileged eye patients in remote locations including identifying cataract and other surgical patients. ECP-MSS provides eye camp services free of cost as we are committed to serve the underserved patients. ECP eye camps are organized with the active support of local government bodies such as the Upazila Parishad, Union Parishad and local educational institutions in which hundreds of volunteers are involved.

A total of twenty eight (28) eye camps were held during July 2017 to June 2018 in different districts of Bangladesh such as Dhaka, Gazipur, Narayanganj, Sirajganj, Panchagarh, Thakurgaon, Nilphamari, Rangpur, Pabna, Bogra, and Naogaon. Some 13,044 patients were screened; 4,477 spectacles were distributed and 548 eye drops were given out at these eye camps. Further, eight hundred fifty seven (857) surgeries were successfully performed in collaboration with our partner hospitals.

Since establishment in July 2014 up to June 2018, a total of 46 eye camps were held from which 20,565 patients were screened and 4,998 spectacles were distributed. Besides, free medicines were also given to 548 patients. One thousand four hundred and three (1,403) sight restoration surgeries were successfully performed during the period. Beneficiaries of these services included members of the MSS - Women’s Credit Program, their families as well as the underserved members of the public.

### Eye Camp Services:

The day-long ECP eye camps provide various types of services at the camps. These include eye screening tests, rectifying refractive errors by providing eye glasses, prescribe medicines to address allergy and other eye conditions; identify cataract and other surgical cases for performing free surgery and make referrals for complicated eye problems. Qualified personnel conduct the tests with modern equipment provided by our partner hospitals.

### School Sight Testing Program (SSTP):

As part of comprehensive eye care services, Eye Care Project started its School Sight Testing Program (SSTP) in October 2017 with the aim to identify short sighted and visually impaired underprivileged school children and provide them treatment, spectacles, medicines, advice and referral services as needed.



During the reporting period, in total 2,819 student-patients were screened, 45 spectacles and 105 eye drops were distributed conducting 15 eye camps at 15 schools.

### Honor our Donors:

ECP organized a donor reception program titled "Honor Our Donors" on May 8, 2018 in appreciation of their support to ECP-MSS for smooth functioning of the project activities. An audio-visual presentation displayed before the donors to show the achievement and make them understand what being done on with their donations. Personalized crests acknowledging their contributions were given out to the donors. The donors came out very strongly and reiterated their continued support to the ECP. A total of 123 donors were enlisted during the period from July 2017 to June 2018. Their generous contribution greatly helped us make the free eye care services available to the underprivileged people of our country.

### Awareness Raising:

Eyes are one of the most important organs, but eye care awareness is quite low. To promote community awareness on eye care, ECP-MSS conducts awareness campaigns at its eye camps and other program activities. The focus of the awareness raising activities is to highlight basic eye care tips. Audio-video and interactive presentations, posters, flyers and placards are used highlighting basic eye care tips including what one should do and should not do for maintaining good eye health. Some 5000 flyers, 1000 posters and 20 placards were distributed to the members of the public and School Sight Testing Program (SSTP) students/schools. Eye camp venues were decorated with awareness raising posters and flyers. Illustrated flyers were distributed to the eye camp patients and to the students at the SSTP who were urged to share the information with family and friends.

Awareness campaigns were conducted among the patients and students using the following materials:

- Posters – depicting basic eye care tips
- Flyers – highlighting basic eye care tips
- Awareness raising placards for school children showing indicators of problematic eyes

## Partner Hospitals:

ECP operates with the help of its partner hospitals as it does not have its own hospital. From only one partner hospital (Shafiuddin Ahmed Foundation – Thakurgaon) the number of partner hospitals rose to 17 which includes Prof M A Matin Eye Care System with 13 hospitals at various locations, Shohitunnessa Eye Hospital, Narayanganj and Prime Bank Eye Hospital, Dhaka. These partner hospitals support our efforts to organize eye camps, provide eye care services through their eye specialists and eye testing equipment, and perform surgeries – all these they do at concessional rates.



Table 12: Performance of Eye Care Project-MSS in 2017-2018

Sl. No.	DESCRIPTION	July 14 – Dec 16	Jul 17 - Jun 18	Total
1	Eye Camps Conducted	18	28	46
2	Schools Screened	N/A	15	15
3	Student Screened	N/A	2819	2819
4	EVC Screened	N/A	175	175
5	Total Patients Screened	7521	13044	20565
6	Surgery Performed	546	857	1403
7	EVC Distributed Eye Glass	N/A	45	45
8	Total Eye Glass Distributed	521	4477	4998
9	Medicines Distributed	N/A	548	548
10	Donors	N/A	123	123
11	Partner Hospitals	01	16	17





### Saleha leads a normal life

Saleha, 70, is a street beggar living in Kuril slum, Dhaka. Her husband passed away many years ago. She is a destitute woman. There is no one to look after her. She was suffering from pterygium as well as cataract from last one year. It was unsafe for her to go outside and move around. At such a critical time of Saleha's life, one of the donors of ECP-MSS referred her to Eye Care Project. Thereafter, ECP promptly took the responsibility to restore her eyesight. After both surgeries now Saleha can see clearly. Her vision is restored and she is able to move around on her own.

### Marfat Ali gets back his eye sight

Marfat Ali, 80, a disabled person living in Kalabagan area of Dhaka City. He is a skinny and unhealthy old man. Moreover, he had been suffering from cataract and DCT in both eyes for last two years. Earlier, he used to sell vegetables for his livelihood. Due to his physical condition and eye problems he was unable to work for last two years. He has no child. His wife works as a maidservant and runs the family with her meager income. His cataract was identified by the Eye Vision Center of MSS. ECP-MSS then took the responsibilities to remove his cataract. After successful surgery of DCT and cataract, Marfat Ali can see things clearly. He is back to his normal life. Marfat Ali thanked his sponsor and ECP for restoring his eyesight.



### Shishuder Jonno Integrated Child Development Program

Supported by Save the Children and implemented by MSS, Shishuder Jonno-Integrated Child Development Program (SJ-ICDP), urban is engaged for holistic development of 0-19 years underprivileged children in Rayerbazar, Chand Udyan and Town Hall impact area by executing five core components through integrated approach. The health and nutrition team brought a remarkable number of children under its de-worming coverage by administering 13,544 children de-worming tablets in 2017-2018. While in 2018, some 195 children got admitted into mainstream schools under education component. The sponsorship operation team has been able to reach the annual extended target overcoming challenges through the team efforts and dedication. On the other hand, newly introduced automation process added a new dimension in health and nutrition component interventions where tablet PC based registration, data collection and web based monitoring began. Last but not the least, the management level joint monitoring both qualitative and quantitative initiated by SJ-SCI and MSS management added a new dimension in program operation to ensure program quality and to keep the program on the right track.

#### Details of accomplishment of major activities:

#### Early Childhood Care and Development (ECCD)

The activities carried out under ECCD are Early Stimulation (ES), Early Years Preprimary (EYPP), Fathers Focused Initiatives, Emergent Literacy and Math Parenting Session, Local Cable TV video Broadcasting and Voice SMS.

Early Stimulation Campaign is a monthly center based activity. In this campaign parents of 0-3 years age and caregivers receive early simulation counseling and early stimulation related materials for awareness raising among them. Early years pre-primary sessions aim at bringing positive changes to the children's physical, emotional, social, cognitive, linguistic, behavioral development. In five resource centers the sessions are taken weekly three times in the alternative days. While for overall development of the children and the mothers, the role of fathers is equally important. To raise awareness and to engage them actively father focused initiative started in 2017. The objectives of the father focused initiatives are:

- To identify the present partial scenario of the community regarding father's involvement in early childhood care and development.
- To understand the availability of time, television watching time of the fathers.
- To understand the eagerness and responses of the fathers regarding the new initiative for them.



The ECCD related different videos were aired through local cable channel. In every month, a new video was broadcasted. Every day the video was aired eight to nine times a day with an hour interval. The local community including the slum dwellers and non-slum dwellers viewed the video.

### Back to School support for out of School Children

The Resource Center based Literacy-Numeracy sessions for Out of School Children help to ensure children successfully transition to school. The sessions are taken 5 days in a week. In 2018, a total of 195 children enrolled in mainstream schools.

### Promotion of Reading Habit and Learning Attitude

This resource center based activities aim to increase reading habit among the children. Besides, the adolescents, caregivers and parents are trained on community outreach story telling session so that they can tell story to the children at home.

## Literacy-Numeracy education awareness through cable TV network and Voice message

Basic Education component leverages TV and mobile technology platform to sensitize community concerning importance of education. This intervention also aims to see the impact on Knowledge, Attitude and Practice of the parents after the interventions.

## School Support Interventions

This intervention supports the Government Primary Schools (GPS) in setting up playing materials, reading corner with bookshelves, book organizer reading pocket and providing training to the school teachers in the program area. A total of 5,543 students in these GPS were benefitted from the activities of BE. Some 27 teachers from 9 GPS were trained on 'Dialogic Reading' and the assessment procedure of reading fluency. While a total of 68 teachers from 9 GPS were oriented with 'Student Needs Action Pack' (SNAP) through 3 trainings. SNAP is a set of simple tools and strategies for teachers to use to support learners who are struggling in their classrooms.

## ICT in Education

Under this component, SJ ICDP-MSS equips one classroom with multimedia of Government Primary Schools in Rayerbazar area. The teachers were provided training for proper use of multimedia and audio-video materials in the classroom.

## Maternal Newborn Child Health and Nutrition (MNCHN)

Maternal Newborn Child Health & Nutrition is one of the core components of Shishuder Jonno (SJ) Integrated Child Development Program (ICDP) that aims to improve health & nutritional status and survival of mothers, newborns and/or children in the impact area. Targeted beneficiaries of this component are pregnant women, recently delivered women/lactating mothers, newborn, under-5 year's children, parents/caregivers, in-laws and family members.

Regular activities of maternal health are- household level family based counseling of pregnant women, recently delivered women/lactating mothers, distribution of Iron-Folic Acid (IFA), RC & community based session/courtyard meeting & referral to strategic partner and using government approved IEC materials, integrated messages on MNCHN, EYD, WASH, CP and using digital generalized health risk assessment software.





## Mim: An Illustrative Cog in the youth empowerment wheel

The transformation of Mim Akhter couldn't have been more inspiring. Just a few years back, being an adolescent sitting idly at home, she considered herself to be a burden for her family and felt repentance for the pressure she thought she put on her surroundings. There was a time when she wasn't allowed to go out of her home alone, living under the shadow of the fears rooted deep down in her societal cog. Those days, she recalls, didn't even allow her to utter a simple "NO" as a reply to someone else's decisions or opinions. She felt like she was living someone else's life, by someone else's rules, following someone else's choices.

Living at Hiron's place, just when she felt like she couldn't take it anymore, a miracle happened. Mim came to know about an organization called Manabik Shahajya Sangstha (MSS) and went on to experience their activities firsthand. It was not an easy ride; her father was not at all open to the idea of her going there. But it was her champion mother, who understood the utility of it and persuaded Mim's father in allowing her to do so. Mim confesses, she didn't know about any of the income generating and life changing activities she has learned from MSS and how blissful she is to rise from knowing nothing at all to where she is now. Now, a 17 years old young confident girl attending 10th standard classes, Mim has made her mark in sundry avenues. She does all the household chores at her home by herself reducing the burden of work on her mother. At MSS, she receives Income Generating Activities (IGA) to become an adept operator of sewing machines. Besides, she attends the book reading sessions to enrich her horizon, because she knows, there is no limit to her dreams and a person is as big as his/her dreams. Also, attending healthcare and nutrition sessions has enabled her to take a lot better care of herself and her family, in turn leading a salubrious lifestyle.

A confident young teenager, Mim comes to the RC Sessions all by herself. She regularly reads out stories to the children of the community. Well-informed about the physical and psychological transitions during puberty, Mim can now look after herself being neat, clean and ready to adapt to these changes. She can now see the bigger picture and has an in-depth outlook on youth empowerment. By dint of the training received from MSS, she even has her own source of income now, contributing for her family and adding further value to the society. With all these amelioration, she now has the confidence and power to say "NO" to any decision she finds unbefitting.

The MSS Representative noted how Mim was frustrated, dejected and in the dark before she started to get involved in the MSS activities. Proudly he said, now Mim can adapt to any situation utilizing the lessons and experiences she has gathered by being a part of the MSS. She has embarked upon a voyage towards an enlightened future and the whole of MSS is joyful at being the cornerstone of this astounding journey. This is what each Part of MSS thrives for; empowering young minds to set them free on their very own enlightened paths.

## Child Health Services

Community Organizers and Community Educators of H&N team counseled mothers of newborn and under 5 years children, using government approved IEC materials, integrated messages on MNCHN, EYD, WASH, CP and using digital generalized health risk assessment software.

## CBHE Courtyard Session on 5 Habits

The Community Based Health Education (CBHE) intervention started in 2018 targeting those children and parents who are not member of resource center based CBHE sessions. Under CBHE sessions the target groups are made aware on 5 habits for proper use of sanitary latrine, food & nutrition and hand washing.

## Promoting Safe Water

To keep community people healthy and making their behavioral change, the Community Volunteers have been campaigning for safe drinking water using megaphone in the community asking people to drink boiled water.

## ASRH and MHM Session

Adolescent Sexual and Reproductive Health (ASRH) and Menstrual Hygiene Management (MHM) session is one of the major Resource Center based interventions of Adolescent Development component. At the very beginning of 2018, Resource Center based adolescent development sessions started. This session is led by two adolescents peer facilitators.



The aim of these sessions is to enlighten adolescent by raising awareness on Adolescent Sexual and Reproductive Health related issues. Besides, the adolescents and their parents who are not covered by Resource Centers are also made aware about these issues.

## Coordination Meeting with Mohammadpur Fertility Services and Training Center

A coordination meeting took place at Mohammadpur Fertility Services and Training Center (MFSTC) on June 2, 2018. Director, Deputy Director, Sr. Consultants, counselors of MFSTC and officials of Save the Children and Manabik Shahajya Sangstha were present in the meeting. The core objective of this meeting was to develop the plan of signing an MoU and create referral linkage between SJ-ICDP and MFSTC for the services of maternal and child health ASRH and ECCD.

## National De-worming Week Observation

Responding to National De-worming week observation, ICDP also observed the event two times namely in April and in October by administering de-worming tablets to the out of school children and school going children (those school going children who did not take de-worming tablet within last 6 months) in ICDP area with exclusive support of Save the children, ICDP team and community (slum managers, community leaders). Some 13,544 children were de-wormed during the reporting period.

## Global Hand Washing Day

The Global Hand Washing Day 2017 was observed on 15 October 2017 in Rayerbazar and Chand Udyan by SJ ICDP-MSS with the theme 'Our Hands, Our Future'. The rally was inaugurated by Councilor of Ward- 34 under Dhaka North City Corporation (DNCC).



Higher management of MSS and Save the Children, community leaders, slum managers, GO/NGO representatives, stakeholders and children participated in the rally. The guests stressed the importance of hand washing with soap for prevention of diseases like diarrhea and other diseases. Around six hundred people participated in the rally and paraded different roads in Rayerbazar.

## Meeting with Dhaka North City Corporation (DNCC) on Birth Registration

A meeting was held with Dhaka North City Corporation on 13 February 2018 seeking cooperation for establishing a sustainable system for birth registration of the underprivileged children of SJ ICDP area.



The meeting was presided over by Zonal Chief Executive Officer of Dhaka North City Corporation, Zone-5.

### Theater for Development (TfD) Session

Theater for Development (TfD) was formed in view of protecting child rights making community people aware performing drama on various child rights issues like importance of birth registration, safe delivery, ill-effects of child marriage, child labor etc.



The TfD group continues their practice and performs on various occasions round the year to make people aware.

### School Wall Painting on Child Protection Issues

To make mass people aware, SJ ICDP-MSS painted school wall highlighting the child protection issues at Mohammadpur Primary School, Borabo Primary School, Bosila Primary School, Jafrabad Adorsho Primary School, Jafrabad Primary School and Rayerbazar Primary School.

### Dialogue with District Administration on Child Rights Situation

The National Children Task Force (NCTF) Committee of Rayerbazar organized a dialogue session with Dhaka District administration on child rights situation in education, health, protection, recreation and other areas for sensitizing the Deputy Commissioner and make Dhaka District administration more responsive. The meeting was chaired by Deputy Commissioner, Dhaka, Ms. Rashida Begum.

### Sponsorship Operations

The sponsorship Operations team has been working persistently for child enrolment, help sponsoring children and making a bridge between the sponsors and sponsored children. Major activities of sponsorship operations include Case History (CH) collection, 30 days mailing collection, reply letter collection, Proactive Annual Letter (PAL) collection and parents gathering. Besides, for the retention of sponsor and successive monitoring purpose, Annual Family Update (AFU) along with photo taking, Annual Status Report (ASR), FGD for self-assessment and Mid-year Eligibility Check (MYEC) were other notable activities during the reporting year.

### Result Review Workshop & Program Coordination Meeting

Two result review workshops and program coordination meetings were held during the reporting period. One was held on August 16-17, 2017 at Hotel Platinum Suites in Dhaka and another was held on November 20-21, 2017 at Hotel City Inn in Khulna. The main purpose of Result Review Workshop was to compare planned versus actual performances and



results in order to improve the program through corrective or additional action. The objective of Program Coordination Meeting was to analyze the challenges encountered and find out the probable ways to overcome and provide directions.

## Community Mobilization

Community mobilization is a continuous process that helps to empower communities and organize them to initiate any development work and builds ownership. As a part of this initiative, SJ ICDP arranged a meeting with slum managers to get all sorts of cooperation from them and also involve them in various activities for smooth functioning of the program.

## Protecting Health of the Senior Citizens

Manabik Shahajya Sangstha in association with HelpAge International, Bangladesh organized a health services camp for the underprivileged senior citizens on 17 April 2018 at Rayerbazar under Dhaka North City Corporation (DNCC) to mark the "World Health Day 2018".



The health services camp was inaugurated by Honorable Panel Mayor of DNCC Mr. Osman Gani. Alongside general health, eye care services were provided through this event. Free medicines and eye glasses were also served to these underserved people. Mr. A N Md. Emam Hasanath, executive director of MSS and Ms. Rabeya Sultana, Country Director of HelpAge International, Bangladesh were also present on the occasion.

## Human Resource Development

Skilled human resource is an essential element for the development of an organization. Bearing this in mind, the training department of MSS carries out training round the year for capacity development of its staff. Apart from imparting foundation training to the newly recruited staff, various types of professional training are also conducted for the Area Managers, Branch Managers, Assistant Branch Managers, Branch Accountants, Community Development Officers, Trainee Community Development Officers, Auditors etc. The trainings are carried out both at its Head office in Dhaka and at the Community Based Resource Center in Saidpur of Nilphamari district. Furthermore, the staffs are also sent to participate in external training arranged by various training institutes/organizations.



During the fiscal year 2017–2018, a total of 683 trainees attended in various professional trainings conducted at CBRC, MSS Head office and other external venues. Of the 683 trainees, some 113 unemployed youths participated in certificate course on microfinance at CBRC. The main objective of organizing this training was to create job opportunity for the unemployed youths so that they can build up their career in microfinance sector.

Besides, some 380 trainees participated in various trainings conducted by external stakeholders like Plan International, SHARP, BRAC and Research Initiative Bangladesh (RIB). Details are stated below.

Table 13: Major course-wise number of trainees

Sl. No.	Name of course	No. of Participants
1	Orientation on MSS	299
2	Fundamental course on Women's Credit Program	215
3	Accounting and documentation training	24
4	Internal audit of Microfinance	16
5	Certificate course on Microfinance	113
	Total	667

## Networking and Advocacy

The role of networking is very crucial towards achieving greater interest of any issue. Keeping this in mind, MSS played an effective role in forming several networks with like-minded organizations such as Credit & Development Forum (CDF), Coalition for the Urban Poor (CUP) and Bangladesh Shishu Adhikar Forum (BSAF). Today these networks are playing major role to benefit the target people. Moreover, being a member, MSS utilizes the network to implement large project across the country and also advocates with its networking members for the greater interest of the people.

Further, MSS has been maintaining memberships with various international networks such as Banking With The Poor (BWTP), International Housing Coalition (IHC), South Asia Microfinance Network (SAMN) and International Network of Alternative Financial Institutions (INAFI). These international networks have given MSS exposure to exchange views and sharing experiences concerning financial inclusion, investment etc. in microfinance operation.

## Development Partners

The development partners have been playing very effective role in socio-economic development of the country. MSS have been implementing various development projects with technical and financial supports of development partners to benefit targets groups. MSS has maintained or is maintaining partnerships with the following development agencies/institutions.

- Palli Karma Sahayak Foundation (PKSF)
- Save the Children International
- Anukul Foundation-MDF
- Academy for Educational Development (AED)/USAID
- European Commission
- CARE Bangladesh
- Japan Embassy in Bangladesh
- The Royal Danish Embassy in Bangladesh
- The Netherland Embassy in Bangladesh
- Oxfam Bangladesh
- Swedish International Development Agency (SIDA)
- Grameen Trust
- Coalition for the Urban Poor
- Credit & Development Forum
- The Asia Foundation
- Foundation for the Justice-Spain
- Concern Worldwide
- Sightsavers International
- Ministry of Women and Children Affairs
- Bangladesh Bank

## Membership:

MSS is continuing its networking or membership with the following national and international networks:

### National

- Coalition for the Urban Poor (CUP)
- Credit and Development Forum (CDF)
- Bangladesh Shishu Adhikar Forum (BSAF)
- Bangladesh Urban Forum (BUF)
- Right to Food Bangladesh

### International

- Micro-credit Summit Campaign
- Banking With The Poor (BWTP)
- International Housing Coalition (IHC)
- International Network of Alternative Financial Institutions (INAFI)

# Financial Reports



**Partners:**

S.M. Shafique FCA  
Md. Abu Sina FCA  
Md. Anisur Rahman FCA  
Faruk Ahmed ACA  
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## **AUDITOR'S REPORT**

We have audited the accompanying consolidated financial statement of **SHAHAJYA SANGSTHA (MSS)** and its projects as well as the separate financial statements of **MANABIK SHAHAJYA SANGSTHA (MSS)** which comprise the consolidated and separate statement of financial position as at June 30, 2018 and the consolidated and separate statement of comprehensive income, consolidated and separate statement of cash flows, consolidated and separate statement of receipts and payments, consolidated and separate statement of changes in equity for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management Responsibility**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the entity's preparation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of consolidated financial statements.

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



Contd..P/2.

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**In Practice since 1968**

### Basis for our qualified opinion

Based on calculation of Gratuity Policy of MSS, total required gratuity provision is Tk. 188,961,206 upto 30.06.2018, whereas provision for gratuity has been kept in the financial statements to the sum of Tk. 177,123,447. It is also noticeable that no provision for gratuity has been made during the period under our audit. Therefore, shortfall provision for gratuity has been stood (Tk. 188,961,206 - Tk. 177,123,447) = Tk. 11,837,759. Thus, profit has been overstated by Tk. 11,599,780.

### Qualified Opinion

In our opinion, except for the matter as stated above and together with its effects on the consolidated financial statements, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of MANABIK SHAHAJYA SANGSTHA (MSS) as at June 30, 2018 and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and other applicable laws and regulations including MRA guidelines.

### We also report that

- (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (b) in our opinion, proper books of accounts as required by law and MRA Act & Rule have been kept by the organization so far as it appeared from our examination of those books; and
- (c) the consolidated statements of financial position and the consolidated statement of comprehensive income dealt with by the report are in agreement with the books of account.

Dated: Dhaka  
November 05, 2018

*Khan Wahab Shafique Rahman & Co.*  
Khan Wahab Shafique Rahman & Co.  
Chartered Accountants



**MANABIK SHAHAJYA SANGSTHA (MSS)**  
**Consolidated Statement of Financial Position**  
As at June 30, 2018

Particulars	Notes	Amount in Taka	
		30.06.2018	30.06.2017
<b>PROPERTIES &amp; ASSETS:</b>			
<b>Non current Assets:</b>			
Fixed assets at Cost less accum. dep. (Schedule-A/1)	6.00	126,022,683	105,342,298
<b>Current Assets:</b>			
Loan to Members	7.00	4,386,441,376	3,953,239,647
Investment in FDR	8.00	466,251,089	422,556,057
Other Current Assets	9.00	23,305,222	35,187,161
Interest Receivable on FDR	10.00	6,006,000	5,045,000
Cash and Bank Balances	11.00	140,891,168	152,767,815
<b>Total properties &amp; Assets</b>		<b>5,148,917,538</b>	<b>4,674,137,978</b>
<b>FUND &amp; LIABILITIES:</b>			
<b>Fund &amp; Reserve:</b>			
Grant Capital	12.00	20,404,591	20,404,591
Retained Earnings	13.00	1,277,457,208	1,027,615,885
Reserve Fund	14.00	137,078,221	109,778,804
Apodkalin Tohobil	15.00	210,748	174,978
<b>Non Current Liabilities:</b>		<b>433,061,667</b>	<b>449,756,355</b>
Loan from PKSF	16.00	386,802,079	389,120,750
Loan from Grehayon Tohobil	17.00	3,976,000	1,988,000
Loan from Commercial Bank	18.00	393,604	25,247,055
Loan from others	19.00	41,889,984	33,400,550
<b>Current Liabilities:</b>		<b>3,280,705,102</b>	<b>3,066,407,365</b>
Loan from PKSF	20.00	403,318,671	341,015,750
Loan from Grehayon Tohobil	21.00	2,982,000	3,388,000
Loan from Bangladesh Bank -SMAP	22.00	310,000,000	220,000,000
Loan from Commercial Bank	23.00	444,752,742	606,786,887
Loan from others	24.00	12,826,366	16,001,154
Clients Savings	25.00	1,768,224,046	1,589,433,713
Risk Management Account	26.00	132,397,592	124,399,340
Staff Security Fund	27.00	231,795	12,504,749
Loan loss Provision	28.00	187,680,148	135,852,077
Employees Security	29.00	9,358,418	8,371,684
Other Current Liabilities	30.00	8,933,324	8,654,010
<b>Total Fund &amp; Liabilities</b>		<b>5,148,917,538</b>	<b>4,674,137,978</b>

The annexed notes 1 to 54 form an integral part of these financial statements.



**Md. Abdul Halim**  
Deputy Director (F & A)



**A.N. Md. Emam Hasanath**  
Executive Director



**Feroz M. Hassan**  
President

Subject to our separate report of even date

*Khan Wahab Shafique Rahman*

**Khan Wahab Shafique Rahman & Co.**  
Chartered Accountants

Dated: Dhaka,  
October 22, 2018

**MANABIK SHAHAJYA SANGSTHA (MSS)**  
**Consolidated Statement of Comprehensive Income**  
For the year ended June 30, 2018

Particulars	Notes	Amount in Taka	
		2017-2018	2016-2017
<b>INCOME:</b>			
<b>Service Charge:</b>		<b>964,723,258</b>	<b>790,422,659</b>
Service Charge on Loan (Micro Credit)	31.00	961,035,501	788,944,438
Service Charge from Clinic (Micro Credit)		218,454	94,701
Service Charge from Eye Vision Centre (Micro Credit)		87,300	71,450
Service Charge from Day care (Micro Credit)		21,600	21,600
Service Charge from NFPE School (Micro Credit)		22,020	17,940
Service Charge from Community Based Resource Centre (CBRC)	32.00	3,338,383	1,272,530
Admission Fee (Micro Credit)		1,259,560	1,154,930
Form Fees (Micro Credit)		3,044,640	2,772,535
Sub Grant in AID from Anukul Foundation for MSS-Suchala		307,991	250,577
Sub-Grant from TAF for MSS-EWG		-	1,019
Sub-Grant from SC for MSS-ICDP		31,916,463	23,431,561
Sub-Grant from BAF for Disaster Relief		750,000	-
Health Service Fee (Micro Credit)		-	3,695,840
Enrich Health Service Fee (Micro Credit)		230,920	197,576
Interest income on Bank Deposit (Micro Credit)		2,765,785	2,515,693
Interest income on Fixed Deposit (Micro Credit)		23,758,148	18,904,846
Local Donation		100,000	5,000
Local Donation for cataract		4,142,282	1,287,180
Member's Subscription (MFI)		5,100	5,700
Miscellaneous Income (Micro Credit)		272,181	182,983
Operational Cost Reimbursement (Micro Credit)		3,646,292	2,096,985
Overhead cost Reimbursement		184,731	173,919
Publication Sale (Micro Credit)		30,000	-
Rent Reimbursement (Micro Credit)		1,775,927	1,328,800
Salary & Allowances Reimbursement (Micro Credit)		907,580	675,890
Sale of Crops, Seed & Seedlings (Micro Credit)		88,550	102,047
Training Cost Reimbursement		52,132	45,000
Vehicle Rent		6,000	-
<b>Total Income: (A)</b>		<b>1,039,967,539</b>	<b>849,250,739</b>



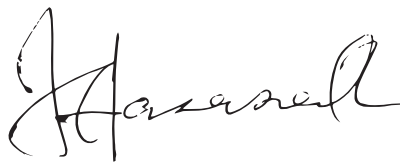
**MANABIK SHAHAJYA SANGSTHA (MSS)**  
**Consolidated Statement of Comprehensive Income**  
For the year ended June 30, 2018

Particulars	Notes	Amount in Taka	
		2017-2018	2016-2017
<b>EXPENDITURE:</b>			
<b>Financial Cost:</b>		<b>214,692,296</b>	<b>190,674,039</b>
Interest Expenses on Commercial Bank Loan (MF)	33.00	48,027,801	40,639,965
Interest expenses on PKSF Loan (MF)		48,300,770	50,144,028
Interest expenses on Grehayon Tohobil Loan		117,861	155,674
Interest expenses on SMAP Loan (Bangladesh Bank)		14,288,889	9,742,389
Interest expenses on Client's Savings (MF)	34.00	98,753,223	84,747,847
Interest Expenses on Others Loan (MF)	35.00	5,203,752	5,244,136
<b>General &amp; Administrative Expenses :</b>		<b>496,270,662</b>	<b>361,676,191</b>
Salary Allowances & Benefits	36.00	361,848,458	256,352,419
Administrative & Program Expenses	37.00	73,740,157	62,040,702
Training & Development Expenses	38.00	35,997,569	25,654,505
Local Travel /Conveyance	39.00	9,536,332	7,871,614
Social Development Expense	40.00	10,177,126	5,426,607
Depreciation Expenses	41.00	4,971,020	4,330,344
<b>Total Operating Expenses</b>		<b>710,962,958</b>	<b>552,350,230</b>
Loan Loss Provision Expenses		51,828,071	34,081,132
<b>Total Expenditure: (B)</b>		<b>762,791,029</b>	<b>586,431,362</b>
<b>Net Excess of Income over Expenditure: (A-B)</b>		<b>277,176,510</b>	<b>262,819,377</b>
<b>Total</b>		<b>1,039,967,539</b>	<b>849,250,739</b>

The annexed notes 1 to 54 form an integral part of these financial statements.



**Md. Abdul Halim**  
Deputy Director (F & A)



**A.N. Md. Emam Hasanath**  
Executive Director



**Feroz M. Hassan**  
President

Subject to our separate report of even date



**Khan Wahab Shafique Rahman & Co.**  
Chartered Accountants

Dated: Dhaka,  
October 22, 2018

**MANABIK SHAHAJYA SANGSTHA(MSS)**  
**Consolidated Statement of Receipts & Payments**  
For the period from 1st July, 2017 to 30th June, 2018

Particulars	Notes	Amount in Taka	
		2017-2018	2016-2017
<b>RECEIPTS:</b>			
<b>Opening Balance :</b>		<b>152,767,815</b>	<b>135,053,116</b>
Cash in hand		13,112	11,333
Cash at Bank		152,754,703	135,041,783
Admission Fee Collection		1,259,560	1,154,930
Advance Recovery		3,632,054	1,744,750
Advance office rent		161,000	245,900
Advance for Enrich-Operating costs		1,337,834	2,600,000
Bi-Cycle Loan from Employees		452,050	267,220
Employees Security		1,245,000	1,900,000
Equipment Sale		47,000	17,210
Form Fees		3,044,640	2,772,535
Savings Collection from Member's Health Service Fee	42.00	2,225,816,593	1,910,315,516
Interest Income on Bank Deposit		2,765,785	2,515,693
Interest Income on Investment	43.00	22,797,148	16,606,846
Investment in FDR (Encashment)		288,700,917	81,251,091
Loan from Commercial Bank	44.00	582,100,000	758,100,000
Loan from PKSf		401,000,000	406,800,000
Loan from BB-SMAP		310,000,000	220,000,000
Loan from Grehayon Tohobil		4,970,000	-
Loan from others	45.00	22,000,000	27,000,000
Motor cycle Loan from Employees		2,626,270	2,752,415
Other's Income	46.00	7,655,343	3,924,885
Advance for Local Donation		-	1,360,000
Risk Management collection		55,441,953	47,646,401
Loan recovery from Member's	47.00	7,356,245,271	5,936,257,534
Service Charge from Clinic		218,454	94,701
Service Charge from Day Care		21,600	21,600
Service Charge from Eye Vision Centre		87,300	71,450
Service Charges from NFPE School		22,020	17,940
Service Charge on Micro Credit		961,035,501	788,944,438
Service Charge from CBRC		3,338,383	1,272,530
Staff security Fund		-	1,870,300
Sub Grant from Anukul Foundation for MSS-Suchala		279,400	275,400
Sub Grant from BAF for Disaster Relief		750,000	-
Sub Grant from SC for MSS-ICDP		30,507,247	25,250,592
<b>Total</b>		<b>12,442,326,137</b>	<b>10,381,800,832</b>

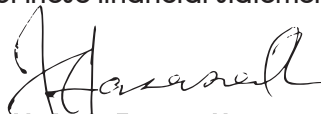
Particulars	Notes	Amount in Taka	
		2017-2018	2016-2017
<b>PAYMENTS:</b>			
Advance office rent		3,743,900	7,357,800
Advance for Operating		7,225,801	1,730,350
Advance For Utilities		(2,100)	22,350
Advance Tax		2,631,159	1,906,821
Advance for Land purchase		4,805,000	15,425,000
Accounts Payable		243,927	174,800
Advertisement		506,900	730,844
Audit Fee & Evaluation		222,500	222,500
Bank charges		2,406,644	1,598,612
Bicycle loan to employees		450,000	498,000
Books & Stationery		87,765	-
Car Repair & Maintenance		725,031	585,512
Cataract Operation		2,097,735	15,000
Cleaning materials		111,505	94,846
Community Development Expenses		721,000	1,399,754
Consulting Fees		1,392,740	442,240
Contribution to Staff welfare fund (SWF)		14,124,642	12,078,992
Conveyance/Local Travel		4,645,370	3,513,050
Cultivation & Fish Culture Expenses		36,753	33,657
Education Program Expenses		3,254,233	2,402,875
Electricity charges		1,546,840	1,388,161
Employees Security (Refund )		347,500	332,500
Equipment maintenance		1,504,418	1,097,427
Eye/Health Camp		916,400	34,447
Festival bonus		30,499,255	20,644,256
Field Trips		4,890,962	4,358,564
Food & Refreshment Expenses		537,348	271,839
Fuel charges		3,669,733	2,940,962
Furniture		1,943,960	1,368,168
Gas charges		591,701	457,860
Home Gardening & Nursery		5,530	14,765
Savings Withdrawn	48.00	2,145,779,483	1,758,517,262
Gratuity		45,000,000	20,000,000
Health Support		438,158	470,065
Insurance Premium		79,035	67,615
Interest on Commercial Bank Loan	49.00	48,027,801	40,639,965
Interest on Others Loan	50.00	8,692,812	4,270,512
Interest on PKSF Loan		48,300,770	50,144,028
Interest on Grehayon Tohobil Loan		88,122	155,674
Interest on SMAP (Bangladesh Bank) Loan		10,213,889	9,742,389
Investment	51.00	332,395,949	168,288,366
Legal Charge		980,850	770,170
Linen		222,120	272,710
Loan disbursement to Members	52.00	7,789,447,000	6,731,030,000
Loan from Commercial Bank (Repayment)	53.00	768,987,596	598,396,745
Loan from Others (Repayment)	54.00	16,685,354	18,769,470
Loan from PKSF (Repayment)		341,015,750	223,366,668
Loan from Grehayon Tohobil (Repayment)		3,388,000	2,854,000
Loan from SMAP (Bangladesh Bank)		220,000,000	205,600,000
Loan Processing fee		2,145,000	3,267,475
Local Donation		833,721	1,143,050
Medical Supplies		49,780	46,580
Madical & Medicine Support to Staff		12,460	75,655
Medicine		107,232	38,963

Particulars	Notes	Amount in Taka	
		2017-2018	2016-2017
Meeting Expenses		209,042	77,077
Membership Subscription		225,000	230,500
Misappropriation Account		-	76,495
Miscellaneous expenses		15,681	11,427
Motor cycle Loan		1,095,000	1,985,000
Newspaper		444,788	392,693
Nutrition Supply		903,115	870,790
Office Equipment		2,661,118	1,658,369
Office Maintenance		1,559,191	1,491,196
Office Rent		14,221,512	11,783,750
Office stationery		2,404,716	2,190,084
Photocopy		398,030	581,552
Playing Material		6,100	-
Postage		228,199	249,332
Printing		2,225,120	1,993,721
Program Cost for SUCHALA		308,100	250,400
Program Cost for ICDP		31,120,901	23,319,987
Provision for Gratuity		-	12,400,000
Refreshment & Entertainment		1,894,592	1,688,439
Registration & Renewal fees		141,163	40,489
Riief Work		1,540,865	-
Repair & maintenance		921,802	706,072
Risk Management Account Support (Claim Settlement)		47,443,701	26,460,891
Robbery Account		161,793	-
Salary & Allowances		286,349,203	202,769,339
Signboard & Banner		81,515	73,750
Softaware Development		350,000	340,000
Softaware Maintanance		2,592,400	2,646,000
Staff Security Fund (Refund )		8,554,600	560,500
Sub Grant from TAF for MSS-EWG (Refund)		-	211,337
Tax		29,099	42,266
Telephone & Email		3,183,438	2,984,831
Training expenses		3,412,822	1,812,279
Traning materials		18,320	-
Utensils		207,037	214,848
Utilities for Head office		1,057,249	804,648
VAT		3,343,425	2,866,497
Vehicle		1,410,000	2,660,000
Volunteers fee		-	24,056
WASA Charges		244,368	195,723
Web Design		15,000	-
Work Aid expenses		737,400	699,000
Workshop, Seminar & Meeting Exp.		944,531	600,366
<b>Total Payments</b>		<b>12,301,434,970</b>	<b>10,229,033,017</b>
<b>Closing Balance:</b>			
Cash in hand		303,224	13,112
Cash at Bank		140,587,944	152,754,703
<b>Total</b>		<b>12,442,326,137</b>	<b>10,381,800,832</b>

The annexed notes 1 to 54 form an integral part of these financial statements.



**Md. Abdul Halim**  
Deputy Director (F & A)



**A.N. Md. Emam Hasanath**  
Executive Director



**Feroz M. Hassan**  
President

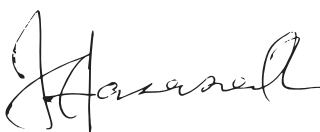
**MANABIK SHAHAJYA SANGSTHA (MSS)**  
**Consolidated Statement of Cash Flows**  
For the period ended June 30, 2018

Particulars	Amount in Taka	
	2017-2018	2016-2017
<b>A Cash Flow from Operating Activities:</b>		
Surplus for the period	277,176,510	262,819,377
<b>Add: Amount considered as non cash items:</b>		
Loan Loss Provision Expenses	51,828,071	34,081,132
Depreciation for the year	4,971,020	4,330,344
Festival bonus	-	12,938,824
Accounts Payable	5,056,476	(4,513)
Miscellaneous Income Adjusted	(140,060)	(79,210)
Interest Charge on Member's Savings	98,753,223	84,747,847
Interest Receivable on FDR	(6,006,000)	(5,045,000)
Office Rent Adjusted	4,266,200	3,061,600
Loss on Equipment	618,376	32,479
Loss on Furniture	331,937	-
Interest on Employee Security	289,152	251,271
Interest on Staff Security Fund	-	1,010,595
<b>Sub-Total of non cash items:</b>	<b>159,968,395</b>	<b>135,325,369</b>
Loan Disbursed to Beneficiaries	(7,789,447,000)	(6,731,030,000)
Loan realized from Beneficiaries	7,356,245,271	5,936,257,534
BiCycle loan disburse	(450,000)	(498,000)
BiCycle loan Recovery	452,050	267,220
Motor Cycle loan disburse	(1,095,000)	(1,985,000)
Motor Cycle loan Recovery	2,626,270	2,752,415
Employee security Deposit	1,245,000	1,900,000
Employee security refund	(347,500)	(332,500)
Staff Security Fund collection	-	1,870,300
Staff Security Fund refund	(8,554,600)	(560,500)
Interest on Employee security	(59,858)	(93,072)
Interest on Staff security Fund	(3,718,354)	(195,170)
Donor Fund (Unspent)	(1,437,807)	1,651,499
FDR Interest Accrued	5,045,000	2,747,000
Misappropriation Account	-	(76,495)
Robbery Account	(161,793)	-
Provision for Gratuity	-	(12,400,000)
Advance For Utilities	2,100	(22,350)
Advance Tax	(2,631,159)	(1,941,821)
Advance For Land Purchase	(4,805,000)	(15,425,000)
Advance for Enrich-Operating costs	(2,308,458)	503,015
Advance Office Rent Recovery	161,000	245,900
Advance for Office Rent	(3,743,900)	(7,357,800)
Advance for operating Expenses	(2,968,829)	54,400
Accounts Payable	(243,927)	-
Payable for local Donation	(840,611)	388,100
<b>Net cash used by operating activities</b>	<b>(19,892,199)</b>	<b>(425,135,579)</b>

Particulars	Amount In Taka	
	2017-2018	2016-2017
<b>B. Cash flow from Investing Activities:</b>		
Fixed Assets Purchased	(6,365,078)	(6,026,537)
Sale of of fixed assets	47,000	17,210
Investment in FDR	(332,395,949)	(168,288,366)
Investment Encashment	288,700,917	81,251,091
<b>Net cash used by Investing activities</b>	<b>(50,013,110)</b>	<b>(93,046,603)</b>
<b>C. Cash flow from Financing Activities:</b>		
Loan received from Borrowing	1,320,070,000	1,411,900,000
Repayment of Loan to Borrowing	(1,350,076,700)	(1,048,986,883)
Members Savings Deposits	2,225,816,593	1,910,315,516
Members Savings Refunded	(2,145,779,483)	(1,758,517,262)
Risk Management A/C Collection	55,441,953	47,646,401
Risk Management A/C Disbursement to Members	(47,443,701)	(26,460,891)
<b>Net cash provided by financing activities</b>	<b>58,028,662</b>	<b>535,896,881</b>
<b>Net cash inflow increase/decrease (A+B+C)</b>	<b>(11,876,647)</b>	<b>17,714,699</b>
Add: Cash and Bank Balance at the beginning of the year	152,767,815	135,053,116
<b>Cash and bank balance at the end of the year</b>	<b>140,891,168</b>	<b>152,767,815</b>



**Md. Abdul Halim**  
Deputy Director (F & A)



**A.N. Md. Emam Hasanath**  
Executive Director



**Feroz M. Hassan**  
President

**MANABIK SHAHAJYA SANGSTHA (MSS)**  
**Consolidated Statement of Changes in Equity**

As at June 30, 2018

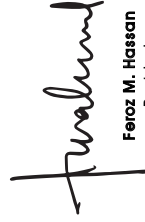
Particulars	2017-2018				2016-2017					
	Grant Capital	Retained Earnings	Reserve Fund	Apodkalin Tohobill	Total	Grant Capital	Retained Earnings	Reserve Fund	Apodkalin Tohobill	Total
Balance as at 1st July, 2017	20,404,591	1,027,615,885	109,778,804	174,978	1,157,974,258	20,404,591	790,752,103	83,875,000	123,186	895,154,881
Add: Surplus during the Year		277,176,510			277,176,510		262,819,377			262,819,377
Surplus before transferred to Reserve fund		277,176,510	-		277,176,510		262,819,377	-		262,819,377
Less: Transferred to Statutory Reserve fund		(27,299,417)	27,299,417		(27,299,417)		(25,903,804)	25,903,804		(25,903,804)
Less: Transferred to Apodkalin Tohobill		(35,770)		35,770	(35,770)		(51,792)		51,792	(51,792)
<b>Surplus after transferred to Statutory Reserve fund</b>		<b>249,841,323</b>			<b>249,841,323</b>		<b>236,863,781</b>			<b>236,863,781</b>
Balance as at June 30, 2018	20,404,591	1,277,457,208	137,078,221	210,748	1,435,160,768	20,404,591	1,027,616,885	109,778,804	174,978	1,157,974,258



**Md. Abdul Halim**  
Deputy Director (F & A)



**A.N. Md. Enam Hasanath**  
Executive Director



**Feroz M. Hassan**  
President

# Governance Executive Committee

**Feroz M. Hassan**  
President



**A. K. M Zaman**  
Vice-President



**S. M. Akram Hossain**  
Treasurer



**Abeda Sharif**  
Member



**Dr. Mozammel Hossain**  
Member



**Amena Feroz**  
Member



**Nancy Rahman**  
Member



**A. N. Md. Emam Hasanath**  
Member Secretary







## **Manabik Shahajya Sangstha (MSS)**

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Tel : 880-2-9125038, 9143100, 9146159, Fax : 880-2-9113017, E-mail : [manabik@bangla.net](mailto:manabik@bangla.net), [www.mssbd.org](http://www.mssbd.org)