

“ Summit will pay all its employees full salary, wages and benefits however long COVID stays.

Muhammed Aziz Khan
Founder Chairman
Summit Group of Companies

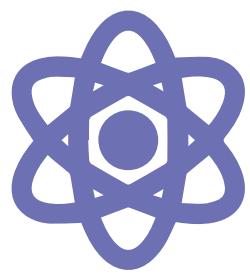


Serving the **Nation**

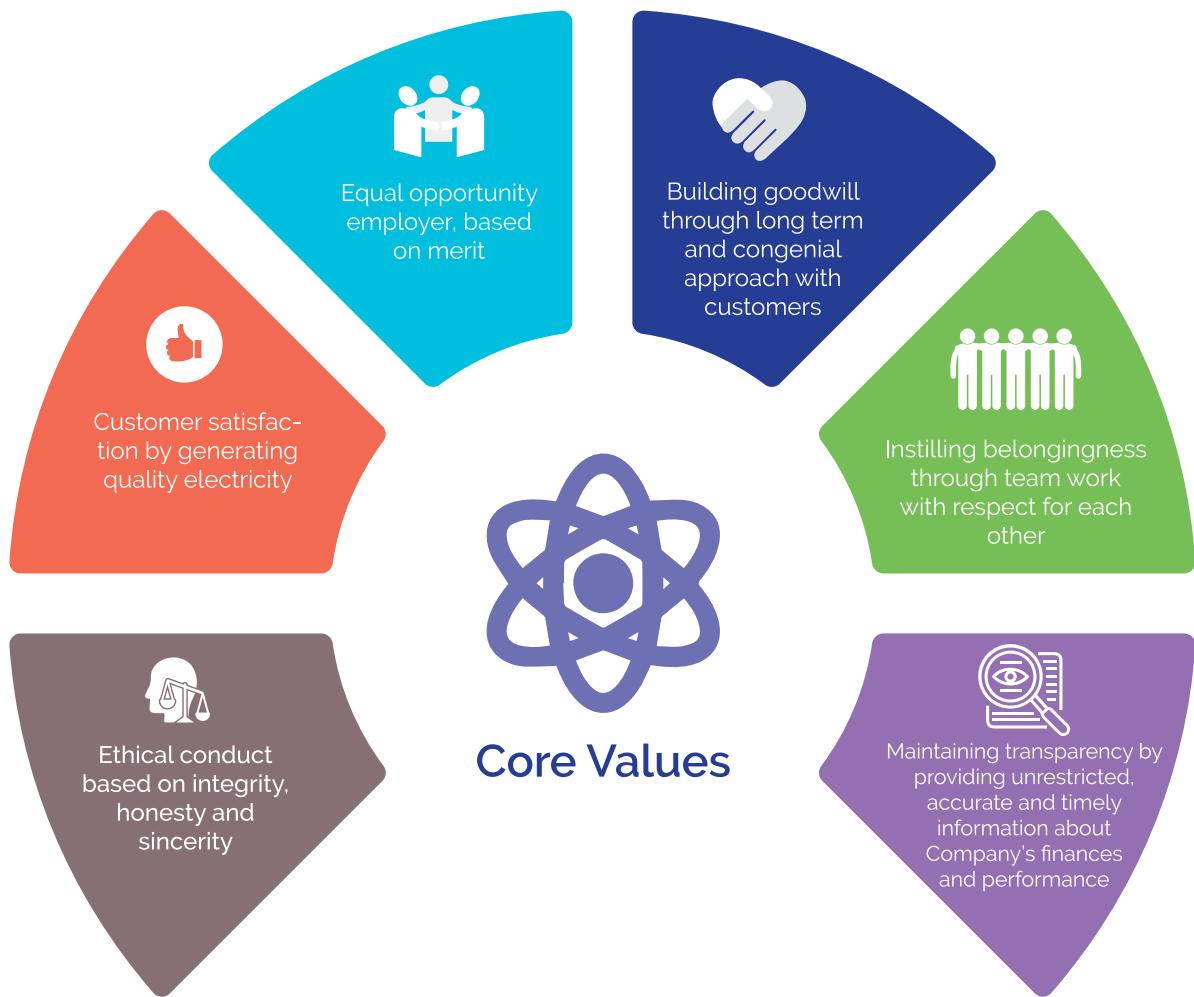


SUMMIT POWER LIMITED ANNUAL | 2019-20 REPORT





Core Values



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NOTICE OF THE 23RD ANNUAL GENERAL MEETING (AGM)



Summit Power Limited

Summit Centre, 18 Kawran Bazar C/A, Dhaka-1215

www.summitpowerinternational.com/SPL

S U M M I T

Notice is hereby given that the 23rd Annual General Meeting (AGM) of the Shareholders of Summit Power Limited will be held on Monday, 14th December 2020 at 11.00 a.m. The AGM will be held virtually by using digital platform through the following link <https://summitpower.bdvirtualagm.com> to transact the following businesses:

AGENDA:

1. To receive and adopt the Directors' Report and the Audited Financial Statements for the year ended on 30th June 2020 together with the Auditor's Report thereon;
2. To approve dividend for the year ended on 30th June 2020 as recommended by the Board of Directors;
3. To elect Directors in place of those retiring under Articles 23(a) and 20(c) of the Company's Articles of Association;
4. To appoint Statutory Auditor for the year ending on 30th June 2021 and to fix their remuneration;
5. To appoint a Professional Accountant/Secretary for certification on compliance of the Corporate Governance Code for the year ending on 30th June 2021 and to fix remuneration thereon.

By order of the Board of Directors

Swapon Kumar Pal, FCA
Company Secretary

Dhaka, 23rd November 2020

NOTES:

- The Members whose names appeared on the Members/ Depository Register as on the "Record Date" i.e. 15th November 2020 are eligible to participate in the 23rd Annual General Meeting (AGM) and receive dividend.
- Pursuant to the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/94-231/25 dated 8th July 2020, the AGM will be virtual meeting of the Members, which will be conducted via live webcast by using digital platform.
- The Members will be able to submit their questions/ comments and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging in to the system, the Members need to put their 16-digit Beneficial Owner (BO) ID number and other credential as proof of their identity by visiting the <https://summitpower.bdvirtualagm.com>
- We encourage the Members to log in to the system prior to the meeting start time of 11:00 a.m. (Bangladesh Standard Time) on 14th December 2020. Please allow ample time to login and establish your connectivity. The webcast will start at 11:00 a.m. (Bangladesh Standard Time). Please contact +8801716530922 for any technical difficulties in accessing the virtual meeting.
- A Member entitled to attend and vote at the AGM may appoint a Proxy to attend and vote in his/ her stead. The "Proxy Form", duly filled in signed and stamped with BDT 20 must be sent through email to SPL Share Office at spl.investorrelations@summit-centre.com no later than 72 hours before commencement of the AGM.
- Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/Admin/81 dated 20th June 2018, the soft copy of the Annual Report 2019-20 is being sent to the email addresses of the Members available in their Beneficial Owner (BO) accounts maintained with the Depository. The soft copy of the Annual Report 2019-20 will also be available on the Investor Relations section of the Company's website at: <https://summitpowerinternational.com/spl-annual-report>
- The concerned Brokerage Houses are requested to provide us with a statement with the details (shareholder name, BO ID number, client-wise shareholding position, gross dividend receivable, applicable tax rate and net dividend receivable) of their margin loan holders who holds Summit Power Limited's Shares, as on the "Record Date", along with the name of the contact person in this connection, to the Company's Corporate Office (Summit Centre, 9th Floor, 18 Kawran Bazar C/A, Dhaka - 1215) on or before 10th December 2020.

22nd ANNUAL GENERAL MEETING

The 22nd Annual General Meeting (AGM) of Summit Power Limited was held at the Krishibid Institution Bangladesh (KIB) Complex, Farmgate, Dhaka on 24th November, 2019. Summit Power Limited approved 35% cash dividend in this AGM. The Company has been consistent in giving out dividend since its enlistment in 2005.



MESSAGE FROM THE CHAIRMAN



Dear Shareholders,

I hope this letter finds you well along with your family and all of humanity. We are pleased to welcome you to the 23rd Annual General Meeting of Summit Power Limited (SPL). This financial year has been both unprecedented and historic. Even in early 2020, most of us could not imagine an onset of worldwide pandemic and how it might affect our daily lives. As the name indicates Novel Coronavirus has brought about a novel world and we at SPL too are observing the unfolding of it.

Bangladesh has come a long way. The journey from generating 3,000 MW to 20,000 MW, an unparalleled success in the world. It has been for this primary infrastructure that was put in place that we have been able to support the economy to mitigate the demand-supply shocks.

Similarly, as we rushed to adapt to Work from Home (WFH) and online schooling Amar Ghore Amar School the availability of power allowed hundreds of thousands of people to continue working and learning remotely. Availability of power also helped to ensure the healthcare providers can render services while we adapted with the concept of tele-medicine.

You will be pleased to know we focused at the silver linings of the somber clouds of COVID-19 pandemic. Summit Gazipur II Power Limited (300 MW) secured USD 140 Million long-tenor low cost project finance from foreign commercial lenders. This expresses both Summit and Bangladesh's goodwill and reputation among the international community. This might also be an opportunity for Bangladesh to increase its power generation capacity and to seize the opportunity when the Matarbari and Payra sea ports, terminal 3 of Hazrat Shahjalal International Airport, Dhaka metro rail, Padma Bridge and Karnaphuli underwater tunnel operationalise.

You will be happy to know SPL has not been directly affected by the coronavirus pandemic and all the power plants of SPL were operational though due to lockdown the demand from the industrial consumers have substantially been reduced. On principle, we decided that the Company will continue to pay full salary, wages and benefits to all its employees during COVID. In addition, as part of Corporate Social Responsibility (CSR) we supported our communities as well as Bangladeshi migrant workers in Singapore. We anticipated the need and urgently provided thermal scanners for international airports, donated protective gears for healthcare professionals, contributed to COVID Relief Fund and fund for cyclone Amphan effected people. We distributed ration for school children along with their families in urban slums and rural areas.

Since our public listing in 2005, we have consistently offered dividends each year. Similarly, this year we continue to do so. We are grateful to our customers, shareholders, regulators, lenders, suppliers, employees and technology partners for their continued support.



Muhammed Aziz Khan
Chairman

2 | Company OVERVIEW

Summit in the Power Sector of Bangladesh

Power Generation and Review of Our Plants

Honourable Customers and Regulators



Corporate Directory

Profile of Our Directors

Our Directors in Other Boards

Pattern of Shareholding

Accolades and Memorable Events

SUMMIT POWER LIMITED (SPL) IN THE POWER SECTOR OF BANGLADESH

The Summit Group is the largest infrastructure conglomerate of Bangladesh, comprising multiple business units ranging from power to shipping to communications. Summit's power concerns including both Turbine and Reciprocating Engine Divisions currently have 1,941 MW of installed capacity. Today SPL owns and operates 15 (fifteen) power plants in different locations across the country having a total installed capacity of 976 MW. SPL plants are equipped with world class engines manufactured by renowned companies such as Wärtsilä – Finland, Caterpillar USA, and GE Jenbacher, Austria. As per private sector power generation policy of Bangladesh, Summit sells electricity to the Bangladesh Power Development Board (BPDB) and Bangladesh Rural Electrification Board (BREB). The Company follows the best practice of Integrated Management System (IMS) for its regular business operation and has been certified by ISO 9001: 2015 - Quality Management System (QMS), ISO 14001: 2015 - Environmental Management System (EMS) and BS 18001: 2007 Occupational Health and Safety Assessment System (OHSAS).

This fast-growing Company has set a mission to expand the Company with a power generation capacity to the tune of a modest 20% of the electricity requirement in Bangladesh. Due to its management's dedication, integrity and leadership, the Company has been awarded locally and internationally i.e. – Best Private Power Generation Company in recognition of fastest implemented power plant in the country, Best Fast Track Power Project Award by Asian Power Awards, Silver Award at Asian Power Awards 2018 in Indonesia, International Star for Leadership in Quality Award by Business Initiative Directions (BID), Best Presented Accounts and Corporate Governance Disclosures Awards by SAFA, ICAB National Award for Best Published Accounts and Reports in Manufacturing Sector, ICMAB Best Corporate Award in Power Sector, ICSB National Award for Corporate Governance Excellence in General Manufacturing. The Company has also been assigned the long term rating "AAA" by Credit Rating Information and Services Limited (CRISL) three times in a row.

Build, Own and Operate (BOO) by SPL

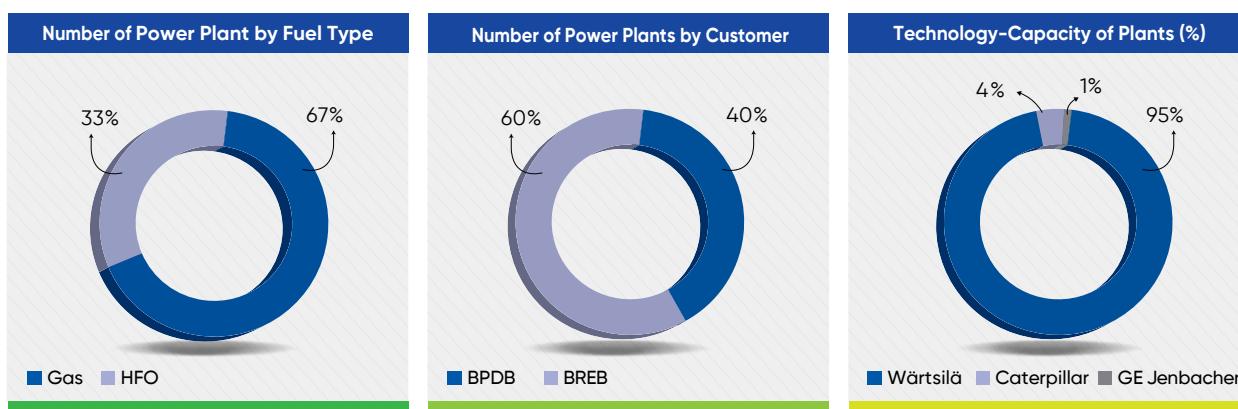
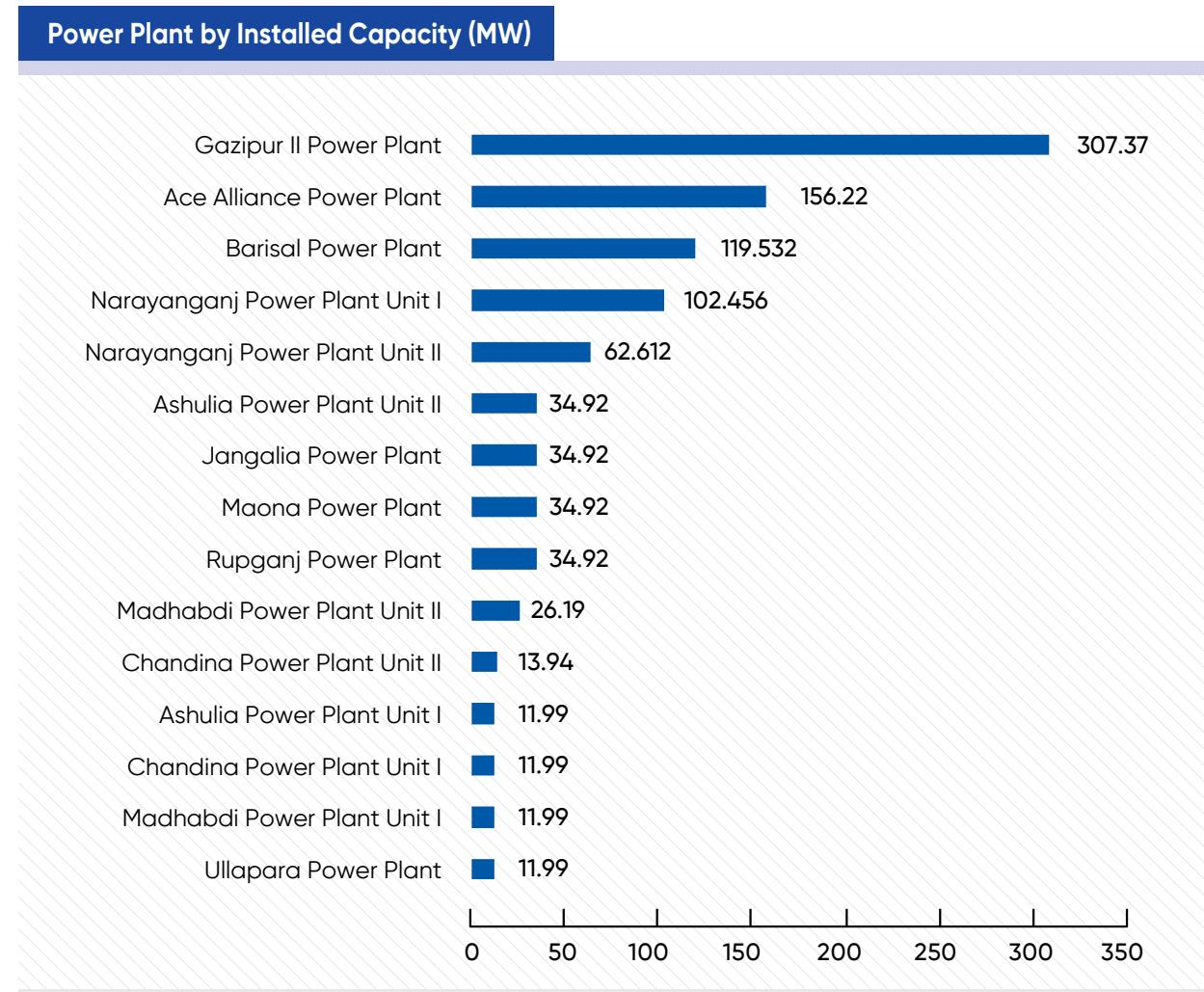
Name of the Company	Name of project	Installed Capacity	Ownership of SPL
Summit Power Limited	Ashulia Power Plants (Unit I & II)	46.91 MW	Fully owned
	Madhabdi Power Plants (Unit I & II)	38.18 MW	
	Chandina Power Plants (Unit I & II)	25.93 MW	
	Jangalia Power Plant	34.92 MW	
	Rupganj Power Plant	34.92 MW	
	Maona Power Plant	34.92 MW	
	Ullapara Power Plant	11.99 MW	
	Narayanganj Power Plant Unit I	102.456 MW	
Summit Narayanganj Power Unit II Limited	Narayanganj Power Plant Unit II	62.612 MW	49% owned subsidiary
Summit Barisal Power Limited	Barisal Power Plant	119.532 MW	49% owned subsidiary
Ace Alliance Power Limited	Ace Alliance Power Plant	156.22 MW	64 % owned subsidiary
Summit Gazipur II Power Limited	Gazipur II Power Plant	307.37 MW	20% owned subsidiary
	Total	975.96 MW	

Ownership by Equity Investment

Name of the Company	Name of project	Installed Capacity	Ownership of SPL
Khulna Power Company Limited	KPCL-I, KPCI-II, KPCL-III	265 MW	17.64% owned equity investment
Summit Meghnaghat Power Company Limited	Summit Meghnaghat Power Plant	337.416 MW	30% owned equity investment
	Total	602.416 MW	

That means total generation capacity has now been 1,578.38 MW in which Summit Power Limited has direct/indirect association and it is around 7% of the total capacity of the country with 23,548 MW (Source: www.bpdb.gov.bd).

POWER GENERATION AND REVIEW OF OUR PLANTS



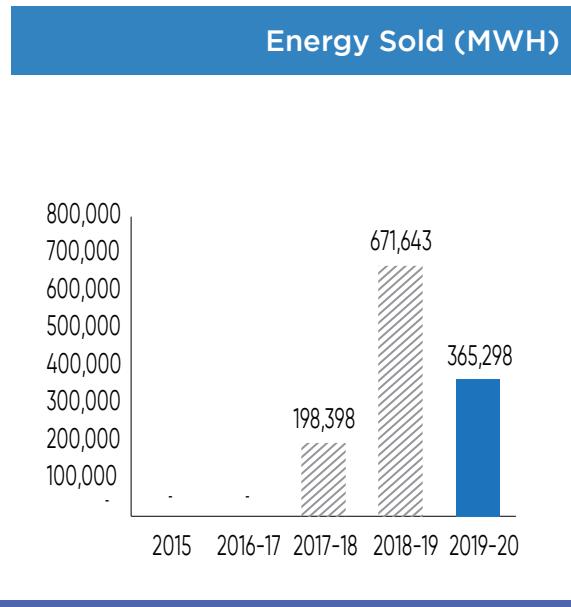
POWER PLANT DETAILS

Power Plants	Installed Capacity (MW)	Fuel	Brand	Customer
Gazipur II Power Plant	307.37	HFO	Wärtsilä	BPDB
Ace Alliance Power Plant	156.22	HFO	Wärtsilä	BPDB
Barisal Power Plant	119.532	HFO	Wärtsilä	BPDB
Narayanganj Power Plant Unit I	102.456	HFO	Wärtsilä	BPDB
Narayanganj Power Plant Unit II	62.612	HFO	Wärtsilä	BPDB
Ashulia Power Plant Unit II	34.92	Gas	Wärtsilä	BREB
Jangalia Power Plant	34.92	Gas	Wärtsilä	BPDB
Maona Power Plant	34.92	Gas	Wärtsilä	BREB
Rupganj Power Plant	34.92	Gas	Wärtsilä	BREB
Madhabdi Power Plant Unit II	26.19	Gas	Wärtsilä	BREB
Chandina Power Plant Unit II	13.94	Gas	Wärtsilä	BREB
Ashulia Power Plant Unit I	11.99	Gas	Caterpillar	BREB
Chandina Power Plant Unit I	11.99	Gas	Caterpillar	BREB
Madhabdi Power Plant Unit I	11.99	Gas	Caterpillar	BREB
Ullapara Power Plant	11.99	Gas	GE Jenbacher	BREB

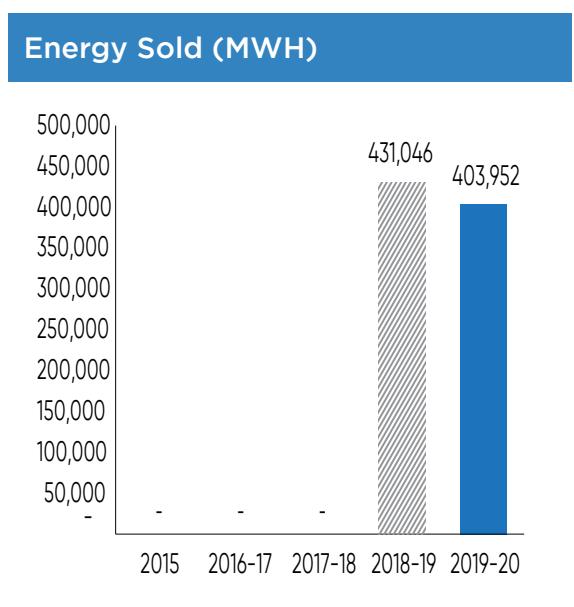
ENERGY SOLD (MWH)

Plants	2015	2016-17	2017-18	2018-19	2019-20
Ashulia Power Plants (unit I & II)	264,959	246,245	271,261	270,876	258,605
Chandina Power Plants (unit I & II)	150,385	160,883	156,848	145,673	142,760
Madhabdi Power Plants (unit I & II)	197,199	219,169	230,473	217,342	203,208
Rupganj Power Plant	229,642	244,446	254,223	248,683	253,247
Jangalia Power Plant	234,070	194,552	210,430	184,660	208,182
Maona Power Plant	249,470	256,840	250,152	250,189	255,481
Ullapara Power Plant	77,552	69,292	66,311	70,662	72,690
Narayanganj Power Plant Unit I	573,137	463,063	315,072	204,835	223,124
Narayanganj Power Plant Unit II	-	254,069	298,586	195,646	96,813
Barisal Power Plant	-	710,876	531,945	360,597	191,397
Ace Alliance Power Plant	-	-	-	431,046	403,952
Gazipur II Power Plant	-	-	198,398	671,643	365,298
	1,976,414	2,819,436	2,783,699	3,251,853	2,674,757

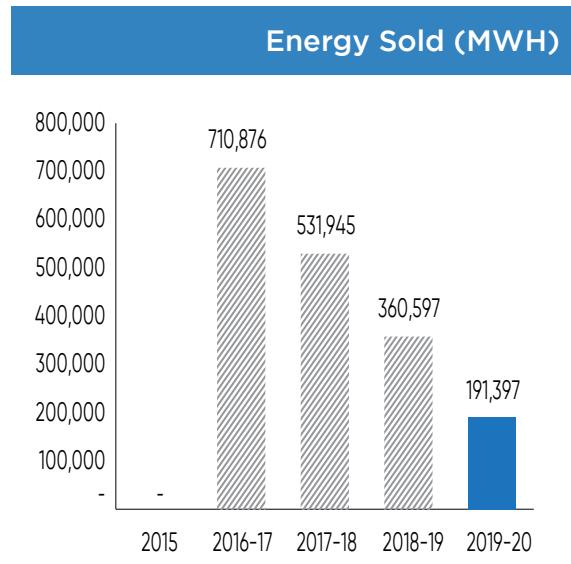
Gazipur II Power Plant



Ace Alliance Power Plant

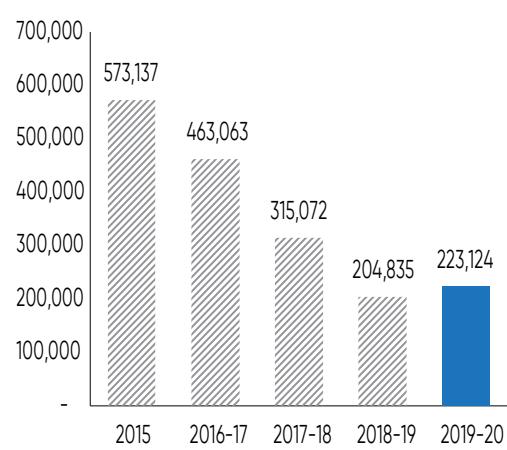


Barisal Power Plant

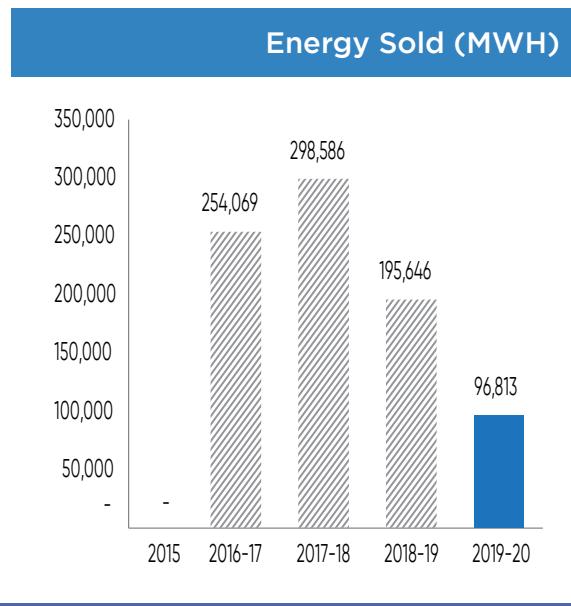


Narayanganj Power Plant Unit I

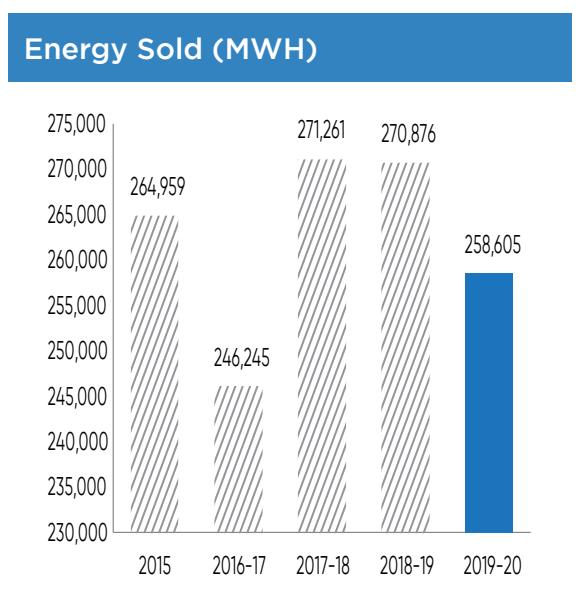
Energy Sold (MWH)



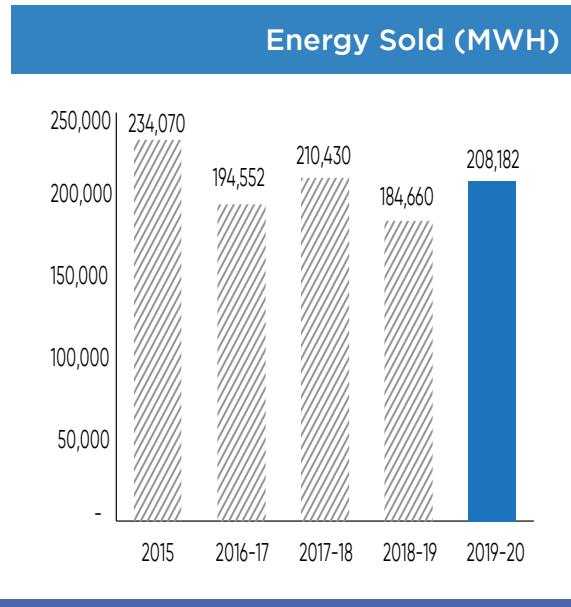
Narayanganj Power Plant Unit II



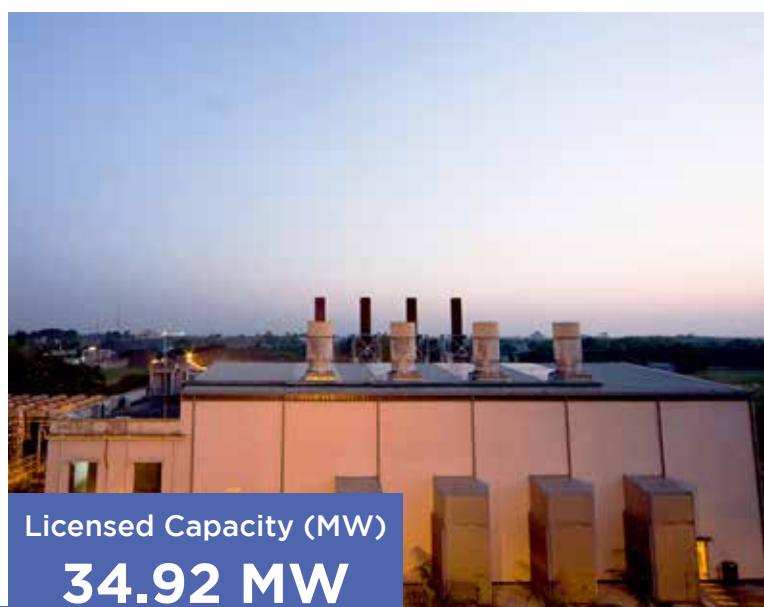
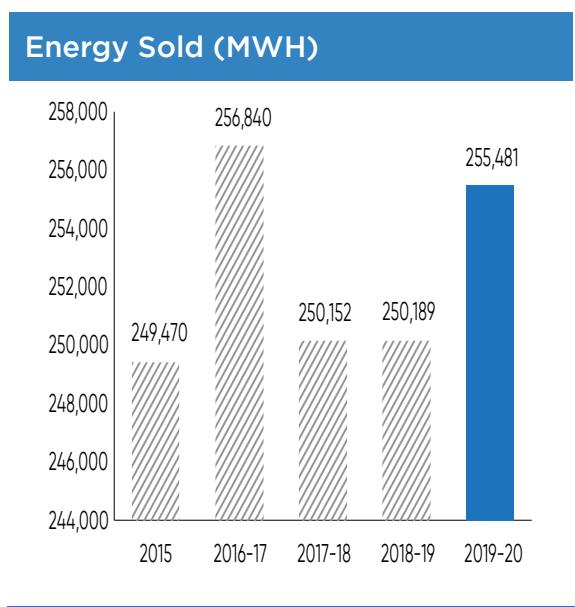
Ashulia Power Plant Unit II



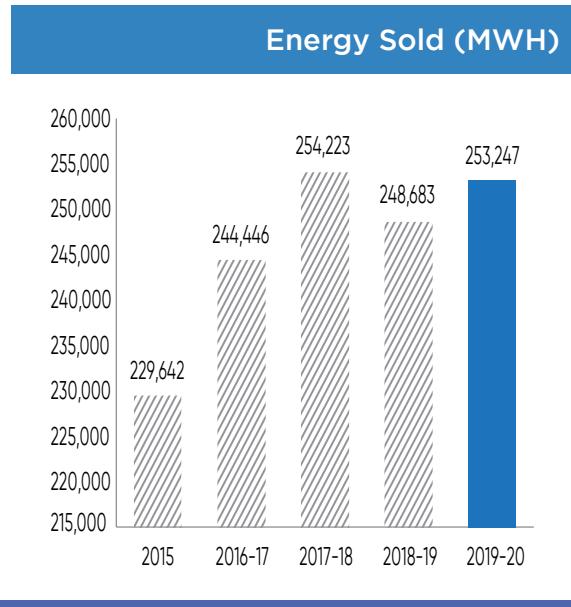
Jangalia Power Plant



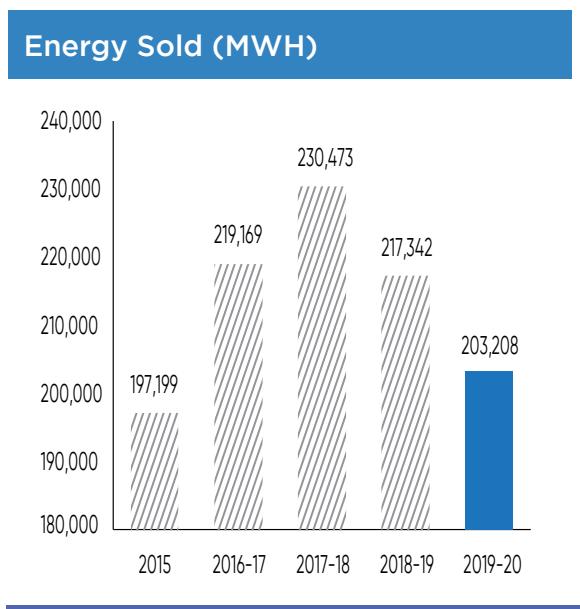
Maona Power Plant



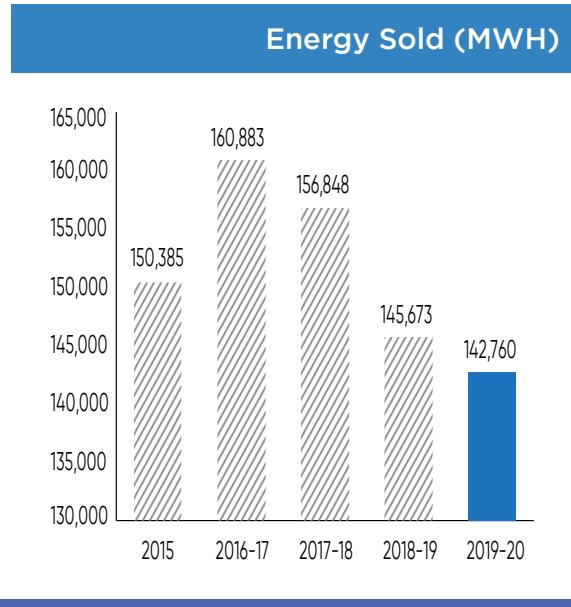
Rupganj Power Plant



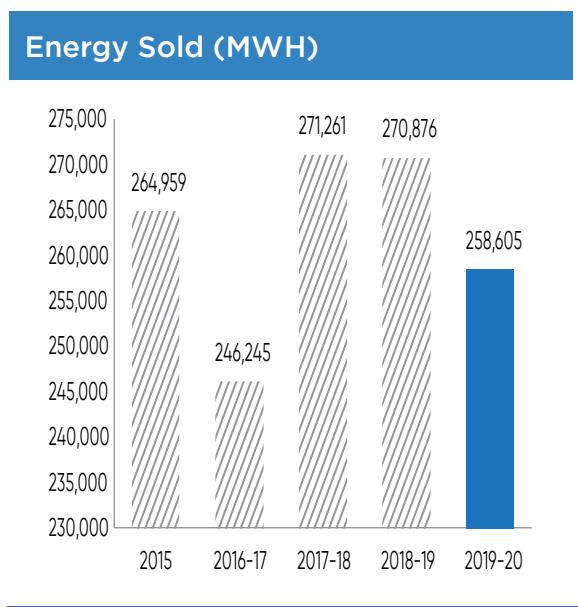
Madhabdi Power Plant Unit II



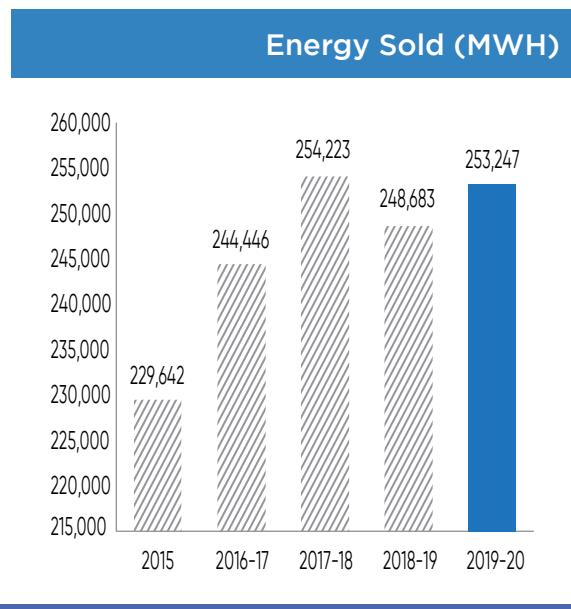
Chandina Power Plant Unit II



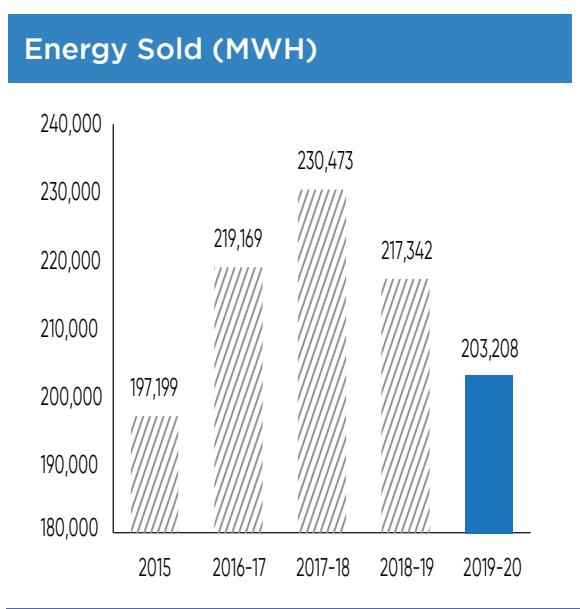
Ashulia Power Plant Unit I



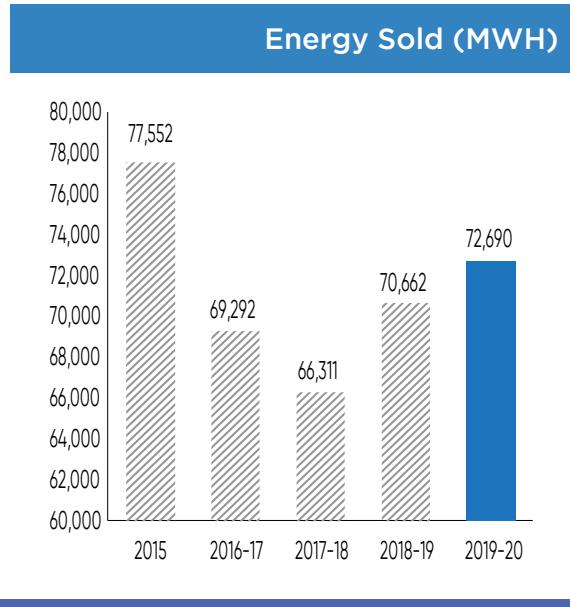
Chandina Power Plant Unit I



Madhabdi Power Plant Unit I



Ullapara Power Plant



HONOURABLE CUSTOMERS AND REGULATORS

As per the Private Sector Power Generation Policy of Bangladesh, the Power Cell as the agent of Government of Bangladesh assigns which organisation would be the power purchaser from IPP at the time of issuance of Request for Proposal (REP). The Power Purchase Agreement (PPA) is signed with the bid winner to ensure transparency between the buyer and seller of the produced electricity. In case of Summit Power Limited, our buyers or off-takers are either BPDB or BREB.

THE CUSTOMERS



Bangladesh Power Development Board (BPDB) is responsible for planning and developing the nation's power infrastructure and for operating much of its power generation facilities as well as distribution of electricity mainly in urban areas except Dhaka and West Zone of the country. The BPDB is under the Power Division of the Ministry of Power, Energy and Mineral Resources, Government of Bangladesh. (www.bpdb.gov.bd)



Bangladesh Rural Electrification Board (BREB) has been providing service to rural consumers of the country since its inception for improving agricultural production and enhancing socio-economic development in rural areas.

Today there are 80 numbers of operating rural electric cooperatives called Palli Bidyut Samity (PBS), which provide service to approximately 2,99,56,097 consumers. BREB has constructed more than 5,37,026 kms of line. (www.reb.gov.bd)

THE REGULATORS

The power sector of Bangladesh has been undergoing a process of significant institutional change. As part of the ongoing program of power sector reform, a regulatory body, the Bangladesh Energy Regulatory Commission (BERC) has been created.

Other regulators of Summit Power Limited include the Department of Environment (DoE), Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Bangladesh Securities and Exchange Commission (BSEC), Bangladesh Bank (BB), National Board of Revenue (NBR) and Bangladesh Investment Development Authority (BIDA), Office of Chief Controller of Imports & Exports (CCIE), Office of Registrar of Joint Stock Companies and Firms (RJSC), Financial Reporting Council (FRC).



The Bangladesh Energy Regulatory Commission (BERC) was established through a legislative Act of the Government of Bangladesh. The Commission's missions includes - enforcement of fiscal discipline of the energy sector, introduction of performance targets and incentive-based regulation, introduction of uniform operational standards and quality of supply, transparency in tariff determination and economic efficiency, increased opportunities for development of competitive markets, increased opportunities for efficiency, economic growth and public involvement into the energy sector. (www.berc.org.bd)



BANGLADESH BANK
Central Bank of Bangladesh

Bangladesh Bank (BB), the Central Bank of Bangladesh, is an apex regulatory body for the country's monetary and financial system. Bangladesh Bank performs all the core functions of a typical monetary and financial sector regulator and a number of other non-core functions. Its main objective is to maintain price stability and support broad based inclusive economic growth. (www.bb.org.bd)



Bangladesh
Investment
Development
Authority

Bangladesh Investment Development Authority (BIDA) is the principal private investment promotion and facilitation agency of Bangladesh. The act mandated BIDA for providing diversified promotional and facilitating services with a view to accelerating industrial development of the country. (www.bida.gov.bd)



বাংলাদেশ সিকিউরিটি এবং এক্সচেঞ্চ কমিশন

The Bangladesh Securities and Exchange Commission (BSEC) was established on 8th June, 1993 as the regulator of the country's capital market under the provision of Bangladesh Securities and Exchange Commission Act 1993. The purpose of the Commission is to protect the interest of investors in securities, develop the securities market and make rules for matters connected therewith or ancillary thereto. The Commission consists of the Chairman and four Commissioners who are appointed for full time by the Government. The Chairman acts as the Chief Executive of the Commission. The Commission is a statutory body and attached to the Ministry of Finance. BSEC is an 'A' category member of International Organisation of Securities Commissions (IOSCO) since 22 December 2013.



Dhaka Stock Exchange (DSE) is one of the two stock exchanges of Bangladesh. DSE contributes to country's economic growth through creation of wealth, facilitating access to capital and penetrating untapped market and ensuring corporate governance to enhance confidence of investors, regulators, issuers and intermediaries. (www.dsebd.org)



Chittagong Stock Exchange (CSE) is the country's second stock exchange located in Chattogram. CSE Commenced operation in 1995. (www.cse.com.bd).



Department of Environment (DOE's) mission is to help secure, clean and healthy environment for the benefit of present and future generations. Through the fair and consistent application of environmental rules and regulations, through guiding, training, and promoting awareness of environmental issues and through sustainable action on critical environmental problems that demonstrate practical solutions, and that galvanise public support and involvement. (www.doe.gov.bd)



National Board of Revenue (NBR) is the central authority for tax administration in Bangladesh. It is under the Internal Resource Division of Ministry of Finance. NBR is the authority for tax policies and tax laws in Bangladesh. (www.nbr.gov.bd)



Office of Registrar of Joint Stock Companies and Firms

Office of Registrar of Joint Stock Companies and Firms is the sole authority which facilitates formation of companies and keeps track of all ownership related issues as prescribed by the laws in Bangladesh. The Registrar is the authority of the Office of the Registrar of Joint Stock Companies and Firms, Bangladesh. RJSC accords registration and ensures lawful administration of the entities under the provisions of applicable act – (i) Companies and Trade Organisations: Companies Act, 1994 (Amendment of Companies Act 1913) (ii) Societies: Societies Registration Act, 1860, (iii) Partnership Firms: Partnership Act, 1932.



Government of the People's Republic of Bangladesh
Office of Chief Controller of Imports and Exports

Office of Chief Controller of Imports and Exports is a government regulatory department of Bangladesh concerning export and import and is located in Dhaka, Bangladesh. The department issues export and import certifications and advises the government on trade and tariff. (www.app.roc.gov.bd)



Financial Reporting Council: The Bangladesh Parliament enacted Financial Reporting ACT (FRA), 2015 on September 9, 2015. FRA requires the establishment of the Financial Reporting Council (FRC) – an independent oversight body to bring trust, credit worthiness, transparency and accountability in the audited reports and accounting as financial reporting of the publicly listed companies. The main purpose of the FRC will be to regulate the financial reporting process followed by the public interest entities. It will also regulate auditing profession of the country. The FRC is a 12-members body, comprising of representatives from the government, the Bangladesh Bank, the BSEC, the FBCCI, the academia, and the professional accounting bodies. (www.frcbd.org)

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Mr. Muhammed Aziz Khan

Chairman

Mr. Md. Latif Khan

Vice-Chairman

Mrs. Anjuman Aziz Khan

Director

Mr. Jafer Ummeed Khan

Director

Mr. Md. Farid Khan

Director

Ms. Ayesha Aziz Khan

Director Finance

Mr. Faisal Karim Khan

Director

Ms. Azeza Aziz Khan

Director

Mr. Syed Fazlul Haque FCA

Director

Mr. Faruq Ahmed Siddiqi

Independent Director

Mr. Mustafizur Rahman Khan

Independent Director

Mr. Junayed Ahmed Chowdhury

Independent Director

Mr. Helal Uddin Ahmed

Director

Mr. Md. Arif Al Islam

Director

Lt. Gen. (Retd.) Engr. Abdul Wadud

Managing Director

Company SECRETARIAT

Mr. Swapon Kumar Pal FCA

Financial Controller & Company Secretary

Mr. Tofayel Ahmed FCA

Deputy General Manager (Finance & Accounts)

Mr. Rahmat-e-Rabbi

Assistant General Manager (Finance & Accounts)

AUDIT COMMITTEE

Mr. Faruq Ahmed Siddiqi-Chairman

Mr. Faisal Karim Khan-Member

Ms. Azeza Aziz Khan-Member

Mr. Syed Fazlul Haque FCA-Member

Mr. Mustafizur Rahman Khan-Member

Lt. Gen. (Retd.) Engr. Abdul Wadud-Member

NOMINATION AND REMUNERATION COMMITTEE (NRC)

Mr. Mustafizur Rahman Khan-Chairman

Mr. Jafer Ummeed Khan-Member

Mr. Md. Farid Khan-Member

REGISTERED OFFICE

Summit Centre, 18, Kawran Bazar C/A, Dhaka-1215, Bangladesh

Phone: (+8802) 55012255-59, Fax: 55012260

Email: spl.investorrelations@summit-centre.com

Web: www.summitpowerinternational.com/SPL

GROUP HEAD OF INTERNAL AUDIT

Ms. Kashfia Nazneen Firdous

GM & Group Head of Internal Audit, Compliance & Reporting

STATUTORY AUDITORS

A. Qasem & Co., Chartered Accountants

(A Member Firm of Ernst & Young Global Limited)

Gulshan Pink City, Suites # 01-03, Level: 7, Plot # 15, Road # 103

Gulshan Avenue, Dhaka - 1212

Phone: 880-2- 8881824-6, Fax: 880-2-881822

www.ey.com/en_gl/locations/bangladesh

CORPORATE GOVERNANCE AUDITORS

Mak & Co.

BSEC Bhaban (11th Floor)

102 Kazi Nazrul Islam Avenue, Dhaka-1215

Tel: +880251051296, www.maknco.net

LEGAL ADVISOR

Mr. Mahmood Jabbar Khan

Barristers & Advocates

Dilan Tower, House # 21 (2nd Floor),

Road # 7, Block - F, Banani, Dhaka - 1213

FIFTEEN POWER PLANTS OF SPL

Ashulia Power Plant Unit I

Ashulia Power Plant Unit II

Chandina Power Plant Unit I

Chandina Power Plant Unit II

Madhabdi Power Plant Unit I

Madhabdi Power Plant Unit II

Rupganj Power Plant

Jangalia Power Plant

Maona Power Plant

Ullapara Power Plant

Narayanganj Power Plant Unit I

Narayanganj Power Plant Unit II

Barisal Power Plant

Ace Alliance Power Plant

Gazipur II Power Plant

FINANCERS AND MAIN BANKERS

Sumitomo Mitsui Banking Corporation (SMBC)

Clifford Capital Pte. Ltd.

Islamic Corporation for the Development of the Private Sector (ICD)

The OPEC Fund for International Development (OFID)

Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG)

Nederlandse Financierings-Maatschappij Voor

Ontwikkelingslanden N.V. (FMO)

Infrastructure Development Company Limited (IDCOL)

Standard Chartered Bank

Dutch Bangla Bank Limited

Brac Bank Limited

The City Bank Limited

Bank Asia Limited

Eastern Bank Limited

NRB Bank Limited

Meghna Bank Limited

Bangladesh Commerce Bank Limited

IPDC Finance Limited

Bangladesh Infrastructure Finance Fund Limited (BIFFL)

Delta Life Insurance Company Limited

PROFILE OF OUR DIRECTORS



Muhammed Aziz Khan

Chairman

Muhammed Aziz Khan is the Founder and Chairman of Summit Power International Limited, Summit Holdings Ltd and IPCO Developments (Bangladesh) Limited. Summit Group head office in Singapore is the largest infrastructure group in Bangladesh employing over 6,000 people with investments in the energy sector, ports, logistics, information technology and hospitality.

Under the leadership of Muhammed Aziz Khan, Summit set up the first Independent Power Plant in Bangladesh in 1998, Khulna Power Company Limited (KPCL). Currently, Summit generates more than 1,950 megawatts (MW) of electricity and is by far the largest independent power producer in Bangladesh. A further 600 MW of electricity generation facility is presently under construction by the group (75%) and GE (25%) and 2,400 MW is under development. Summit has also set up Bangladesh's first private off-dock port facility, Summit Alliance Ports Limited which handles about 22.50% of Bangladesh's exports volume and about 10.50% of the country's imports volume. Summit Communications Limited, another Company founded by Mr. Khan is the first Company to lay a Bangladesh-wide fibre-optic transmission network. Summit Communications Limited's fibre optic cables covered 100% of Bangladesh with over 47,000 Kms of laid fibre. The Company also connects Bangladesh to India through terrestrial fibre optics and SEA-ME-WE-4 and SEA-ME-WE5 to Singapore and Europe. Summit's subsidiary, IPCO Hotels Limited & IPCO Developments (Bangladesh) Limited a hospitality and real estate Company, is building one five-star hotel (InterContinental), one four-star hotel (Crowne Plaza), a convention hall and 1,000 high-class shops and an office tower beside the Hazrat Shahjalal International Airport of Dhaka.

Summit Power Limited, Summit Alliance Ports Limited and Khulna Power Company Ltd. are subsidiaries of Summit Group and are currently listed in the Dhaka and Chittagong Stock Exchanges with a combined market capitalisation of about BDT 100 billion.

In 2016, Summit entered into a partnership with IFC of the World Bank Group and co-investors and formed Summit Power International Limited with its registered head office in Singapore. Besides, Summit also entered into an agreement with General Electric of USA (GE) for development of gas turbine power plants in the South Asian Region. An MOU was also signed with Wärtsilä of Finland, for cooperation in the Bangladesh, Indonesian market and South Asia.

In the recent past, Summit has entered into a partnership venture with Mitsubishi Corporation of Japan (Mitsubishi 25% & Summit 75%) and has set up FSRU LNG terminal in 6 Km off Moheshkali. In a joint venture with Mitsubishi & GE, MOU agreements have been signed to invest another US\$3 billion to develop "gas to power solutions" for Bangladesh.

Muhammed Aziz Khan was born in 1955. He has an MBA from the Institute of Business Administration (IBA), University of Dhaka. Mr. Khan is also the Chairman of Siraj-Khaleda Trust and former President of Bangladesh Association of Publicly Listed Companies (BAPLC), a member of the Prothom Alo Trust and was also the founder President of Bangladesh Scouts Foundation and Bangladesh Energy Companies' Association.

Muhammed Aziz Khan is the Honorary Consul General of Finland to Bangladesh.

Muhammed Aziz Khan is married to Anjuman Aziz Khan and has three daughters, Ayesha, Adeeba and Azeeza.

PROFILE OF OUR DIRECTORS



Latif Khan

Vice-Chairman

Mr. Latif Khan was born 1958 in Dhaka. He pursued BA in Public Administration at Dhaka University, and subsequently left for higher studies in the U.S. in 1981. There, he worked for over 15 years in the financial sector. As a stockbroker and a financial analyst at Prudential Insurance of America where he received numerous sales achievement awards. He also worked as a Financial Officer at Wells Fargo Bank in California.

He returned to Bangladesh in 1997 thereof joined Summit Group as the Managing Director of Summit Shipping Limited subsequently renamed as Summit Oil & Shipping Co Ltd (SOSCL).

He has been elected Vice-Chairman of Summit Power Limited (SPL) since 2009. He is the former President of Bangladesh Independent Power Producers' Association (BIPPA) for two consecutive terms (2015-2019). He is also a member of Board of Governors of Bangladesh Power Management Institute (BPMI) since 2017.



Anjuman Aziz Khan

Director

Mrs. Anjuman Aziz Khan, wife of Mr. Muhammed Aziz Khan has over two decades of business experience in Summit. Mrs. Khan is a member of Siraj-Khaleda Trust that developed 200 bed capacity medical services on charitable basis in Dhaka Cantonment. She enthusiastically takes part and contributes to social activities such as "Assistance of Blind Children" and women's entrepreneurship development.



Jafer Ummeed Khan

Director

Mr. Jafer Ummeed Khan is the Director of Summit Power Limited. After completing his studies in the United Kingdom, he joined Summit Group in 1987. He spearheaded the development and expansion of Summit Group, particularly of Summit Industrial & Mercantile Corporation (Pvt.) Limited (subsequently renamed as Summit Corporation Limited) and later of Summit Power Limited. He is also a Non-Executive Director in several of our Group's subsidiaries, including Summit Meghnaghat Power Company Limited, Summit Bibiyana Power Company Limited and Summit Barisal Power Limited, Summit Gazipur II Power Limited and Ace Alliance Power Limited. Because of his contribution in the Power Sector, Mr. Jafer Ummeed Khan was also unanimously elected as the Vice-President of Bangladesh Energy Companies Association. He is looking to add LNG trading to the portfolio of Summit Oil & Shipping Co. Ltd (SOSCL).



Md. Farid Khan

Director

Mr. Md. Farid Khan is a business graduate from Dhaka University and involved in business since 1980. He started his business career with trading in plastic compound, fertilizer and other commodities. He was an integral part of the team that pioneered export of molasses and fertilizer from Bangladesh. He was solely instrumental in setting up Liquefied Petroleum Gas (LPG) project and Tanks Terminal in Mongla.

Mr. Khan was the Vice Chairman of Summit Power Limited during 2007 to 2009 and shifted his focus into attaining hi-technology prospects that would digitalise Bangladesh and swift global connectivity. He took responsibility of Summit Communications Limited as its Vice-Chairman to strengthen Summit's role as a catalyst for the introduction of new and pioneering businesses in Bangladesh. Under his guidance, Summit Communications spearheaded into that market by constructing an innovative and efficient optical fiber network architecture nationally.

PROFILE OF OUR DIRECTORS



Ayesha Aziz Khan

Director Finance

Ms. Ayesha Aziz Khan is Managing Director and Chief Executive Officer (CEO) of Summit Power International Limited and Director Finance of Summit Power Limited. Ms. Khan has extensive experience in the power sector of the country, specifically in the financial management of power generation companies. In her career, she has led in the financial management of multiple power projects. Ms. Khan is currently also a Director in several companies of Summit Group.

She is also a member of SAARC Chamber of Commerce and Industry, the Federation of Bangladesh Chamber of Commerce & Industry, Singapore Institute of Directors and Singapore International Chamber of Commerce. She had been a member of Prime Minister's business delegation to India and USA from Bangladesh.

Ms. Khan graduated with a Bachelor in Economics and Business from the University College of London in 2003 and Masters in Business Administration from the Columbia University in 2007.



Faisal Karim Khan

Director

Faisal Karim Khan is the Director of Summit Power International and Additional Managing Director of Summit Corporation. He is also a member of the Board of Directors of all subsidiary companies under Summit Group. He was instrumental in the development of over 1,600 MW and an LNG FSRU project in the past decade.

Faisal Karim Khan served as the Chairman of Bangladesh's National Standing Committee for National Energy Strategy for Private Sector Development and also as the Co-Convenor of National Standing Committee for Energy & Power Sector at Dhaka Chamber of Commerce & Industries (DCCI). He was also elected as a Director of Bangladesh-China Chamber of Commerce and Bangladesh Independent Power Producers Association (BIPPA). He currently serves as a Member of the Executive Committee of Bangladesh Association of Publicly Listed Company (BAPLC).

Faisal Karim Khan holds a Bachelor of Mechanical Engineering Degree from University College London (UCL), UK and a Master of Business Administration Degree from London Business School (LBS), UK.



Azeeza Aziz Khan

Director

Ms. Azeeza Aziz Khan is a qualified Chartered Accountant with a Bachelor's degree in Economics and Business from University College London. Upon graduation Ms. Khan worked briefly in private equity and wealth management at Bank of America-Merrill Lynch before moving back to Bangladesh to join Summit group as a Director.

Ms. Khan spent her initial years gaining a deeper understanding about Summit's core business, with a strong focus on finance and internal audit controls, in line with her educational background. In order to better serve as a director of Summit Group, she has taken on and completed project finance training at IDCOL and Leadership, Innovation and Strategy (LIS) program from General Electric (GE) in Kuala Lumpur Malaysia.

Since 2011, she has also been a key contributor to the establishment of Summit's CSR charter and driver of the group's CSR activities and currently sits on the distinguished board of SEID Trust, non-government voluntary development organization working for social inclusion and promoting rights of underprivileged children with disabilities including intellectual and multiple disabilities as well as autism since 2003.

She currently works with the audit committee and CSR committee at Summit which ensures that the group adherence to corporate governance and best practices. Her long term goal at Summit is to ensure that as an organisation it has a strategic road map for the near, medium and long term and to spearhead its business development.



Lt. Gen. (Retd.) Engr. Abdul Wadud

Managing Director

Lt. Gen. (Retd.) Engr. Abdul Wadud is the Managing Director of Summit Power Limited. He joined with the Group in 2013 and has been the Managing Director of Summit Power Limited since. Prior to joining to the Group, he was the Principal Staff Officer of the Prime Minister's Office (Armed Forces Division) from 2009 to 2012, and held several appointments within the Bangladesh Armed Forces since 1975. In addition, he is also a Director in several of our Group's subsidiaries. General Wadud holds a Ph.D. in Management from the Preston University, USA, a Master of Science in International Resource Planning and Management from the Naval Postgraduate School in USA, and a Bachelor of Science in Civil Engineering from the Bangladesh University of Engineering & Technology (BUET), Dhaka.

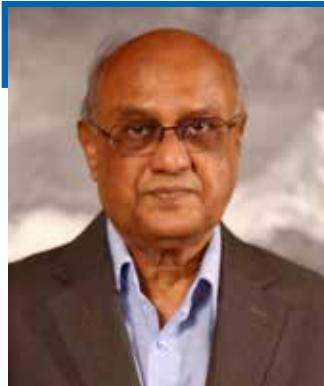
PROFILE OF OUR DIRECTORS



Faruq Ahmed Siddiqi

Independent Director

Mr. Faruq Ahmed Siddiqi obtained his undergraduate and graduate degrees in English Language and Literature from the Department of English, University of Dhaka, in 1966 and 1967 respectively. Mr. Siddiqi was a Chairman of Bangladesh Securities and Exchange Commission (BSEC) from 2006 to 2009. Earlier from 2001 until 2006, he served the Government of Bangladesh as its Secretary to the Ministry of Post & Telecommunications, the Ministry of Education and the Ministry of Commerce. He was also a member of National Board of Revenue (NBR). Mr. Siddiqi is currently a Member of the Rating Committee of Credit Rating Agency of Bangladesh Ltd. (CRAB).



Syed Fazlul Haque, FCA

Director

A Chartered Accountant by profession, Mr. Syed Fazlul Haque started his career as partner of A. Qasem & Co, Chartered Accountants in 1971. In 1975, he moved to an executive career by joining Biman, Bangladesh Airlines, as its Controller of Accounts and since then his long, varied career included increasingly higher positions in different local and multinational organisations. Mr. Haque served in Padma Oil Co Ltd for 12 years and left the Company as its CEO in 1993 to join Glaxo Bangladesh (subsequently renamed as GlaxoSmithKline Bangladesh) as Finance Director. In Glaxo, he was promoted as Managing Director of the Company in 1997 and continued in the position until his retirement in 2002. In 2005 Mr. Haque joined Summit Alliance Port Limited. During the tenure of his long career, Mr. Syed Fazlul Haque served as a Committee member of Metropolitan Chamber of Commerce & Industries, Foreign Chamber of Commerce & Industries and Bangladesh Employers Federation. At present, Mr. Haque is also a Summit Group's Advisor and directors of several Companies of Summit Group.



Helal Uddin Ahmed

Director

Mr. Helal Uddin Ahmed completed his Masters from Dhaka University in 1978. After completion of his education, he started his career as a businessman. Mr. Ahmed formed SAN Engineers in 1982 and engaged with the business of Bangladesh Chemical Industries Corporation (BCIC) for supplying various chemicals items such as Liquid Chloride Caustic Soda, Hydrogen Peroxide Soda Ash, PVC compound etc. Mr. Ahmed is the Director of Savar Refractories Ltd. which is a public limited Company and largest producer of refractories materials in Bangladesh. He is the founder member of Jatiya Kabi Kazi Nazrul Islam University at Trishal, Mymensingh.



Md. Arif Al Islam

Director

Mr. Md. Arif Al Islam is an entrepreneur and corporate leader with track record of leading diversified investments and large organisations. He is the founder and MD & CEO of Summit Communications Ltd. He has successfully developed Summit Communications Ltd. as the largest fibre optic operator of the country on which all the Telecom operators, Internet Service Providers, Cable TV Operators and Government are riding as their primary transmission infrastructure. The Company is also the leading Internet Gateway Operator and International Terrestrial cable operator having a bandwidth usage of over 110 Gbps.

Mr. Islam has started his career in public practice in UK and is an FCCA. He held the position of Senior Manager in KPMG. Later he led the largest telecommunications service provider of the country, Grameenphone, a subsidiary of Telenor, as Deputy CEO and CFO. Over a ten year career in Grameenphone, he played an instrumental role in building Grameenphone from a medium sized Company to be the largest corporate house in Bangladesh. He is known as a successful corporate leader in the business community having good relationship with the banking, financial sector and also with the regulators.

PROFILE OF OUR DIRECTORS



Mustafizur Rahman Khan

Independent Director

Mr. Mustafizur Rahman Khan obtained his BSS (Hons) in Political Science from Dhaka University in 1993 and LLB (Hons) from University of Wolverhampton (UK) in 1996. He became a Barrister in 1997 (Lincoln's Inn), and now practices as an Advocate of the Supreme Court of Bangladesh. He has been associated with the firms Lee, Khan & Associates, Dr. Kamal Hossain & Associates and Rokanuddin Mahmud & Associates. He is a member of both the Supreme Court and Dhaka Bar Associations. His areas of expertise include constitutional, administrative, commercial and corporate laws. He routinely appears before the Supreme Court of Bangladesh in judicial review applications (writ petitions) and Company matters, and advises banks and corporations. He is also engaged in domestic and international arbitration both in Bangladesh and abroad under the auspices of the International Court of Arbitration of the International Chamber of Commerce (ICC) and the International Centre for Settlement of Investment Disputes (ICSID).



Junayed Ahmed Chowdhury

Independent Director

Mr. Junayed Ahmed Chowdhury is an Advocate of the Supreme Court of Bangladesh, a Barrister of the Honourable Society of Lincolns Inn, London, and holds an LL.M from the University of Chicago Law School, specialising in corporate and international tax laws. He is the Managing Partner of Vertex Chambers, which is recognised as one of the leading corporate law firms of Bangladesh. Mr. Chowdhury is recognised as a leading practitioner in the field of Corporate and Finance laws, Taxation, Litigation and ADR. He is the author of the leading practitioners textbook "Corporate Tax Law and Practice" (published by Mullick Brothers), which has been catalogued by the British Library and the University of Chicago D'Angelo Law Library. He also holds the license to practise foreign law as a Registered Foreign Lawyer under the Law Society of New South Wales, Australia.

OUR DIRECTORS IN OTHER BOARDS

	Summit Power International Limited	Summit Gazipur II Power Limited	Ace Alliance Power Limited	Summit Chittagong Power Limited	Summit Narayanganj Power Unit II Limited	Summit Barisal Power Limited	Summit Corporation Limited	Summit Holdings Limited	Summit Oil & Shipping Co. Limited	Khulna Power Co. Ltd.	Summit Alliance Ports Ltd.	Summit Communications Limited	Cosmopolitan Finance Limited	Summit Bibiyana Power Company Limited	Summit Meghnaghat Power Company Limited	Summit Meghnaghat II Power Company Limited	Summit LNG Terminal Co. (Pvt.) Ltd.	Summit Assets Limited	Summit Technopolis Limited	Summit Towers Limited	Cosmopolitan Communications Ltd	
Mr. Muhammed Aziz Khan	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Mr. Md. Latif Khan	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Mrs. Anjuman Aziz Khan				X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Mr. Jafer Ummeed Khan		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Mr. Md. Farid Khan		X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Ms. Ayesha Aziz Khan	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Mr. Faisal Karim Khan	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Ms. Azeza Aziz Khan	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	
Mr. Syed Fazlul Haque FCA		X	X		X	X			X	X	X	X	X		X							
Mr. Faruq Ahmed Siddiqi		X				X																
Mr. Mustafizur Rahman Khan			X		X																	
Mr. Junayed Ahmed Chowdhury																						
Mr. Helal Uddin Ahmed											X											
Mr. Md. Arif Al Islam						X	X					X	X							X		
Lt. Gen. (Retd.) Engr. Abdul Wadud		X	X	X	X	X	X			X				X	X						X	

PATTERN OF SHAREHOLDING

The Pattern of Shareholding as on June 30, 2020

Category/ Name of Shareholder	No of Shareholder	No of Share Held
Sponsors:		
Summit Corporation Limited	1	674,792,926
Euro Hub Investments Limited	1	38,940,126
Mr. Muhammed Aziz Khan	1	57
Mr. Md. Latif Khan	1	57
Mr. Jafer Ummeed Khan	1	42
Mr. Md. Farid Khan	1	52
Ms. Ayesha Aziz Khan	1	57
Mrs. Anjuman Aziz Khan	1	-
Mr. Faisal Karim Khan	1	-
Ms. Azeeza Aziz Khan	1	-
Lt. Gen. (Retd.) Engr. Abdul Wadud	1	1,500
Advocate Imtiaz Mahmood	1	5,262
Mr. Mainul Abedin	1	10,943
Mr. A.N.M. Tariqur Rashid	1	8,736
Mr. Azharul Hoque FCA	1	299,020
Mr. Helal Uddin Ahmed	1	37,200
Mr. Syed Fazlul Haque FCA	1	1,732
Mr. Mustafizur Rahman Khan	1	-
Mr. Faruq Ahmed Siddiqi	1	-
Mr. Md. Arif Al Islam	1	36
Mr. Junayed Ahmed Chowdhury	1	-
Dr. Mirza Khairuzzaman	1	500
Directors, CEO, Company Secretary, CFO	Nil	Nil
Head of Internal Audit and their spouses	Nil	Nil
Executives (Top 5 persons other than CEO, CFO, CS, HIA)	Nil	Nil
Shareholders holding 10% or more voting rights:		
Summit Corporation Limited	1	674,792,926

ACCOLADES AND MEMORABLE EVENTS

Summit awarded lubricant oil supply contract



(Dhaka) 04 March 2020, Wednesday: A lube oil supply agreement was signed between Summit Power Limited and Navana Petroleum Limited (An authorised distributor of Chevron Lubricants in Bangladesh). Under this agreement Navana Petroleum Limited will supply lubricants to 5 power plants (total 630 MW) of Summit Power Limited.

Summit-JERA met Honourable PM



(Dhaka) 24 February 2020, Monday: Satoshi Onoda, President of JERA and Muhammed Aziz Khan, Founder Chairman of Summit Group met with the honourable Prime Minister Sheikh Hasina at her office in Dhaka. The honourable Prime Minister was happy to see the private sector partnership of Summit and JERA in developing infrastructure, as this reflects friendship between the two countries. Japanese Ambassador to Bangladesh Naoki Ito also appreciated that the two very large companies both the countries have partnered for the progress of Bangladesh. Adviser to the Prime Minister on Power, Energy & Mineral Resources Affairs Dr. Tawfiq-e-Elahi Chowdhury, BB, State Minister of Ministry of Power, Energy and Mineral Resources Nasrul Hamid MP, CEO of JERA Asia Toshiro Kudama and Managing Director & CEO of Summit Power International Ayesha Aziz Khan were also present at the meeting in Prime Minister Office (PMO), Dhaka.

ICSB Award

(Dhaka) 21 December 2019, Saturday:

Summit Power Limited was awarded the silver award at ICSB National Award for Corporate Governance Excellence in the Fuel and Power Companies Category. This is the fourth time that Summit Power Limited has received this recognition from the ICSB.



ACCOLADES AND MEMORABLE EVENTS

ICMAB Best Corporate Award



(Dhaka) 17 December 2019, Tuesday:
Summit Power Limited secured the first position at the ICMAB Best Corporate Award 2018 under the power generation category. Chairman of Summit Group Muhammed Aziz Khan received the award from the Honourable Planning Minister M. A. Mannan MP. This was the seventh time in a row that Summit Power Limited has received this recognition from the ICMAB for corporate governance. Summit Power has been consistently ICMAB award winner since 2012.

JERA invested in Summit Power International



(TOKYO, Japan) 07 October 2019, Monday: In a move to establish major energy infrastructure, including power generation projects in Bangladesh, Japan's largest power generation company JERA Co., Inc. has acquired a 22% stake in Summit Power International for USD 330 million. The investment has been finalised within only four months of signing the memorandum of understanding (MoU) between JERA and Summit in Tokyo, in presence of the Honourable Prime Minister Sheikh Hasina, Honourable State Minister, Ministry of Power, Energy and Mineral Resources, Nasrul Hamid MP, Honourable State Minister, Ministry of Foreign Affairs, Shahriar Alam MP, Honourable Principal Coordinator of SDG and Chairman of MIDI (Moheshkhali-Matarbari Integrated Infrastructure Development Initiative) Md. Abul Kalam Azad, HE Ambassador of Bangladesh to Japan Rabab Fatima and Chairman of the Summit Group Muhammed Aziz Khan.

Award from the Mayor of Vaasa, Finland

(Vaasa, Finland) 27 September 2019, Friday:

Summit Group received Wärtsilä's Valued Customer Recognition Award 2019 for excellent performance and execution of 450 MW fast track power project complex in Gazipur in record time of 9 months. Both the Mayor of the City of Vaasa Tomas Häyry and Managing Director of Finland's oldest and largest chamber of commerce - Ostrobothnia Chamber of Commerce Juha Häkkinen jointly handed over the award to Md Latif Khan, Vice-Chairman of Summit Group and Engr. Mozammel Hossain, Managing Director of Summit Gazipur II Power Limited (300 MW) and Ace Alliance Power Limited (149 MW).



Wärtsilä and Summit sign Bangladesh's biggest ever service agreement



(Dhaka) 17 June 2019, Monday: The technology group Wärtsilä signed two major maintenance management and operational advisory agreements with Summit Power Limited. The seven-year agreements represent the biggest ever signed service deals, in terms of MW generation, in Bangladesh's power & energy sector.

More artwork at Hamiduzzaman Sculpture Park



30 January 2020, Thursday: To promote art, Summit has accommodated the 'Hamiduzzaman Sculpture Park' at Summit Gazipur 464 MW Power Plant's premises in Kodda, Gazipur. The Board of Directors of Summit Power Limited along with journalists visited the park to see the latest installations and sculptures. On the same day, SPL's Board Meeting was held at the Gazipur plants premises. At the moment, the park has around 20 sculptures which are inspired by simple folk forms, birds, waiting mother, Remembrance of 1971 (একাজর স্মৃতি), strong geometric forms and Bangladesh's longest 340 feet mural titled 'Srom o Sristi (শ্রম ও সৃষ্টি). The park was inaugurated by Dr. Tawfiq-e-Elahi Chowdhury, BB, Honourable Advisor to the PM on Energy, Power and Mineral Resources in February 2019.

3

ENVIRONMENT SOCIAL AND GOVERNANCE (ESG)

►►► Governance:

Director's Report to the Shareholders
Communications with Shareholders
Our Management System
Management Review and Responsibilities
Management Discussion and Analysis
Management Team
Introduction of the Senior Executives
Plant Managers and In-Charges
Remembering Engr. Abdul Hakim
Certificate on Compliance on the Corporate Governance Code
Code of Conduct and Ethics
Various Policies and Manuals

Various Committees
Audit Committee Report 2019-20
Compliance Report on IFRS
Statement of Corporate Governance
Status of Compliance with the Corporate Governance Code (CGC)

DIRECTORS' REPORT TO THE SHAREHOLDERS

SOCIO-ECONOMIC ENVIRONMENT

The fast growing pace of the world economy in early 2019-20 experienced the deepest global recession in decades due to an unknown pandemic, COVID-19. The pandemic has resulted in contraction across the vast majority of emerging markets and developing economies. With the passage of time, the world has adjusted with terms like -social distancing, lockdown and work from home (WFH). The significant impact of the virus may attenuate with the invention of an effective vaccine and its equilateral distribution across the world. At national level, in the first quarter of 2019, the economy of Bangladesh was the world's seventh fastest growing economy with a 7.3% annual real GDP growth. However, the overall indicators were not as negative compared to the world economic trends in the pandemic. With the withdrawal of large scale lockdown and return to new normal business activities, the country is expected to restore the incurred losses and resume on its growth trajectory.

THE POWER SECTOR OF BANGLADESH

For the fiscal year 2018-19, both the Power Division and Energy & Mineral Resources Division under the Ministry of Power, Energy and Mineral Resources (MPEMR) were awarded with first and third prize respectively for efficient implementation according to the Annual Performance Agreement (APA) among the ministries. According to BPDB, last year, another 1,507 MW installed capacity was added to the national grid, raising the total national generation capacity to 23,548 MW. The table below provides a breakdown of the power generation capacity of the public and private sectors:

Public Sector				
	2018-19 Capacity (MW)		2019-20 Capacity (MW)	
BPDB	5,498	25%	5,590	24%
APSCL	1,444	7%	1,444	6%
EGCB	839	4%	957	4%
NWPGCL	1,395	6%	1,395	6%
RPCL	182	1%	182	1%
B-R Power gen.	149	1%	149	1%
Subtotal	9,507	43%	9,717	41%
Private Sector				
IPPs	6,404	29%	7,233	31%

SIPPs (BPDB)	99	0%	99	0%
SIPPs (BREB)	251	1%	251	1%
15 Yr. Rental	169	1%	169	1%
3/5 Yr. Rental	1,371	6%	1,132	5%
Power Import	1,160	5%	1,160	5%
Subtotal	9,454	43%	10,044	43%
JV-BCPCL	2,800	13%	622	3%
Captive Power	2,800	13%	2,800	12%
Renewable	280	1%	365	2%
TOTAL	22,041	100%	23,548	100%

Figure: Installed Generation Capacity (MW) as on 30 June, 2020
 (Source: <http://www.bpdb.gov.bd>)

At present, approximately 97% of the population of Bangladesh has access to electricity and the Government expects to provide electricity to 100% of the population by 2021. However, the demand for electricity is likely to increase with the improvement in national transmission and distribution systems, digitalisation and economic growth to the middle income country. Hence the vision of the Government is to increase the generation capacity in the following manner:

Year	Targeted Generation Capacity
2021	24,000 MW
2030	40,000 MW
2041	60,000 MW

Figure: Targeted Power Generation Capacity
 (Source: www.powerdivision.gov.bd)

A significant emphasis at national policy level has been made for reduction of system loss and subsidies at various levels. Continuous steps are being taken for reducing the cost of generation. Hence, a new model "No electricity, No payment" is now being implemented during new extension of contracts.

BUSINESS ACTIVITIES AND OPERATING PERFORMANCE

Your Company, SPL along with its group Company is the largest private sector power generation company in Bangladesh. In 2000, SPL started its operation with 33 MW power plants and now after 20 years, the company contributes 976 MW to the national grid.

DIRECTORS' REPORT TO THE SHAREHOLDERS

Currently, SPL and its subsidiaries/associate companies operate fifteen power plants of its own and another three power plants with co-ownership. SPL holds 17.64% of ownership of Khulna Power Company Limited (KPCL) and 30% of Summit Meghnaghat Power Company Limited (SMPCL).



Most of your power plants are operated on Build, Own and Operate (BOO) basis for an initial agreement term of 15 years. Ashulia I power plant (11.99 MW), Chandina I power plant (11.99 MW) and Madhabdhi I power plant (11.99 MW) received extensions from the Government for additional 05 years to generate electricity till August 2023.

The technology giant Wärtsilä has signed two major maintenance management and operational advisory agreements with Summit. These seven-year agreements represent the biggest ever signed service deal, in terms of MW generation, in Bangladesh's power & energy sector. The agreements cover two power plants owned by Summit Gazipur II Power Ltd and Ace Alliance Power Ltd (Gazipur I), subsidiaries of SPL. These power plants also received Wärtsilä's Valued Customer Recognition Award 2019 for excellent performance and execution of a fast-track power project complex in record time from the Mayor of the City of Vaasa, Finland, Tomas Häyry.



Summit Gazipur II received USD 140 Million in Project Financing from Clifford Capital and SMBC, Singapore.

Summit received USD 140 million in Project Financing from international commercial financial institutions for Summit Gazipur II Power Plant on 22nd April 2020 during the lockdowns in both Bangladesh and Singapore. The Bangladesh Bank (BB), Power Division and BPDB had extended outstanding support in processing various approvals during this lockdown period to facilitate the financing process.

The total revenue has decreased by 21% over last year because of the downward trend in the demand of electricity. However, the gross profit has increased by BDT 1,482 million mainly due to the positive impact of straight-lining, the method of capacity payment based equalised revenue recognition as operating lease income over the period of PPA term, by applying IFRS 16: Leases. After meeting net finance costs, the net profit has increased by BDT 1,202 million, a 16.50% increase over the last year. A summary of financial performance of the Company is presented below in million BDT:

Particulars	For the year ended 30 June 2020	For the year ended 30 June 2019
Revenue	24,031	30,472
Cost of sales	(14,555)	(22,478)
Gross profit	9,476	7,994
Other income, net	293	236
General and admin expenses	(507)	(568)
Operating profit	9,262	7,662
Finance costs, net	(1,032)	(702)
Share of profit of equity-accounted investee	328	402
Net profit before income tax	8,558	7,362
Income tax	(73)	(79)
Net profit after income tax	8,485	7,283

Additional operating and financial data have been presented in the "Financial Highlights 2019-20", "Business Review 2019-20" and "Financial Review 2019-20" sections of the Annual Report.

FOREIGN INVESTMENTS

Due to the goodwill of your Company and its subsidiaries, these are being financed by renowned local and international banks, financial institutions and international organisations such as International Finance Corporation (IFC), Islamic Corporation for the Development of the Private Sector (ICD), Clifford Capital Pte Ltd, Sumitomo Mitsui Banking Corporation (SMBC), OPEC Fund

for International Development (OFID), Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG), Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden N.V. (FMO) and Infrastructure Development Company Limited (IDCOL) etc.

PROFIT APPROPRIATION

During the FY 2019-20, the net profit attributable to the owners of the Company amounted to BDT 5,525 million. Company's financial situation for the year ended on 30th June 2020 for appropriation is as follows:

Particulars	Amount in Million BDT
Net profit for the year	5,525
Profit brought forward	11,016
Profit available for appropriation	16,541
Appropriations:	
Interim cash dividend	1,602
Proposed final cash dividend	2,136
Total appropriation for the year	3,738
Transferred to retained earnings	12,803

OTHER DISCLOSURES:

Dividend: The Board of Directors of the Company recommends 35% (BDT 3.50 per share) cash dividend for the year ended on 30 June 2020. Out of which 15% (BDT 1.50 per share) cash has already been disbursed as interim dividend. Further 20% (BDT 2.00 per share) final cash dividend will be disbursed subject to approval by the shareholders in the 23rd AGM scheduled to be held on 14th December 2020.

Utilisation of proceeds from public issues, rights issues and/or through any other instrument: Initial Public Offering (IPO) of SPL made in 2005 and funds raised through issuance of Rights Shares in 2008 were utilised and reported accordingly to the regulators. No further issue of any instrument was made during the financial year.

Significant variance between Quarterly and Annual Financial Statements: No significant variations have occurred between the quarterly and final financial results of the Company during the year under report.

Extra-ordinary gain or loss: As per IAS 1: No extra-ordinary gain or loss has been recognised in the financial statements.

Related Party Transaction: The related party transactions carried out by the Company on commercial basis during the year have been disclosed in the Note no 48 to the Financial Statements.

Risk Landscape and Remedial Measures: The Company has exposures to credit, liquidity and market risks from its use of the financial instruments. The details of the risk is available in the Note no 43 to the Financial Statements.

Directors' Election and Re-appointment: As per Article 23(a) of the Articles of Association, Mr. Muhammed Aziz Khan, Mr. Md. Latif Khan, Mr. Jafer Ummeed Khan and Mr. Md. Farid Khan will retire in the 23rd Annual General Meeting by rotation and being eligible, offer themselves for re-election.

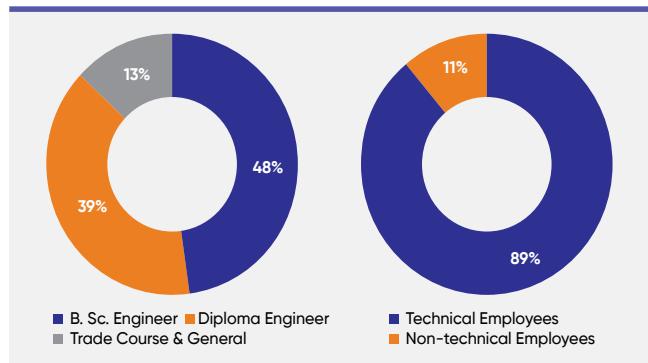
Mr. Helal Uddin Ahmed and Mr. Syed Fazlul Haque FCA tendered their resignation from the Board on 29th September 2020 as representative of general shareholders because they do not hold qualifying shares of 2% of the Company's paid-up capital as per BSEC Notification No: BSEC/CMRRC/2009-I93/217/Admin/90. The Board accepted their resignations. However, Mr. Helal Uddin Ahmed has been nominated by Summit Corporation Limited and in exercise of the power vested in Article 20(c) of the company's Articles of Association, the Board appointed Mr. Helal Uddin Ahmed as a Director in its meeting held on 7th October 2020. Mr. Ahmed will retire in this AGM and being eligible, offered him for re-election.

Mr. Mustafizur Rahman Khan, Independent Director, shall also retire in the 23rd Annual General Meeting. He has completed consecutive two tenures (3 years each) and will not be eligible for re-election as per Clause no 2(e) of BSEC notification no BSEC/CMRRC/2006-158/207/Admin/80.

HUMAN RESOURCES

One of the most important resources and key to a successful company is its people. Summit places great emphasis on the development of its employees and therefore the company undertakes appropriate training and workshops to develop and equip the employees with essential skills, and update their knowledge in respective functional areas. SPL has implemented Training Needs Analysis (TNA) as part of its training system. The aspects of TNA includes determining what is required, to complete the work against existing competency level of employees and mitigating the gap, if any.

DIRECTORS' REPORT TO THE SHAREHOLDERS



SPL also has an enriched Employment Policy with appropriate job descriptions and responsibilities. A detailed succession planning is considered every year to ensure good working environment and knowledge enhancement of employees. A yearly performance appraisal is carried out to reward and encourage diligent employees and assess their training requirements. The Remuneration Committee also awards annual increments and other compensations.

In the initial days of nationwide lockdown due to COVID-19 pandemic, the SPL Board confidently declared that Summit will continue to pay all the employees full salary, wages and benefits however long COVID lasts. Summit Group formed the COVID-19 Management Response Team (CMRT) with representatives from senior management of various subsidiaries. The team ensured clear instructions on health safety, training and supplied necessary personal protective equipment at the headquarter and at the plant levels.



Summit signed an Employee Healthcare Service Agreement with Bangladesh Specialized Hospital Limited (BSHL) for proper medical support to all employees

The company has consistently followed all the guidelines and instructions provided by the Government of Bangladesh for effective containment and management of COVID-19. We are also allowing employees to work from home, who have symptoms of COVID-19 or were in contact with COVID-19 positive identified patients. We also keep hand

sanitizer available throughout the office premises, ensure wearing masks, maintain social distance and relevant precautionary instructions provided by the Corporate Headquarter from time to time. We also conducted an awareness training session with third party office staff to increase awareness.

STATUS OF COMPLIANCE

In accordance with the requirement stipulated in condition no-7.00 of the BSEC notification no - BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 issued under section 2CC of the Ordinance 1969, the "Status of Compliance with Corporate Governance Code" and the "Certificate on Compliance on the Corporate Governance" from MAK & Co. Chartered Accountants are presented in the Annual Report. As the sole authority for adoption of relevant framework and standards for financial reporting in Bangladesh, the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board in its original version.

As per BSEC notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018, the Nomination and Remuneration Committee (NRC) has been formed in the board meeting held on 7th October 2020 as follows:

Name	Board Position	Position in the Committee
Mr. Mustafizur Rahman Khan	Independent Director	Chairman
Mr. Jafer Ummeed Khan	Non-Executive Director	Member
Mr. Muhammad Farid Khan	Non-Executive Director	Member

During the financial year ended on 30th June 2020, six Board meetings were held. The Directors, who could not attend the meetings, were granted leave of absence. The Directors who attended the Board meetings during their respective tenures are shown below:

Sl.	Name of Directors	Attendance
1	Mr. Muhammed Aziz Khan	6
2	Mr. Md. Latif Khan	6
3	Mrs. Anjuman Aziz Khan	4
4	Mr. Jafer Ummeed Khan	5
5	Mr. Md. Farid Khan	4

Sl.	Name of Directors	Attendance
6	Ms. Ayesha Aziz Khan	3
7	Mr. Faisal Karim Khan	6
8	Ms. Azeeza Aziz Khan	5
9	Mr. Syed Fazlul Haque FCA	6
10	Mr. Faruq Ahmed Siddiqi	5
11	Mr. Mustafizur Rahman Khan	6
12	Mr. Junayed Ahmed Chowdhury	3
13	Mr. Helal Uddin Ahmed	6
14	Mr. Md. Arif Al Islam	5
15	Lt. Gen. (Retd.) Engr. Abdul Wadud	6

Remuneration and other related perquisites/benefits of Executive Directors are reviewed annually and approved by the Board as disclosed in the Note no 48(a) to the Financial Statements. Non-Executive Directors including Independent Directors are paid only attendance fee per meeting.

CORPORATE GOVERNANCE

The company has adopted "Code of Conduct and Ethics" and "Statement of Corporate Governance" in 2011. The Statement describes the responsibilities of the Board, its procedures, responsibility of the management, internal control framework. SPL also secured the first position of The Institute of Cost and Management Accountants of Bangladesh (ICMAB) Best Corporate Award 2018 under the power generation category. This is the seventh time in a row that SPL has received this recognition from the ICMAB for corporate governance.

DIRECTORS' RESPONSIBILITIES AND REPORTING FRAMEWORK

The law requires that the financial statements of your Company would follow International Financial Reporting Standards (IFRS). This has been completely followed to fairly present the financial position and performance of the Company. The financial statements have been prepared in accordance with IFRS.

Appropriate accounting records have been maintained so that at any given point, the financial position of the Company can be reflected with reasonable accuracy, complying with Companies Act 1994 and other regulatory authorities.

In compliance with the requirements of the BSEC's notification dated 20th June 2018, the Directors are also pleased to make the following declarations in this report:

- Financial statements prepared by the management present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- A statement that proper books of account of the Company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;
- Statement that the system of internal control is sound in design and has been effectively implemented and monitored;
- Minority shareholders have been protected from abusive actions in the interest of controlling shareholders acting either directly or indirectly and have effective means of redress;
- There is no significant doubt upon the Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons thereof shall be disclosed;
- Significant deviations from the last year's operating results of the Company shall be highlighted and the reasons thereof shall be explained;
 - Key operating and financial data of at least preceding 5 (five) years shall be summarised;
 - Significant plans and decisions, such as corporate restructuring, business expansion and discontinuation of operations as appropriate, future prospects, risks and uncertainties surrounding the Company have been outlined under the related captions of this report.

DIRECTORS' REPORT TO THE SHAREHOLDERS

AUDIT COMMITTEE AND AUDITORS

The audit committee meetings were held four times within this financial year and the committee members' attendance record is as below:

Name	Status	Attendance
Mr. Faruq Ahmed Siddiqi	Chairman	4
Mr. Faisal Karim Khan	Member	3
Ms. Azeza Aziz Khan	Member	2
Mr. Syed Fazlul Haque FCA	Member	4
Mr. Mustafizur Rahman Khan	Member	3
Lt. Gen. (Retd.) Engr. Abdul Wadud	Member	4

Pursuant to SEC Order No. SEC/CMRRC/2009-193/104/Admin dated 27th July 2011, present auditor A. Qasem & Co., Chartered Accountants has completed its second year of appointment for audit and therefore, they will be eligible for re-appointment in the ensuing 23rd AGM.

Your Board therefore, in its meeting held on 7th October 2020, resolved to recommend A. Qasem & Co., Chartered Accountants for appointment as the Statutory Auditors of the Company for the year 2020-21 subject to approval of the shareholders in the forthcoming Annual General Meeting.

GOING CONCERN

SPL has received long term AAA and short term 'ST-1' credit rating by Credit Rating Information & Services Limited (CRISL) consecutively for last 04 years. This indicates that SPL has the highest credit quality while short term rating ST-1 indicates highest certainty of timely repayment. These are the highest possible ratings. Therefore, the company adopted the going concern basis in preparing these financial statements.

CONTRIBUTION TO THE NATIONAL EXCHEQUER AND THE ECONOMY

In this financial year, SPL has generated 2,674 million Kwh of electricity. During the unprecedented COVID-19 situation, uninterrupted power supply has enabled people to continue to work, study, shop and communicate online. It has also enabled healthcare professionals to provide their essential services through online and offline. A statement of contribution has been presented in the "Contribution to the National Exchequer and the Economy" section of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

This year SPL has contributed nearly Tk 3 Crore in health & COVID related donation, education, sports, arts & culture at community level. A detailed Corporate Social Responsibility (CSR) report is given in the "Environment, Social & Governance (ESG)" section of this Annual Report.

ACKNOWLEDGEMENT

The Board would like to extend special thanks to the shareholders for their continuous support. Also we would like to put on record the deep appreciation for the dedicated effort of the employees, both individually and collectively. The Board also recognises and appreciates the critical support provided by the families of the employees, especially during COVID-19, enabling them to focus on their work.

The trust and confidence of our valued customers, namely BPDB, BREB and Palli Bidyut Samitees (PBSs) that have been placed upon SPL, is our main driving force. The Board also expresses its heartfelt appreciation and gratitude to the Power Division, MPEMR as well as Bangladesh Petroleum Corporation (BPC), Summit Oil & Shipping Co. Ltd., Chittagong Port Authority (CPA), National Board of Revenue (NBR), Bangladesh Investment Development Authority (BIDA), Department of Environment (DoE), the Deputy Commissioners, the Superintendents of Police, contractors, vendors, consultants, local administration and the communities of our area of operation.

The Board would also like to express its humble gratitude to all the stakeholders including the national and international investors, banks, financial institutions, insurance companies and related regulatory authorities i.e. BSEC, Dhaka Stock Exchange (DSE), Chittagong Stock Exchange (CSE), Bangladesh Bank (BB) and Chief Controller of Imports and Exports (CCI&E).

May you all have a healthy, peaceful and prosperous life.

Thank you very much.

On behalf of the Board

Lt. Gen. (Retd.) Abdul Wadud

Managing Director

Dhaka, 7th October 2020

COMMUNICATIONS WITH SHAREHOLDERS

Summit proactively maintains communications with its shareholders. Our website, social media platforms and its associated Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE) are updated regularly.

This year we have updated and the Board of Directors has adopted the updated Corporate Communications Policy 2020. The policy enables the employees to understand his/her responsibilities and requirement for accurately and timely reporting Company related information. Especially in this pandemic situation, it is essential to understand the scope of communications in digital platforms.



1.0 Use of Logo/Brand

(Disclaimer: "The logo is the exclusive property of Summit Group and cannot be used elsewhere without express authorisation of Summit."

Logo of Summit Power International	Reverse logo of Summit Power International
Logo for all other power concerns of Summit except SPL	Reverse Logo for all other power concerns of Summit except SPL

The Public Relations and Media Department provided online orientation sessions to 167 employees. We answered questions and clarified concepts relating to the policy. In addition, the policy was made available to all the employees.

Continuous Disclosure

These are the core disclosure and primary method of informing the shareholders and media about the Company. We diligently update the SPL website, social media platforms and ensure that all the regulatory requirements for content are provided.

SPL Website:

In the SPL's micro-site within the Summit Power International's website i.e. <https://summitpowerinternational.com/SPL> All the financial results, key performance indicators, compliance report along with other important financial and non-financial data and shareholding information were updated. Taking into consideration the pandemic situation and the stock exchanges being closed under lockdown there was an atmosphere of panic among the stakeholders. To explain the position of the Company, the Company Secretary issued General Information notice that was circulated both via e-newsletter and available on the website.

There was a steep decrease in the number of website visitors as for about 66 days when the stock exchanges were closed, there were few or no visitors. Still this year the SPL website was visited by over 78,000 unique visitors mostly from Bangladesh, USA and Singapore. The total number of page views was nearly 4,000 this year. At the same time, many national and international websites referred to our website and referral increased by whopping 1,293% this year.



The ongoing global coronavirus pandemic, for current and prospective investors of Summit Power Limited (SPL) we would like to share information on actions that we are taking to protect your share.

Our office located in Dhaka, Bangladesh all the SPL employees are working from home. The employees who are essential to power generation are on premise in appropriate accommodations. For SPL essential-to-visits we have arranged for personal protective suits, masks, hand sanitizers.

To explain the position of the Company the Company Secretary issued General Information notice that was circulated both via newsletter and available on the website.

COMMUNICATIONS WITH SHAREHOLDERS

Periodic Disclosure

Direct Communications

The Company uploads the Annual, Half Yearly and Quarterly Reports to the shareholders on the SPL website and e-newsletter that can be easily accessed by the shareholders enabling them to make their valuable decisions. These reports are also kept available at the head office of the Company to be offered to any stakeholder upon request.

From our dedicated email address spl.investorrelations@summit-centre.com we email the important notices and price sensitive information to over three thousands shareholders on their preferred email addresses. We always send email communication via this email address to avoid fraud.

Print and Online Newspapers

All the price sensitive information (PSI), notices and financial disclosures are published in both English and Bangla national dailies as well as on nationally registered online news portals.

In the form of quarterly and yearly reporting of financial results such as Price Sensitive Information (PSI) and any other issues are publicised in English and Bangla dailies as well as online portal.

Regulators' Websites

Notices such as the record date and notice of Annual General Meeting are reported to the DSE and CSE, so the updated information can be found on the regulator's website.

[Summit Power Limited's recent updates on DSE and CSE websites.]

Social Media

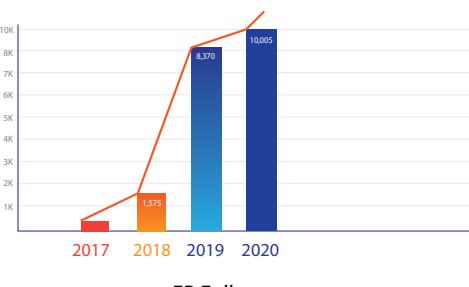
Social media has brought in a sea of changes in corporate communication by expediting the time it used to take to reach individual investors. The Facebook page of SPL is the same as the Summit Power International's page. The official address of the page is www.facebook.com/summitpowerintl. The total 'reach' of the posts were 637,700. We also maintain official YouTube, Twitter and LinkedIn accounts.



"Summit is Working to Ensure Uninterrupted Power Supply during the Corona Crisis in Bangladesh" was one of the videos developed to assure the general public at height of panic.

During the lockdown since the end of March 2020 Summit provided uninterrupted power to the National Grid to keep the hospitals operational, for high speed Internet access, keeping the street lights lit and enabling some level of comfort to families at their homes. We developed video messages for the community to inform that electricity will be available and SPL is committed.

10,005 PAGE FOLLOWERS



Since 2017 the number of "followers" have steadily increased to over 10,005 from zero.

COMMUNICATIONS WITH SHAREHOLDERS

Event-based Disclosure

For due diligence, regulatory obligations and corporate governance, we inform the press via media release of the official statements and event descriptions.

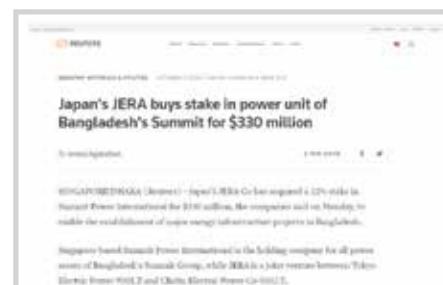
Media Communications

The media release aims to provide accurate information to journalists, academia and public and raise public awareness of Summit Power Limited that may affect shareholders, auxiliary businesses, industry and the community where we operate. This year more than four hundred fifty articles were published in national dailies and online portals as well as few in Singapore, Japan, USA, UK, India, Malaysia, China and Qatar. with about 400 articles published.



Japan based world's largest financial newspaper 'The Nikkei' and its flagship English-language business and politics journal 'Nikkei Asia'.

News of Summit's partnership with JERA received major coverage in leading Japanese daily such as The Sankei News, The Nikkei (Japanese) and Nikkei Asia.



The Sankei News, Japan's one of the leading national daily newspapers.

Created major interest in Japanese business and regional community hence Leading Japanese dailies published indepth press.

Beijing based China's largest and most influential state run media agency 'Xinhua'.



World's most influential magazine, Time featured Summit and interview of Muhammed Aziz Khan in its Europe edition in 16th December 2019 issue.



Sydney based monthly business magazine The CEO Magazine featured an article on Summit Group's Chairman Muhammed Aziz Khan and comments from partners such as Mitsubishi Corporation's subsidiary Diamond Gas International (DGI).



Summit celebrated the birth centenary of Bangladesh's Father of the Nation Bangabandhu Sheikh Mujibur Rahman in collaboration with Bangladesh High Commission in Singapore.



Summit's project financing from international commercial financial institutions from Singapore and Japan during the peak of pandemic brought attention of Singapore's leading newspapers such as The Business Times.



Moderated by renowned journalist Roquia Haider of the largest U.S. international broadcaster - Voice of America (VOA) Bangla interviewed Ayesha Aziz Khan, MD & CEO of Summit Power International about 'Women Empowered: Inspiring Change in the Emerging World'.



Profile of Muhammed Aziz Khan at Bloomberg, world's primary distributor of financial data and a top news provider of the 21st century.



Moderated by Mozammel Babu, Managing Director of Ekattor Tv - ১০ টি.সি. Dr Ahmad Kaikaus, the Principal Secretary to the HPM and Muhammed Aziz Khan, Founder Chairman of Summit Group discussed about energy mix, the price of electricity, work-in-progress of Transmission Policy, money market, JERA's investment and Summit's corporate leadership capacity to carry on with the responsibility of infrastructure development that is of national importance.

COMMUNICATIONS WITH SHAREHOLDERS



Spanish weekly magazine Hello! Indian edition.



International lifestyle magazine Colors.



Director General of Power Cell Mohammad Hossain and Director of Summit Group Faisal Khan discussed about the "Excess Power?" at Summit Power Talk organised by ATN News.

Annual General Meeting (AGM)



The 22nd Annual General Meeting (AGM) was held at Krishibid Institution Bangladesh (KIB) Complex, Dhaka.

The Company recognises the rights of the shareholders and accordingly makes sure that their right to express their opinions are guaranteed through the Annual General Meeting (AGM). The entire Board of Directors attend the AGM so that they may answer the shareholders' queries concerning the financial and operating results of the Company. These general meetings are highly effective in facilitating communication between the shareholders and the Company as they clarify many investment related queries.

Internal Communications

A total of 74 e-newsletters and over 4,963 bulk SMS were sent to employees to inform them about various Company updates. This ensures all the employees are aware of the policies and development enabling them to respond correctly to shareholders as well as work towards common organisational goals.



OUR MANAGEMENT SYSTEM

SPL is driven by its vision, mission and objective. To materialise the Company's mission, it requires an Integrated Management System (IMS) that combines all the objectives, policies and procedures into one system. The system is guided by the Board of Directors, maintained by an experienced management team and monitored by internal and external audit teams. On the other hand, the management should maintain a standard system, which is verified by international bodies – regulators, sponsors, lenders and standards. In the case of SPL, the management has implemented an Integrated Management System (IMS), which is a well blend of ISO 9001: 2015 - Quality Management System (QMS), ISO 14001: 2015 - Environmental Management System (EMS) and BS 18001: 2007 Occupational Health and Safety Assessment System (OHSAS).

VISION

To provide quality and uninterrupted electricity to the vast majority of rural Bangladesh for their personal, social and economic development.

MISSION

“Empowering Bangladesh”

To expand the Company into a power generation capacity to tune about 20% of the electricity requirement of Bangladesh and maintain that level.

OBJECTIVES

- Generate and provide uninterrupted, reasonably priced electricity to our customers.
- Efficient utilisation of capital, machines, materials and human resources.
- Continuous improvement of customer satisfaction and resource management.

SPL is directly guided by its Board of Directors and in many cases by its parent companies. SPL is the subsidiary of Summit Corporation Limited (SCL), which is a subsidiary of Summit Power International Limited, based in Singapore.

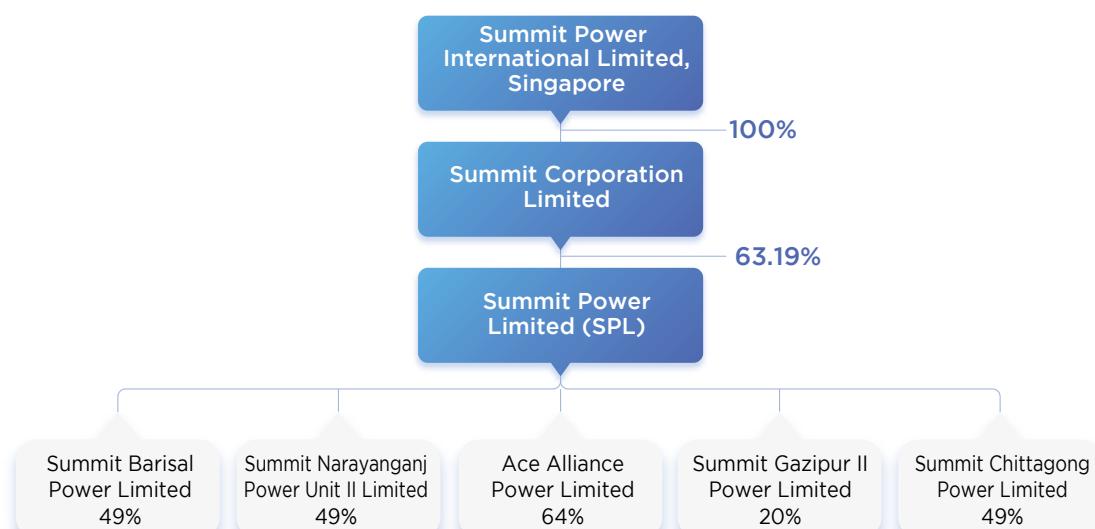


Chart: The management structure of the Summit Power Limited is shown graphically.

OUR MANAGEMENT SYSTEM

Summit has a qualified management team led by a very experienced and highly reputed Managing Director. The management has three Senior General Managers to lead Operation and Maintenance team, two General Managers to lead Standard, Compliance, Development, Human Resource and Administration team, Procurement, Inventory and Training, two Deputy General Manager to lead Electrical & Instrumentation and Project Development team, Plant Operation & Maintenance and Financial Controller & Company Secretary and Deputy General Manager to lead Finance, Accounts and Secretarial team. All the teams are under one Integrated Management System (IMS). The system has very specific Standard Operating Procedure for each job. The management is very well aware about Corporate Governance and Compliance.

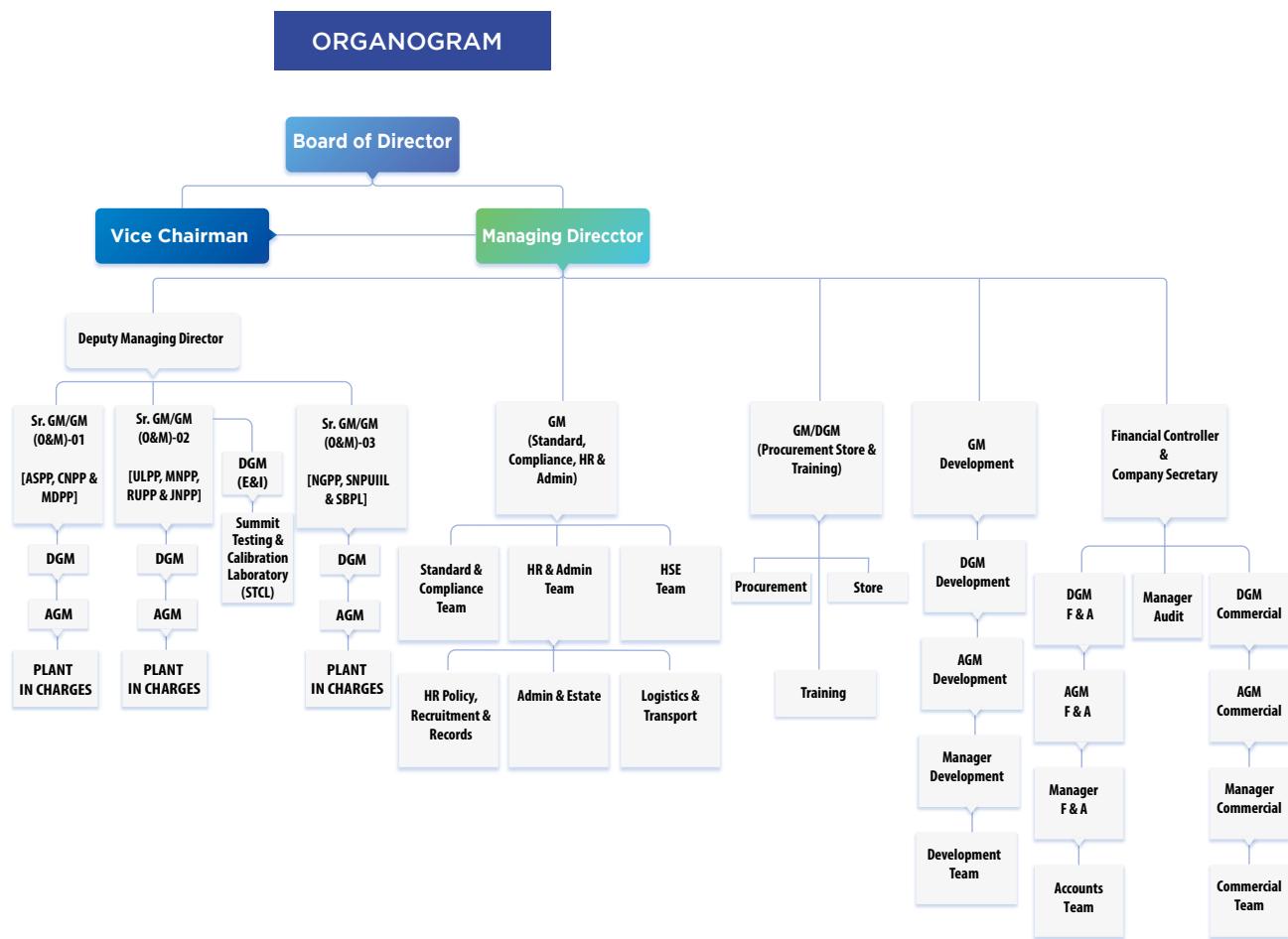


Chart: The organogram of Summit Power Limited.

The internal control system of SPL is rich in various dimensions. Summit Corporation Limited (SCL) has a common Internal Audit team, which monitors SPL along with the parent and other subsidiary companies of the group. SPL has different committees to execute the guidelines and ensure the smooth operation of the Board.

MANAGEMENT REVIEW AND RESPONSIBILITIES

The Management of Summit Power Limited (SPL) formulates and implements operational and tactical plans to align the organisation as per strategic objectives and policies provided by the Board. In Summit, the Management is in full control of the Company's affairs and is also accountable to the Board. The Management firmly believes that the success of the Company is achieved through fair practice of the corporate governance framework.

In discharging its responsibilities, which are aligned with the defined policies and objectives of the Board of Directors, the Management fulfills certain key functions including:

- Implementing and providing feedback about - the corporate strategy, major plans of action, risk policy, annual budgets and business plans and performance objectives.
- Assisting the Board to ensure the integrity of the Company's accounting and financial reporting systems, in particular, systems for risk management, financial and operational control and compliance with the law and relevant standards.
- Assisting the Board to review the Company's financial statements and oversee its compliance with applicable audit, accounting and reporting requirements.
- Assisting the Board to monitor and implement the effectiveness of the approved strategic plans by adopting relevant tactical and operating plans.
- Establishing Company's values as set by the Board.
- Monitoring and providing feedback about the corporate governance of the Company to the Board.

The Management builds the confidence of the Board by ensuring that the activities of the Company are always conducted with adherence to high ethical standards and in the best interest of the shareholders and other stakeholders while optimizing the wealth of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

Management discussions are held, as and when required, to analyse in detail about the Company's activities focusing, among others, on the following issues in particular.

(a) Accounting policies and estimation:

We have applied accounting policies consistently to all periods presented while preparing the financial statements. We have applied International Financial Reporting Standards (IFRSs) to transactions, other events or conditions to their full extent as applicable. The applicable significant accounting policies and estimation are well elaborated in note 52 of the financial statements.

In the absence of applicable IFRSs to any particular transactions, other events or conditions, we have used our best judgement in developing and applying an accounting policy that results in information that is relevant to the economic decision-making needs of users and is reliable.

(b) Changes in accounting policies and estimation:

We usually change an accounting policy only when the change is required by an IFRS or results in the financial statements providing more reliable and relevant information about the effect of transactions, other events or conditions on the financial position, financial performance or cash flows. A detailed break-down of such changes/restatements, if any, is given in the notes to the financial statements.

(c) Comparative analysis of financial performance and financial position as well as cash flows for current year with immediate preceding five years explaining the reasons thereof:

We have presented comprehensive financial highlights for all the relevant periods containing financial performance, financial position, cash flows and important financial ratio in the Financial Highlights section of this annual report.

As the financial highlights presented, the detailed comparative analysis thereon are as following:

- Revenue has increased over the years since 2015 by 140% and on average by 29.92% each year and stood at Tk. 24,031 million for the year ended 30 June 2020;
- Net profit attributable to owners of the Company has also increased over the years since 2015 by 87.75% and on average by 18% each year and stood at Tk. 5,525 million for the year ended 30 June 2020;
- Total assets of the Company have also increased over the years since 2015 by 99.84% and on average by 20.39% each year and stood at Tk. 69,338 million as on 30 June 2020;
- Shareholders' equity has also increased over the years since 2015 by 46.45% and on average by 10.95% each year and stood at Tk. 33,637 million as on 30 June 2020;

- After maintaining last year's 35% cash dividend and current year's 15% interim cash dividend, cash and cash equivalent stood at Tk. 2,141 million (separate accounts) which helped management declare final cash dividend @ 20% this year as well after taking into consideration of dividend income from subsidiaries and associates;
- Earnings per share (EPS) has also increased over the years since 2015 by 53.87% and on average by 11.46% each year and stood at Tk. 5.17 per share for the year ended 30 June 2020;
- Net asset value (NAV) per share has also increased over the years since 2015 by 20.14% and on average by 4.83% each year and stood at Tk. 31.50 per share as on 30 June 2020.

In summary, the recent years of performance has established SPL as a leading Company in the industry and boosted its reputation. Thus resulted in a row of awards for best performer declared in the Power and Energy Week, Asian Power 2018 and Finance Asia 2017.

(d) Comparative analysis of financial performance and financial position as well as cash flows with peer industry scenario:

Again as presented in the financial highlights, the comparative analysis of financial performance, financial position and cash flows with other relevant financial ratio and other industry performance parameter are described as following:

- The assets base is above the industry average of Tk. 27,734 million;
- The revenue of the Company is also above the industry average of Tk. 9,180 million;
- The net profit attributable to the owner of the Company is also above the industry average of Tk. 2,464 million;
- Over the years the Company has taken foreign currency loan about USD 330 million for developing its five power projects of 716 MW on its own;
- As listed company, the current P/E is ratio far below of industry average 13 which indicates further share price hike;
- Large capitalization of the Company help attract competitive rated short term and long term loan compared to the other players in the industry;

(e) Financial and economic scenario of the country and the world:

As stated in Directors' Report, the fast growing pace of the world economy in early 2019-20 experienced the deepest global recession in decades due to COVID-19. The pandemic has resulted in contraction across the vast majority of emerging markets and developing economies. With time the world has adjusted with terms like -social distancing, lockdown and work from home (WFH). The significant impact of the virus may attenuate with the invention of an effective vaccine and its equilateral distribution across the world. At national level in the first quarter of 2019, the economy of Bangladesh was the world's seventh fastest growing economy with a 7.3% annual real GDP growth. However, the overall indicators were not as negative compared to the world economic trends in the pandemic. With the withdrawal of large scale lockdown and return to new normal business activities, the country is expected to restore the incurred losses and resume on its growth trajectory.

(f) Risks and concerns related to the financial statements:

Within the context of changes in global economy and financial market including the expansion of emerging markets, the financial and economic practices have shifted in a radical pace. Changes in contractual concept in work business, expansion of more and more cross-border business urge world accounting bodies and forums to set new accounting standards and practices for address business requirement by providing more reliable and relevant information to the economic decision makers. Hence, in summary, the risks and concerns related to Company's financial statements are as following:

- To understand, identify and recognise cross-border transactions, other events or conditions properly;
- To understand, identify and recognize foreign currency based transactions, other events or conditions including its timely currency valuation effects properly;
- Recent development in world financial market has boosted the interest rate volatility; thus Company has contracted for Interest Rate Swap (IRS) to reduce interest rate risk. The accounting for IRS is much challenging because of reliable measurement of IRS fair value and accounting for the same;
- Recognition and presentation of property, plant & equipment including classification of spare parts are now a days very challenging job to reflect the effect reliably; and

- Identification and recognition of deferred tax issues on property, plant & equipment is now a days challenging due to its effect in the financial statements correctness and reliability;
- Recognition of revenue and trade receivables in line with contractual provisions including the receivable management have become concern in preparation and presentation of reliable financial statements.

To mitigate the above risk concerns and challenges, the Company has a well set of internal control system including the Internal Audit team under the guidance of Audit Committee and under the direct consultation with competent external auditors. Talented pool of employees are well aware of the risk concerns and they are nominated for training and workshop program for skill development in the challenging areas so that they can identify, measure, recognize and condition relevantly and reliably. Moreover, corporate financial reporting team continuously guides local reporting team in critical areas of financial reporting and disclosures.

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

The Company has recently installed Enterprise Resource Planning (ERP) system - Microsoft Dynamics NAV to integrate and manage its financial data processing & reporting, operation data procession & reporting and integrating the manufacturing system including power plant maintenance system into ERP.

Last couple of years, the Company has increased its power generation capacity into double. To keep pace with 24,000 MW of additional capacity by 2021, 40,000 MW by 2030 and 60,000 MW by 2041 from national present capacity of 23,548 MW, private sector, specially, Summit Power Limited is trying to add more and more power plants.



Lt. Gen. (Retd.) Engr. Abdul Wadud
Managing Director

MANAGEMENT TEAM



Management Team

Mr. Muhammed Aziz Khan
Mr. Latif Khan
Mrs. Anjuman Aziz Khan
Mr. Jafer Ummeed Khan
Mr. Md. Farid Khan
Ms. Ayesha Aziz Khan
Mr. Faisal Karim Khan
Ms. Azeeza Aziz Khan
Mr. Syed Fazlul Haque FCA
Mr. Faruq Ahmed Siddiqi
Mr. Mustafizur Rahman Khan
Mr. Junayed Ahmed Chowdhury
Mr. Helal Uddin Ahmed
Mr. Md. Arif Al Islam
Lt. Gen. (Retd.) Engr. Abdul Wadud

Engr. Md. Mozammel Hossain
Engr. Md. Solaiman Patwary
Engr. Md. Abdus Sobhan
Engr. A. K. M. Asadul Alam Siddique
Mr. Swapon Kumar Pal FCA
Engr. Md. Nazmul Hasan
Engr. Md. Nazrul Islam Khan
Mr. Tofayel Ahmed FCA
Engr. S. M. Ali Ahsan
Mr. Md. Hafiz Al Atick



INTRODUCTION OF THE SENIOR EXECUTIVES



Engr. Md. Mozammel Hossain

Managing Director
Summit Gazipur II Power Limited
Ace Alliance Power Limited and
Summit Chittagong Power Limited

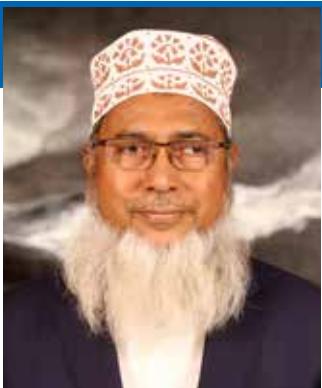


Engr. Md. Solaiman Patwary

Senior General Manager
(Operation & Maintenance)

Mr. Md. Mozammel Hossain is the Managing Director of Summit Gazipur II Power Limited and Ace Alliance Power Limited since inception of these two companies. He has joined Summit Power Limited in 2011. Mr. Hossain started his professional career in Bangladesh Power Development Board (BPDB) in 1976 and worked mostly in power generation and transmission projects in different positions. In 2001, He had switched over to Power Grid Company of Bangladesh Ltd. (PGCB) as Deputy General Manager and elevated up to the position of Director, Technical. In 2011 he took voluntary retirement from PGCB and joined Summit Group. He had obtained various training in foreign countries as well as in local institutes and has visited a number of countries. Mr. Hossain obtained Power Development Board Merit Award for the Year in 1982 and Annual Performance Recognition Award of Asian Development Bank in 2008. Under his leadership the 300 MW of Summit Gazipur II Power Limited was implemented in a record period of 9 months and received award for the fastest implemented project from Asian Power. Also this project got the prize from Honourable Prime Minister of Bangladesh for fastest implementation. Another 149 MW Power Plant of Ace Alliance Power Limited (Gazipur-I) was also implemented within the stipulated time under his leadership.

Mr. Patwary started his career as Junior Engineer in ocean-going ship in 1979 after completing Marine Academy Cadetship and workshop training at Chittagong. He has 21 years of experience in foreign flag vessels as Junior Engineer, 5th engineer, 4th engineer, 3rd engineer, 2nd engineer and Chief Engineer (12 years as Chief Engineer) in many types of ships with many types of engines & Machineries. He obtained certificate of competency Class 2 Engineer (Motor) from Singapore and Class I Marine Engineering degree from England. He joined Summit Power Limited in 2000 at the initial stage of the Company. He has great contribution in the success of the Company in terms of operation and maintenance. He visited all parts of the world and attended various training, workshop and seminars both at home and abroad.



Engr. Md. Abdus Sobhan

Senior General Manager
(Operation & Maintenance)



Engr. A. K. M. Asadul Alam Siddique

Senior General Manager
(O & M, SC & Dev, HR & Admin)

Mr. Sobhan is an Electrical Engineer, graduated from BUET in 1977 and secured 1st Class. He completed his MBA in Finance & Banking. He is a fellow of the Institution of Engineers, Bangladesh. Before joining to Summit in 2000, Mr. Sobhan had 20 years of experience in different Government, Semi-Government and Private organisations at home and abroad. In 1977, he started his career from Khulna Engineering College as a Lecturer in Electrical Engineering department. He had 18 years of experience in 450 MW steam, gas turbine power plants and seawater desalination plants in the Secretariat of Electricity under the Government of Libya. During last 20 years of service at SPL, Mr. Sobhan has actively participated in different areas of power sector such as planning, installation, testing, commissioning, operation and maintenance of power plants.

Mr. A. K. M Asadul Alam Siddique completed his graduation in Naval Architecture & Marine Engineering from BUET in 1987. He is a life fellow of the Institution of Engineers, Bangladesh. He completed his class II and class I Marine Engineering from U.K. in 1993 and 1996 respectively. Prior joining to Summit in 2003, Mr. Asad has accumulated 16 years of experience in different organisations at home and abroad. He started his career as Naval Architect with the 'Ship Designer & Consultant' in 1987. After that he joined in Bangladesh Shipping Corporation as Cadet Engineer and continued to serve in ocean-going vessel of BSC and foreign Companies up to Chief Engineer. He also received an MBA degree in Finance and Banking.

INTRODUCTION OF THE SENIOR EXECUTIVES



Swapon Kumar Pal FCA

Financial Controller &
Company Secretary



Engr. Md. Nazmul Hasan

General Manager (Procurement, Inventory & Training)
General Manager (O & M), Summit Gazipur II Power Limited &
Ace Alliance Power Limited

As Summits' Financial Controller & Company Secretary, Mr. Pal is responsible for financial reporting, treasury management, budgeting, project financing and compliance with statutory and regulatory bodies. He has over 15 years of professional experience in finance, accounts, audit and secretarial field. Mr. Pal is a qualified Chartered Accountant under the Institute of Chartered Accountants of Bangladesh (ICAB) and completed his article-ship on Chartered Accountancy from Rahman Rahman Huq (the member firm of KPMG International in Bangladesh). He received his MBA and BBA degrees in Accounting & Information Systems (AIS) from University of Dhaka. He joined at Summit in September 2009. Before promoting to the current position, Mr. Pal initially worked as Manager - Internal Audit, Assistant General Manager - Internal Audit and then Deputy Financial Controller in Summit Power Limited and its subsidiaries. During his rich career, he had attended different trainings, seminars and visited many countries e.g. Singapore, Indonesia, England, Italy and Finland.

A Marine Engineer Mr. Md. Nazmul Hasan obtained his Marine Engineering Certificate of Competency (Class 1) from Singapore. He also received an MBA degree in Operations Management. He started his career in Bangladesh Shipping Corporation (BSC) in 1992 and got 15 years of professional experience as 5th Engineer to Chief Engineer in ocean-going ships of BSC and other foreign companies. He also worked as Deputy General Manager of Ship Repair Department of BSC. He joined in Summit Power in 2008 as Plant Manager of Rupgonj Power Plant. From 2011, he is responsible for Procurement, Inventory and Training of the reciprocating division. He is also working as General Manager (O & M) of Summit Gazipur II Power Limited & Ace Alliance Power Limited since 2018.



Kashfia Nazneen Firdous

General Manager &
Group Head of Internal Audit,
Compliance & Reporting

Ms. Kashfia Nazneen Firdous is an audit and finance professional with more than 13 years of experience, specializing in internal audit and compliance. She began her career in 2007 as an external auditor with Ernst & Young, LLP in USA, one of the global big four audit firms, with mostly real estate clientele. After returning to Bangladesh in 2008, she has developed and headed the internal audit and risk management functions of GlaxoSmithKline Bangladesh Limited, one of the largest pharmaceuticals in the world and later developed the Internal Audit function at icddrb, an international leader in public health research. Before joining Summit, she was in a Senior Compliance Analyst role in Chevron Bangladesh, a leader in global oil and gas industry, as a Sarbanes-Oxley (SOX) assessor & business process analyst. Kashfia completed her Bachelor's in both Accounting and Philosophy from Ohio Wesleyan University in USA. She holds international training in Fraud Identification Assessment, Fraud & Forensic Accounting, Quality Audit and External Audit & Assurance. She has long-standing membership in international organisations such as The Institute of Internal Auditors (IIA) and Ernst & Young Alumni Association. She has also trained many employees extensively on Business Ethics, Internal Audit and Risk Management throughout her career.



Tofayel Ahmed FCA

Deputy General Manager
Finance & Accounts

Mr. Tofayel Ahmed is a finance & accounts professional with vast experience in cross functional, multicultural and fast paced environment. He also served as Assistant General Manager, Finance & Accounts since he joined Summit in 2017. Mr. Ahmed is responsible for financial reporting, budgeting, management of payable, receivable & fixed asset and guiding the improvement of Enterprise Resource Planning (ERP) system. He played a key role in implementation of ERP system in Summit. Prior to join Summit, Mr. Ahmed worked in Marico Bangladesh Limited in different capacities within finance & accounts function. Mr. Ahmed is a Fellow Member of the Institute of Chartered Accountants of Bangladesh (ICAB). He completed his article-ship on Chartered Accountancy from Rahman Rahman Huq (KPMG in Bangladesh) and obtained BBA and MBA degree in Accounting & Information Systems (AIS) from University of Dhaka.

INTRODUCTION OF THE SENIOR EXECUTIVES



Md. Hafiz Al Atick

Deputy General Manager, Development of Summit Power Limited
In-Charge of Electrical & Instrumentation issues
(Reciprocating power plants)

He obtained degree in Electrical & Electronics Engineering from Khulna University of Engineering & Technology (KUET). Mr. Hafiz Al Atick started his professional career in a Reputed Pharmaceutical Industry in 2003.

In October, 2004 he joined in Summit Power Limited as Shift In-Charge. Later he led the team in successful completion of the projects - Ashulia 33.75 MW, Chandina 13.5 MW, Narayanganj Unit - I 102 MW and Narayanganj Unit - II 55 MW power plants in planning, development, erection & commissioning.

The experiences of Mr. Atick, are Operation, Schedule & Unscheduled Maintenance of various gas and HFO based power plants and electrical design of MV, HV and LV systems of power plant. Recently, he is responsible for the development of new and ongoing projects. He is also capable to run plants under Integrated Management System - ISO 9001: 2015 – Quality Management System (QMS), ISO 14001: 2015 – Environmental Management System (EMS) and BS 18001: 2007 – Occupational Health & Safety (OH&S).



Engr. S. M. Ali Ahsan

Deputy General Manager of Summit Power Limited
Plant In-Charge of 450 MW Summit Gazipur II & Ace Alliance Power plant

Mr. Ahsan completed his graduation in Mechanical Engineering department from Khulna University of Engineering & Technology (KUET) in 1999. He obtained his MBA degree major in Finance from Jahangir Nagar University and PGDM (Post Graduate Diploma in Management) from Bangladesh Open University. He is a life fellow member of the Institution of Engineers, Bangladesh(IEB). He has 20 years' experience on operation, maintenance, project implementation and administration of power plants in SPL .

He started his career as shift engineer at Ashulia Power Plant and has been working in SPL since November'2000. He was the Project In-Charge of 120 MW Barisal Power Plant and after commissioning he was the Plant in Charge of that power Plant. He has capabilities to work comfortably with all levels of people and having an excellent commercial approach to solve problems and developing business projects.

PLANT MANAGERS AND IN-CHARGES



Bishwajit Saha
Plant Manager
Madhabdi Power Plant



Mohammed Shameem
Plant Manager
Chandina Power Plant



Md. Anisur Rahman
Plant Manager
Jangalia Power Plant



Md. Abu Hanif
Plant Manager
Maona Power Plant



Md. Anwarul Iqbal Sheikh
Plant Manager
Rupganj Power Plant



Santosh Barai
Plant Manager
Ashulia Power Plant



Md. Faridul Islam
Plant Manager
Narayanganj Power Plant (Unit I)



Asif Ahammad
Plant Manager
Narayanganj Power Plant (Unit II)



FROM LEFT: (STANDING)

Engr. Md. Shamsul Arefin
Plant Manager
Summit Ace Alliance Power Limited
Engr. Mohammad Omar Sharif
Plant Manager
Summit Gazipur II Power Limited

Engr. S. M. Ali Ahsan
Deputy General Manager
Summit Power Limited
Plant In-Charge
Ace Alliance Power Limited
Summit Gazipur II Power Limited
Engr. Md. Abubakar Siddique
Plant Manager
Summit Gazipur II Power Limited



Md. Arifur Rahman Chowdhury
Plant Manager
Ullapara Power Plant



Fakir Mahadi Hasan
Plant Manager
Barisal Power Plant

REMEMBERING ENGR. ABDUL HAKIM



Engr Md Abdul Hakim
(1969-2020)

Engr. Md Abdul Hakim in the centre with his colleagues in an event in Gazipur last year.

Engr. Md Abdul Hakim (1969-2020) graduated from Rajshahi University of Engineering & Technology (RUET) in Electrical & Electronics Engineering (EEE). He had started his career in Bangladesh Rural Electrification Board (BREB). In 2008, he joined SPL as Plant-in-Charge. He worked on project development of Summit Ullapara Power Plant (12 MW in 2009), Summit Narayanganj Power Plant - Unit II (62 MW in 2016) and Summit Barisal Power Plant (120 MW in 2016). Later he worked on development of Summit Gazipur II and Ace Alliance power plants (a total of 464 MW in 2018). The Gazipur project received the Best Private Power Generation Company award on the Power & Energy Week 2018. The project was also awarded as the second fastest implemented power plant globally at the Asian Power Awards 2018 in Jakarta, Indonesia.

The Board of Directors of Summit Power Limited recalls with appreciation and gratitude his contribution towards the establishment and growth of the Company specially successfull implementation of the 307 MW Summit Gazipur II Power plant in a record period of nine months and 156 MW Summit Ace Alliance Power plant in the contracted period. He enthusiastically monitored plantation of many saplings and development of the sculpture park within the power plant's premises.

He was suffering from lung cancer and received treatment from both Singapore and Dhaka. He has left behind his wife and two daughters.

Selected messages from the Board of Directors and Employees

Hakim - the heroic, hard working, intelligent person with the highest moral standing. His caring for his family and business was unique. He passed away fighting, and in his fight never wavered to be human, courteous, courageous, grateful and thankful. Loving and caring to his junior colleagues, intelligent, humble and respectful. We have lost one of our finest people and a colleague.

May Allah the most merciful, Rahmanur Rahim forgive us and Hakim our failings if any and grant him abode in Jannatul Ferdous and we will support his family.

Ameen.

Muhammed Aziz Khan
Chairman, Summit Power Limited

“ Hakim was genuinely a good soul. Everyone around him felt the warmth in his presence including myself. Like his family Hakim will be missed here in Summit. May Allah grant him Jannatul Ferdous. Amin.”

Md. Latif Khan
Vice-Chairman, Summit Power Limited

“ Very sad to hear. He has been fighting hard for awhile. I really enjoyed working with Hakim Bhai and learnt a lot from him during the Gazipur project. Deepest condolences to the family and may he rest in eternal peace.

Faisal Khan
Director, Summit Power Limited

“ He was an excellent person. We in SPL have lost one of our finest colleagues and an asset for our company. Ya Allah, please forgive his sins and bless him with a place in Jannatul Ferdous. Deepest condolences to the family.

May Allah be with his wife, children and relatives to bear this great loss. Ameen.

Lt. Gen. (Retd.) Engr. Abdul Wadud
Managing Director, Summit Power Limited

“ We lost a sincere and dedicated Engineer with the sudden death of Engr Md Abdul Hakim. During his tenure in Summit, he has successfully completed construction of 12 MW Ullapara Power Plant in due time. He contributed in terms of design and procurement support in construction of Barisal (120 MW) and Narayanganj-II (62 MW) power plants. He has done unprecedented work by completing the construction of Gazipur-I (156 MW) plant in 15 months and Gazipur-II (307 MW) plant within a record time of nine months. He will be remembered for his good work, his well behavior and his teamwork with his colleagues. We pray for his eternal peace in heaven.

Engr. Md. Mozammel Hossain
Managing Director, Summit Gazipur I & II Power Limited

“ I am very sorry for this loss. This is unbearable. I was very close with him for many of our projects, from projects' bid submissions till their final implementations. I have learnt a lot from him on different technicalities of projects. Sometimes we planned on how to capture new projects at different locations, if we could. He was such a good man that he will remain in my mind forever. This is a great loss for Summit. May God keep his soul in heaven.

Swapon Kumar Pal FCA
Financial Controller & Company Secretary, Summit Power Limited (SPL)

“ Very heavy-hearted indeed. Hakim Bhai had visited Singapore office a few times, and we were amazed at his calmness and gentle resolve in the face of adversity though he wouldn't speak much. Everything about him exuded kindness and wisdom. Thank you Hakim Bhai. We will miss you. May you rest in peace in Jannatul Ferdous. Ameen.

Elmahdi Tahri
CFO, Summit Power International

“ Very saddened to hear of the loss. Hakim Bhai has been such a great gentleman - earnest, humble and helpful. I have learnt much from him on the Gazipur and other projects. My deepest condolences to his family. May he rest in eternal peace.

CK Koh
Group Finance Controller, Summit Power International

“ I am so sorry for loss of Hakim Bhai. We had worked so closely with Hakim Bhai. He was instrumental in implementing AAPL and G2 power projects. He was such a simple and friendly person! I will miss him very very much and will pray for his soul. May Allah pardon him and grant him Jannat ul Ferdous! Ameen!

Syed A K Rahat Jaman Sohel
Executive Director, Summit Corporation Limited

CERTIFICATE ON COMPLIANCE ON THE CORPORATE GOVERNANCE CODE



Certificate on Compliance on the Corporate Governance Code
 [Issued under condition # 1(5) (xxvii) of Corporate Governance Code of BSEC vide
 Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018]

We have examined the compliance status to the Corporate Governance Code by "Summit Power Limited" for the year ended on 30 June, 2020. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

- (a) The Company has complied with the conditions of the Corporate Governance Code as stipulated in the above mentioned Corporate Governance Code issued by the Commission except as specify in compliance status checklist;
- (b) The Company has complied with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) as required by this code;
- (c) Proper books and records have been kept by the company as required under the Companies Act, 1994, the securities laws and other relevant laws; and
- (d) The Governance of the company is satisfactory.

Place: Dhaka
 Date : 22 November 2020



Mohammad Ali Kawsar FCA
 Partner,
 Mak & Co.
 Chartered Accountants



BSEC Bhaban (Level - 11)
 102, Kazi Nazrul Islam Avenue,
 Karwan Bazar, Dhaka 1215.



+88 02 55013647
 +88 01764484444
 +88 01612265265



www.maknco.net
 info@maknco.net



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CODE OF CONDUCT AND ETHICS

The Code of Conduct and Ethics applies to the Directors, Management and all employees of Summit Power Limited (SPL) and each subsidiary and associate of SPL. Aligning with the Company mission, vision, strategy and corporate governance this code of conduct and ethics are practiced. These codes have a great influence in the sustainable development, implementation and practice of Integrated Management System (IMS).

A. OBJECTIVE

Summit Corporation Limited is the major sponsor of SPL and therefore all the standards of Code of Conduct and Ethics are being followed in SPL in the course of carrying its business stem from its sponsor. Summit holds the values with which it conducts business in high esteem. It has and will continue to uphold the highest level of business ethics and personal integrity. Following suit, SPL's Code of Business Conduct and Ethics serves to: (1) Emphasize the Group's commitment to ethics and compliance with the laws; (2) Set forth basic standards of ethical and legal behavior; (3) Provide reporting mechanisms for known or suspected ethical or legal violations; and (4) Help prevent and detect wrong doings. Given the variety and complexity of ethical questions that may arise in the course of SPL's business, this Code of Business Conduct and Ethics serves only as a guide. Confronted with ethically ambiguous situations, all should remember the SPL's commitment to the highest ethical standards and seek advice from supervisors, managers or other appropriate personnel to ensure that all actions they take on behalf of SPL honor this commitment.

B. ETHICAL STANDARDS

Conflicts of Interest

A conflict of interest exists when a person's private interest interferes in any way with the interests of SPL. A conflict can arise when one takes actions or has interests that may make it difficult to perform his or her work for SPL objectively and effectively. Conflicts of interest may also arise when an affiliate, or members of his or her family, receives improper personal benefits as a result of his or her position in the Group. It is always a conflict of interest for an officer to work simultaneously for a competitor, customer and supplier or for that matter any other establishment against precursory benefit.

Conflicts of interest may not always be clear-cut, so if anyone has a dilemma, he/she should consult with his/ her supervisor or manager or, the Chief Financial Officer or chief legal counsel of SPL. Any officer who becomes aware of a conflict or potential conflict should bring it to the attention of a supervisor, manager or other appropriate personnel or consult the procedures described in Section E of this Code.

All Directors and Executive officers of the Group, and the Chief Executive Officers and Chief Financial Officers shall disclose any material transaction or relationship that reasonably could be expected to give rise to such a conflict to the Chairman of the Group.

Corporate Opportunities

All officers are prohibited from taking for themselves opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors of SPL. No officer may use corporate property, information or position for improper personal gain and no employee may compete

with the Group directly or indirectly. Officers owe a duty to the Group to advance its legitimate interests whenever possible.

Fair Dealing

Officers shall behave honestly and ethically at all times and with all people. They shall act in good faith, with due care, and shall engage only in fair and open competition, by treating ethically competitors, suppliers, customers, and colleagues. No officer should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair practice. The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should ever be offered or accepted unless it is consistent with customary business practices, cannot be construed as a bribe or payoff and does not violate any laws or regulations. Officers should discuss with their supervisors, managers or other appropriate personnel regarding any gifts or proposed gifts which they think may be inappropriate.

Insider Trading

Officers who have access to confidential information are not permitted to use or share that information for stock trading purposes or for any other purpose except for the conduct of SPL's business. All non-public information about the SPL should be considered confidential information.

Confidentiality

Officers must maintain the confidentiality of confidential information entrusted to them. Confidential information includes all non-public information whose disclosure might be of use to competitors or harmful to the SPL or its customers. It also includes information that suppliers and customers have entrusted to the SPL. The obligation to preserve confidential information continues even after employment ends.

Discrimination & Harassment

Discrimination means any distinction, exclusion or preference limiting equality or opportunity which may be based on color, sex, religion, political opinion, age, national, social or ethnic origins, or any other considerations in this matter. All officers are instructed and expected to avoid engaging in any sort of discriminatory practice.

Protection and Proper Use of SPL Assets

All should endeavor to protect SPL's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on SPL's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. The SPL's equipment should not be used for non-SPL business, though incidental personal use is permitted.

The obligation of officers to protect SPL's assets, also include protecting its proprietary information. Proprietary information includes trade secrets, trademarks, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate SPL policy. It could also be illegal and result in civil or criminal penalties.

CODE OF CONDUCT AND ETHICS

Health and Safety of Officers

Each officer is responsible for maintaining a safe and healthy work environment and is obligated to report any kind of accidents, injuries, unsafe conditions, procedures, or behaviors etc. Any sort of violence or threatening behavior on the part of an officer will not be tolerated. Officers are prohibited to report to work under the influence of illegal drugs or alcohol.

Compliance with Laws, Rules and Regulations

Obeying the law, both in letter and in spirit, is the foundation on which SPL's ethical standards are built. In conducting the business of SPL, the officers shall comply with applicable governmental laws, rules and regulations set by the Government of Bangladesh.

Timely and Truthful Public Disclosure

In reports and documents filed with or submitted to the Securities and Exchange Commission, stock exchanges and other regulators by SPL, and in other public communications made by SPL, the officer involved in the preparation of such reports and documents (including those who are involved in the preparation of financial or other reports and the information included in such reports and documents) shall make disclosures that are full, fair, accurate, timely and understandable.

Significant Accounting Deficiencies

The CEO and each senior Financial Officer shall promptly bring to the attention of the Board any information he or she may have concerning (a) significant deficiencies in the design or operation of internal control over financial reporting which could adversely affect SPL's ability to record, process, summarize and report financial data or (b) any fraud, whether or not material, that involves management or other employees who have a significant role in SPL's financial reporting, disclosures or internal control over financial reporting.

C. WAIVERS

Any waiver of this Code for executive officers or directors may be made only by the SPL's Board of Directors

D. VIOLATIONS OF ETHICAL STANDARDS

Reporting Known or Suspected Violations

The SPL's Directors, CEO, Senior Financial Officers and Chief Legal officer shall promptly report any known or suspected violations of this Code to the Chairman. All other officers should talk to supervisors, managers or other appropriate personnel about known or suspected illegal or unethical behavior.

Accountability for Violations

If the SPL's Audit Committees or its designee determines that this Code has been violated, either directly, by failure to report a violation, or by withholding information related to a violation, the offending officers may be disciplined for non-compliance with penalties up to and including removal from office or dismissal. Violations of this Code may also constitute violations of law and may result in criminal penalties and civil liabilities for the offending officers and SPL. All Covered Parties are expected to cooperate in internal investigations of misconduct.

E. COMPLIANCE PROCEDURES

All must work together to ensure prompt and consistent action against violations of this Code. In some situations, however, it is difficult to know if a violation has occurred. Because we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. Steps to keep in mind are as follows –

Make sure you have all the facts. In order to reach the right solutions, we must be as informed as possible.

Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others involved and discuss the problem.

Discuss the problem with your manager. This is the basic guidance for all situations. In many cases, your superior will be more knowledgeable about the questions, and he or she will appreciate being consulted as part of the decision making process.

You may report ethical violations in confidence without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected to the maximum extent consistent with SPL's legal obligations. The SPL in all circumstances prohibits retaliation of any kind against those who report ethical violations in good faith.

Ask first, act later. If you are unsure of what to do in any situation, seek guidance before you act.

VARIOUS POLICIES AND MANUALS

QUALITY POLICIES:

- Establishing a Quality Management System (QMS) as per ISO 9001:2015 and maintain it with commitment for continual improvement of the QMS.
- Consider quality as an integral part of any activity, not being dissociated or delegated.
- Apply quality management as a dynamic, evolutionary practice, with permanent feedback and improve the performance in the areas of Energy Export, Fuel Consumption per MWH of Energy Export, Engine Running Time (Generation Period), Availability Factor, Heat Rate per Day, Shut Down (Mechanical), Shut Down (Electrical), Shut Down (Sub-Station), Shut Down (Less Energy Demand), No. of Voltage Fluctuation (Beyond Range), No. of Frequency Fluctuation (Beyond Range).
- Commit the entire Company, suppliers and business partners to the highest quality standards of services provided to the customer, while complying fully with the legal requirement of the generation and supply of electricity.
- Provide education and training programs for the employees in issues related to quality, extensible to suppliers and business partners.
- Evaluate and recognize the quality of the work performed by the employees, individually or collectively, as well as by suppliers or business partners.
- This policy is communicated to all the employees within all relevant levels of the organization, and communicate to them.
- Reviewed from time to time for its continuing sustainability.

ENVIRONMENTAL POLICIES:

Summit Power Limited (SPL), is very much aware of its social responsibility and sensitive to the global environment protection efforts, and considers its mission to contribute to the sustainable development of the country. Continuous improvement, waste minimization, pollution prevention, as well as the commitment of the employees will be the basis for the implementation of this policy. Therefore, SPL commits to:

- Practice environmental management as a dynamic, evolutionary process, and with continuous feedback process.
- Seek full compliance with legislation, applicable standards, and other requirements, resulting from agreements signed by the organization, and wherever possible, overcome them.
- Minimize any significant adverse environmental impacts of new developments using integrated environmental management procedures and planning.
- Provide the sites with adequate facilities, aiming at

environmental protection and associated employee workplace environment.

- Implement generation techniques and use of resources that judiciously minimize the generation of waste that is hazardous to the environment.
- Encourage the adoption of these principles by suppliers, partners and service providers.
- Disseminate this policy by educating and training employees, and encourage them to conduct their activities in an environmentally responsible manner.

OCCUPATIONAL HEALTH AND SAFETY POLICIES:

Summit Power Limited (SPL) strongly believes that the achievement of organizational success must be accompanied by a resolute commitment towards the health and safety of all its employees. SPL commits itself to the following BS 18001: 2007 Occupational Health and Safety Assessment System (OHSAS), Policy:

- Ensure a healthy and safe work environment to employees and provide resources for awareness, preliminary risk evaluation, training and monitoring of health and accident risks.
- Ensure consistency of SPL's health and safety procedures with the relevant legislative requirements, other requirements to which SPL subscribes and introduce necessary additional requirements to make certain of a safe and healthy workplace.
- Incorporate occupational health and safety considerations in the planning stage of product and process design.
- Continually strive to eliminate any foreseeable hazards, which may result in property damage, accidents, or personal injury/illness.
- Continually improve in OHS management and OHS performance.
- Be prepared for emergencies and act promptly to eliminate their resulting incidents/accidents.

SOCIAL POLICIES:

Summit Power Limited (SPL), aware of their social responsibility, sensitive to the socio-economic wellbeing of the society, and according to the SPL, considers their mission to contribute to the sustainable development of the country. Continuous improvement, grievance mechanism, stakeholder engagement as well as the commitment of the employees will be the basis for the implementation of this policy.

Therefore, SPL commits to:

- Practice social management as a dynamic, evolutionary process, and with permanent feedback at all phases of SPL project.
- Seek full compliance with legislation, applicable standards, (Including IFC Performance Standard) and other requirements, resulting from agreements

VARIOUS POLICIES AND MANUALS

signed by the organization and wherever possible, overcome them.

- Avoids or minimize any significant adverse social impacts of new developments, routine and nonroutine activities using integrated social management procedures and planning.
- Implement grievance mechanism to resolve grievance arises from the interested parties (community e.g.).
- Implement emergency response plan integrated with community of all sites.
- Implement generation techniques and use of resources that judicially minimize the negative impact of the society.
- Encourage the adoption of these principles by suppliers, partners and service providers.
- Disseminate this policy by educating and training employees, and encourage them to conduct their activities in a socially responsible manner.
- Communicate to all interested parties.

Aiming at ensuring the implementation of the actions related to meet the system requirements, organizational issues are dealt with by Management Representative supported by the Deputy Management Representatives of Environmental Management and Occupational Health Protection and Safety Management & Social.

A periodic review ensures the suitability of this policy, relevancy and appropriateness to the SPL objectives, as well as to their activities and services.

ANTI BRIBERY & CORRUPTION POLICY

THE POLICY

This document sets out the long-standing policy of Summit Power Limited (SPL) and its subsidiaries on combating bribery and corruption. It was endorsed by the Board of Directors of the Company on May 10, 2014 and applies to all subsidiaries in the Group.

The policy consists of two Principles and a series of Practical Procedures to give effect to those Principles. The objective of the Policy is to clearly set out the Company's Zero Tolerance approach to bribery and corruption.

The Principles

Summit Power Limited (SPL) and its subsidiaries will not pay and will not accept bribes, either directly or via third parties, in any circumstances. Breaches or attempted breaches of the Principle by an employee will be regarded as an act of gross misconduct.

Summit Power Limited (SPL) and its subsidiaries will seek to encourage an equivalent policy in other business entities with which it has a significant business relationship.

PRACTICAL PROCEDURES

Responsible Director

Summit Power Limited (SPL) and its subsidiaries will at all times nominate a Director to be responsible for overseeing the application this anti-bribery and corruption policy and the Principles and Practical Procedures and for keeping a written risk assessment up to date.

The Director will be sufficiently senior to be fairly regarded as independently minded.

The first Director responsible for this role is Ms. Ayesha Aziz Khan. In discharging this role, she will report to the Board of Directors of the Company.

Training

Compulsory training will be provided to staff so that they are aware of this policy, relevant legislation and their obligations under the policy and their contract of employment.

Senior Management Information

Senior management will be kept informed of the steps to implement the Principles and the Practical Procedures, of the conclusions of any reviews and of any material findings arising out of the work of Ms. Ayesha Aziz Khan.

Review

Summit Power Limited (SPL) and its subsidiaries will monitor, review and at least annually report on the effectiveness of and adherence to its Principles, the Practical Procedures and the steps to implement them. The report will be submitted for approval by the Board of Directors.

Internal Record Keeping

Summit Power Limited (SPL) and its subsidiaries will ensure that records are maintained of such reviews and the consequent reports to its senior management.

Communication

Summit Power Limited (SPL) and its subsidiaries will communicate its Principles and Practical Procedures and its approach to their implementation to its employees and will publish this policy on its website and in its HR Policy. It will communicate its approach to their implementation to those that supply material goods and services to it both directly by correspondence but also by a clear statement on its website.

Employee Conduct

Employees are required to report any knowledge or suspicions of the offering, request for, receipt or payment of a bribe. A failure to do so may amount to gross misconduct.

No employee will suffer demotion, penalty or other

adverse consequence for refusing to pay or accept a bribe even if such a refusal may result in Summit Power Limited (SPL) and its subsidiaries losing business or failing to win a deal.

Whistle blowing

Summit Power Limited (SPL) and its subsidiaries regards the reporting of any instance of bribery or attempted bribery as a legitimate example of 'whistle blowing' and affirms that no employee will suffer demotion, penalty, or other adverse consequences for reporting examples of or suspicions of the offer or request for or the receipt or payment of bribes.

Gifts Register

Summit Power Limited (SPL) and its subsidiaries will continue to keep records of the gifts and corporate hospitality given and received by its staff. These records will be reviewed regularly.

Contractors and Associates

Summit Power Limited (SPL) and its subsidiaries requires screening procedures to be carried out on those of its agents, advisers, contractors, intermediaries, and other representatives who supply material goods and services to it ("Associates") to protect Summit Power Limited (SPL) and its subsidiaries from the risk of it being associated with illegal or corrupt payments (or of payments purportedly being made on its behalf) and to ensure that the highest ethical standards are maintained.

Summit Power Limited (SPL) and its subsidiaries requires that Associates are made aware of its Anti-Bribery Principles and Practical Procedures; to confirm that they will not make or receive any payment that put it in breach of those Principles and that such Associates have adequate procedures for preventing their own staff engaging in the receipt or payment of bribes, kickbacks etc.

Reporting

The report and audited financial statements of Summit Power Limited and its subsidiaries and the Agenda for the Annual General Meeting will include a report on the workings and effectiveness of this policy including the number of reports of bribery and corruption received and a short summary of any investigations into them.

Aiming at ensuring the implementation of the actions related to meet the system requirements, organizational issues are dealt with by Management Representative supported by the Deputy Management Representatives of Quality Management, Environmental Management and Occupational Health and Safety Management.

ACCOUNTING AND FINANCE MANUAL:

Summit Power International ("SPI") group's power business including Summit Power Limited depends on its ability to safeguard and manage effectively and efficiently all funds entrusted to it. Central to this goal is a sound structure of financial management and control to maintain both integrity and confidence. The Accounting and Finance Manual describes the financial procedures for ensuring accountability on effective and efficient use of funds. The procedures are aimed to give Management (including the Board of Directors) accurate, complete and timely financial information. The implementation of this Manual is essential for the successful delivery of Summit Power Limited's services as we conduct our activities morally, ethically, and in the spirit of public accountability and transparency, and in conformity with applicable laws and regulations and practices common with responsible organizations. This Manual has been designed to suit specifically the accounting and financial management practices at Summit Power International, including Summit Power Limited and the general principles and essential features are applicable to all resources no matter their source. As circumstances and requirements change, this Manual shall be updated as necessary. It provides a working document to guide all finance and accounting staff on the procedures to be followed so that there is consistency throughout the group.

HUMAN RESOURCES MANUAL:

Human Resources Manual Policy document is designed to acquaint a member of the employees with Summit Corporation Limited including Summit Power Limited and provide with information about working conditions, employee benefits, and some of the policies affecting one's employment. It describes the responsibilities of an employee and outlines the programs developed by Summit Corporation Limited Including Summit Power Limited to benefit employees. One of the of the Policy objectives is to provide a work environment that is conducive to both personal and professional growth.

VARIOUS COMMITTEES

Audit Committee

Mr. Faruq Ahmed Siddiqi - Chairman
 Mr. Faisal Karim Khan - Member
 Ms. Azeeza Aziz Khan - Member
 Mr. Syed Fazlul Haque FCA - Member
 Mr. Mustafizur Rahman Khan - Member
 Lt. Gen. (Retd.) Engr. Abdul Wadud - Member

Executive Committee

Mr. Md. Latif Khan, Vice Chairman - Chairman
 Ms. Ayesha Aziz Khan, Director Finance - Member
 Mr. Faisal Karim Khan, Director Operation - Member
 Lt. Gen. (Retd.) Engr. Abdul Wadud, Managing Director - Member
 Engr. Md. Mozammel Hossain, Deputy Managing Director - Member
 Mr. Swapon Kumar Pal FCA, Financial Controller & Company Secretary - Secretary

Purchase Committee

Mr. Md. Latif Khan, Vice Chairman - Chairman
 Mr. Faisal Karim Khan, Director Operation - Member
 Lt. Gen. (Retd.) Engr. Abdul Wadud, Managing Director - Member
 Engr. Md. Mozammel Hossain, Deputy Managing Director - Member
 Mr. Swapon Kumar Pal FCA, Financial Controller & Company Secretary - Secretary
 Engr. Md. Nazmul Hasan, General Manager (Procurement, Inventory & Training) - Member

Technical Committee

Lt. Gen. (Retd.) Engr. Abdul Wadud, Managing Director - Chairman
 Engr. Md. Mozammel Hossain, Deputy Managing Director - Member
 Engr. Solaiman Patwary, Senior General Manager (O&M) - Member
 Engr. Abdus Sobhan, Senior General Manager (O&M) - Member
 Engr. A. K. M. Asadul Alam Siddique, Senior General Manager (O&M) - Member
 Engr. Md. Nazmul Hasan, General Manager (Procurement, Inventory & Training) - Member

Operation & Maintenance Committee

Mr. Faisal Karim Khan, Director Operation - Chairman
 Lt. Gen. (Retd.) Engr. Abdul Wadud, Managing Director - Member
 Engr. Md. Mozammel Hossain, Deputy Managing Director - Member
 Engr. Solaiman Patwary, Senior General Manager (O&M) - Member
 Engr. Abdus Sobhan, Senior General Manager (O&M) - Member
 Engr. A. K. M. Asadul Alam Siddique, Senior General Manager (O&M) - Member
 Engr. Md. Nazmul Hasan, General Manager (Procurement, Inventory & Training) - Member
 Plant In-Charges - Members

Nomination and Remuneration Committee (NRC)

Mr. Mustafizur Rahman Khan - Chairman
 Mr. Jafer Ummeed Khan - Member
 Mr. Muhammad Farid Khan - Member

Evaluation Committee

Lt. Gen. (Retd.) Engr. Abdul Wadud, Managing Director - Chairman
 Engr. Md. Mozammel Hossain, Deputy Managing Director - Member
 Engr. Solaiman Patwary, Senior General Manager (O&M) - Member
 Engr. Abdus Sobhan, Senior General Manager (O&M) - Member
 Engr. A. K. M. Asadul Alam Siddique, Senior General Manager (O&M) - Member
 Engr. Md. Nazmul Hasan, General Manager (Procurement, Inventory & Training) - Member
 Md. Hafiz Al Atick, Deputy General Manager, Development, In-Charge of Electrical & Instrumentation Issues - Member
 Mr. Swapon Kumar Pal FCA, Financial Controller & Company Secretary - Secretary

COVID Response Team (CMRT)

Lt. Gen. (Retd.) Engr. Abdul Wadud - Chief Coordinator
 Mr. S.M. Noor Uddin - Member
 Mr. Nazmul Haider - Member
 Mr. Syed Rahat Jaman Sohel - Member
 Mr. Asif Ahmad - Member
 Col. (Retd.) Jawadul Islam - Member

Note:

O&M – Operation and Maintenance

AUDIT COMMITTEE REPORT 2019-20

The Audit Committee, appointed by and responsible to the Board of Directors of Summit Power Limited (SPL), is constituted as per the internal control framework of the Company Policy and conditions set by the Bangladesh Securities and Exchange Commission (BSEC). The present committee comprises of 5 (five) members of whom two are Independent Directors and one non-executive Directors. The Company secretary functions as the secretary of the committee as well. Managing Director is one of the five members of the committee. Meetings of the committee are attended by Head of Internal Audit, engagement partner of External Audit, as necessary, by invitation. Besides, Mr. Syed Fazlul Haque, Group Advisor on Finance & Corporate Affairs, also attends the AC meetings by invitation. All members of the committee are financially literate and able to interpret financial statements and assess the adequacy of the internal control process.

The present committee members, nominated by the Board, are:

Mr. Faruq Ahmed Siddiqi	Independent Director	Chairman
Mr. Mustafizur Rahman Khan	Independent Director	Member
Mr. Faisal Karim Khan	Director	Member
Ms. Azeza Aziz Khan	Non-Executive Director	Member
Lt. Gen. (Retd.) Abdul Wadud	Managing Director	Member

A total of 4 (four) meetings, including this one dated 6th October 2020, were held since the last reporting with Audit Committee Report: 2018-19 dated 15th September 2019.

Role of the Committee

The Audit Committee's authorities, duties and responsibilities flow from the Board's oversight function and the terms of reference are detailed in Committee Charter approved by the Board. The major responsibilities of the Committee, among others, include:

- Review of the quarterly, half-yearly and annual financial statements as well as other financial results of the Company and, upon its satisfaction of the review, recommend them to the board for approval.
- Monitoring and reviewing the adequacy and effectiveness of the Company's financial reporting process, internal control and risk management system.
- Monitoring and reviewing the arrangements to ensure objectivity and effectiveness of the external and internal audit functions. Examine audit findings and material weaknesses in the system and monitor implementation of audit action plans.
- Recommending to the Board for appointment, re-appointment or removal of external auditors.
- Reviewing and monitoring of the Company's ethical standards and procedures to ensure compliance with the regulatory and financial reporting requirements.

Activities of the Committee on Company's affairs for the year under report

In accordance with Audit Committee Charter, governed by the BSEC notifications on Corporate Governance Code, the committee carried out its duties to work on the areas that were raised for consideration and discussed to evaluate issues related to key events of financial reporting cycles. During the current financial period under report activities of the committee include, among others:

- Reviewed the quarterly and half yearly financial statements of the Company and recommended to the Board for adoption and circulation as per the requirement of Bangladesh Securities and Exchange Commission (BSEC).
- Assessed the report of the external auditors on critical accounting policies, significant judgments and practices used by the Company in preparation of financial statements.
- Committee recommended the retiring auditor, A. Qasem & Co, being eligible, to the Board for appointment as the statutory Auditors of the Company for the next financial year ending on 30th June 2020.
- Committee reviewed the effectiveness of internal financial control system and the internal audit procedures.
- Reviewed the recurrent related party transactions during the year under report to ensure that transactions were carried out on arm's length basis, not prejudicial to the interest of the Company or its minority shareholders and were in compliance with applicable prevailing laws and regulations for the purpose.
- Reviewed the external auditors' findings arising from audit, particularly comments and responses of the management.
- Reviewed the matters of compliance as per requirements of the Bangladesh Securities and Exchange Commission (BSEC) and ensured corrections, as appropriate, to remain compliant.

The committee is of the opinion that adequate controls and procedures are in place to provide reasonable assurance that the Company's assets are safeguarded and the financial position of the Company is adequately managed.

On behalf of the Committee

Faruq Ahmed Siddiqi
Chairman

COMPLIANCE REPORT ON IFRS

As effected through its notification no. 146/FRC/notification/2020/67 dated 2 November 2020, the Financial Reporting Council (FRC) of Bangladesh has adopted International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) under IFRS Foundation as financial reporting standards applicable for the preparation and presentation of financial statements by public interest entities (PIEs i.e. listed entities) incorporated in Bangladesh. Prior to that, such standards have been effective in Bangladesh in the same format and texts as issued by IFRS Foundation through copyright agreement. Thus, this adoption by the FRC of Bangladesh does not have any impact on the financial statements of the Group going forward.

Sl. No.	Title	Effective Date	Remarks
IAS-01	Presentation of Financial Statements	Adopted, on or after 1st January 2007	Applied
IAS-02	Inventories	Adopted, on or after 1st January 2007	Applied
IAS-07	Statement of Cash Flows	Adopted, on or after 1st January 1999	Applied
IAS-08	Accounting Policies, Changes in Accounting Estimates and Errors	Adopted, on or after 1st January 2007	Applied
IAS-10	Events after the Reporting Period	Adopted, on or after 1st January 2007	Applied
IAS-12	Income Taxes	Adopted, on or after 1st January 1999	Applied
IAS-16	Property, Plant & Equipment	Adopted, on or after 1st January 2007	Applied
IAS-19	Employee Benefits	Adopted, on or after 1st January 2004	Applied
IAS-20	Accounting of Government Grants and Disclosure of Government Assistance	Adopted, on or after 1st January 1999	N/A
IAS-21	The Effects of Changes in Foreign Exchange Rates	Adopted, on or after 1st January 2007	Applied
IAS-23	Borrowing Costs	Adopted, on or after 1st January 2010	Applied
IAS-24	Related Party Disclosures	Adopted, on or after 1st January 2007	Applied
IAS-26	Accounting and Reporting by Retirement Benefit Plans	Adopted, on or after 1st January 2007	N/A
IAS-27	Separate Financial Statements	Adopted, on or after 1st January 2010	Applied
IAS-28	Investments in Associates	Adopted, on or after 1st January 2007	Applied
IAS-29	Financial Reporting in Hyperinflationary Economics	Adopted on or after 1st January 2013	N/A
IAS-32	Financial Instruments: Presentation	Adopted, on or after 1st January 2010	Applied
IAS-33	Earnings per Share	Adopted, on or after 1st January 2007	Applied
IAS-34	Interim Financial Reporting	Adopted, on or after 1st January 1999	Applied
IAS-36	Impairment of Assets	Adopted, on or after 1st January 2005	Applied
IAS-37	Provisions, Contingent Liabilities and Contingent Assets	Adopted, on or after 1st January 2007	Applied
IAS-38	Intangible Assets	Adopted, on or after 1st January 2005	Applied
IAS-40	Investment Property	Adopted, on or after 1st January 2007	N/A
IAS-41	Agriculture	Adopted, on or after 1st January 2007	N/A
IFRS 1	First-time adoption of International financial Reporting Standards	Adopted, on or after 1 January 2009	Applied
IFRS 2	Share-based Payment	Adopted, on or after 1 January 2007	N/A

IFRS 3	Business Combinations	Adopted, on or after 1 January 2010	Applied
IFRS 4	Insurance Contracts	Adopted, on or after 1 January 2010	N/A
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	Adopted, on or after 1 January 2007	N/A
IFRS 6	Exploration for and Evaluation of Mineral Resources	Adopted, on or after 1 January 2007	N/A
IFRS 7	Financial Instruments: Disclosures	Adopted, on or after 1 January 2010	Applied
IFRS 8	Operating Segments	Adopted, on or after 1 January 2010	N/A
IFRS 9	Financial Instruments	Adopted, on or after 1 January 2013	Applied
IFRS 10	Consolidated Financial Statements	Adopted, on or after 1 January 2013	Applied
IFRS 11	Joint Arrangements	Adopted, on or after 1 January 2013	N/A
IFRS 12	Disclosure of Interests in other Entities	Adopted, on or after 1 January 2013	Applied
IFRS 13	Fair Value Measurement	Adopted, on or after 1 January 2013	Applied
IFRS 14	Regulatory Deferral Accounts	Adopted, on or after 1 January 2016	N/A
IFRS 15	Revenue from Contracts with Customers	Adopted, on or after 1 January 2018	Applied
IFRS 16	Leases	Adopted, on or after 1 January 2019	Applied

STATEMENT OF CORPORATE GOVERNANCE

Summit perceives corporate governance as a system, which involves the alignment of interests among all the stakeholders. Governance is a mechanism of distribution of rights and responsibilities among different participants in the corporation (such as the board of directors, managers, shareholders, creditors, auditors, regulators, and other stakeholders) for monitoring the actions, policies and decisions of corporations under the lime light of social, environmental, regulatory and commercial environment.

The philosophy of corporate governance of the Company is aimed at conduct of Company/ top management to ensure that no decision is being taken at the cost of the interest of the community, country as a whole to any stakeholder. It refers to the meeting obligations to all the stakeholders and is guided by strong emphasis on transparency, accountability and integrity. It provides the Company with strategic guidance about - how the policies, objectives and manual are set, practiced and achieved, how risk is monitored and assessed, and how the performance is maximized not at the cost of the future/ long term sustainability. It also questions about the consistency with the rule of law and clearly articulate the division of responsibilities among different supervisory, regulatory and implementation authorities.

Keeping in view the size, complexity and operations, the governance framework of our Company is based on the following principles:

- That the Board is appropriate in size and members are committed to their respective duties and responsibilities.
- That the Company is operated by a well-defined management structure.
- That timely flow of information to the Board and its Committees are ensured to enable them discharge their functions effectively.
- That a sound system of risk management and internal control is in place.
- That the Company has a sound asset management policy, which assures that proper records are maintained in case of capital expenditures of the Company and that no unauthorized use or disposal of any asset occurs.
- That timely and balanced disclosure of all material information concerning the Company is made to all stakeholders.
- That all transactions of the Company are transparent and accountability for the transactions is well established.
- That all regulatory and statutory rules and regulations are complied with.
- Meeting the needs of the current generation without compromising the ability of future generation to meet their needs.
- Always considering a holistic (social, economic and environmental) approach for decision making, venture exploring and problem-solving.

THE RESPONSIBILITIES OF THE BOARD

To ensure effective maintenance of corporate governance, the Board of Summit Power Limited (SPL) formulates strategic objectives and policies for the Company, provides leadership and supervises management actions in implementing those objectives of the Company. In Summit, the Board of Directors fully control the Company's affairs and is also accountable to the shareholders. The Board firmly believes that the success of the Company depends largely on the prevalence of a credible corporate governance practice.

In discharging its responsibilities, the Board fulfills certain key functions, including:

- Board members should be informed and act ethically and in good faith, with due diligence and care, in the best interest of the Company and the shareholders.
- Reviewing and guiding corporate strategy, major plans of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring and implementing corporate performance.
- Ensuring the integrity of the Company's accounting & financial reporting systems, in particular, systems for risk management, financial and operational control and compliance with the law and relevant standards.
- Reviewing Company's financial statements and oversee its compliance with applicable audit, accounting and reporting requirements. In doing so the Company:
- Applies suitable accounting policies;
- Makes prudent judgments and estimates where needed;
- Ensure all applicable accounting standards have been followed, all material departures have been disclosed and explained in the notes to the financial statements;
- Make sure the accounting records present the financial position of the Company accurately;
- Prepares the financial statements on a going concern basis.
- Ensure the integrity of the corporations accounting and financial reporting systems, including their independent audit.
- Monitoring implementation and effectiveness of the approved strategic and operating plans.
- Oversee major acquisitions and divestitures and establish Company's value.
- Oversee the corporate governance of the Company
- Select, compensate, monitor and replace key executives and oversee succession planning.
- Ensure a formal and transparent board member nomination and election process.
- Ensure appropriate systems of internal control are established.
- Where committees of the board are established, their mandate, composition and working procedures should be well-defined and disclosed.
- Align key executive and board remuneration (pay) with the longer-term interests of the Company and its shareholders.

The Company's policy is to maintain optimum combination of Directors. The Managing Director of the Company is a nonshareholder ex-officio Director and the Board has appointed two independent Directors as per the BSEC's requirement. The short introduction of the Directors has been described in earlier pages. The Board ensures that the activities of the Company are always conducted with adherence to high ethical standards and in the best interest of the shareholders.

BOARD MEETINGS AND PROCEDURES

The number of meetings held during the financial year ended 30 June 2020 was 06. The procedures of the board meeting are mentioned below:

- (a) **Selection of Agenda:** The Chairman of the Board, in consultation with Managing Director sets the agenda for Board meetings with the understanding that the Board is responsible for providing suggestions for agenda items that are aligned with the advisory and monitoring functions of the Board. Any member of the Board may request that an item be included on the agenda.
- (b) **Board Materials:** Board materials related to agenda items are provided to Board members sufficiently in advance of Board meetings to allow the Directors to prepare for discussion of the items at the meeting.
- (c) **Senior Management in the Board meeting:** At the invitation of the Board, members of senior management attended Board meetings or portions thereof for the purpose of participating in discussions.

THE RESPONSIBILITIES OF THE MANAGEMENT

To ensure effective maintenance of corporate governance, the Management of Summit Power Limited (SPL) formulates and implements tactical plan to align the organization as per strategic objectives and policies provided by the Board. In Summit, the Management is in full control of the Company's affairs and is also accountable to the Board. The Management firmly believes that the success of the Company is achieved through fair practice of the corporate governance framework.

In discharging its responsibilities aligned with the defined policies and objectives of the board of directors, the Management fulfills certain key functions including –

- Implementing and providing feedback about - the corporate strategy, major plans of action, risk policy, annual budgets and business plans and performance objectives.
- Assisting the Board to ensure the integrity of the Company's accounting & financial reporting systems, in particular, systems for risk management, financial and operational control and compliance with the law and relevant standards.
- Assisting the Board to review the Company's financial statements and oversee its compliance with applicable audit, accounting and reporting requirement.
- Assisting the Board to monitor and implement the effectiveness of the approved strategic plans by adopting relevant tactical and operating plans.

- Establish Company's values as defined by the Board.
- Monitor and provide feedback about the corporate governance of the Company to the Board.

The Management builds the confidence of the Board by ensuring that the activities of the Company are always conducted with adherence to high ethical standard and in the best interest of the shareholders and other stakeholders while optimizing the wealth of the Company.

INTERNAL CONTROL FRAMEWORK

Our understanding about Internal Control aligns with the COSO Internal Control Integrated Framework, a widely used framework of internal control, which is broadly defined as a process, carried out by an entity's board of directors, management, and other personnel. It is designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, and compliance.

The Company has adequate system of internal control in place. The well-defined organization structure, predefined authority levels, documented policy guidelines and an extensive system of internal controls ensure optimal utilization and protection of resources, reporting of financial transactions and compliance with applicable laws and regulations. The system also ensures that assets are safeguarded against loss from unauthorized use or disposition.

Everyone in an organization has responsibility for internal control to some extent and all personnel should be responsible to ensure a healthy internal control system. The roles and responsibilities of the major entities are as follows –

BOARD OF DIRECTORS

The Board of directors provides governance, guidance and oversight to the management. Our board members are objective, capable and inquisitive. They also have knowledge of the entity's activities and environment, and commit the time necessary to fulfill their board responsibilities. Management may be in a position to override controls and ignore or stifle communications from subordinates, enabling a dishonest management which intentionally misrepresents results to cover its tracks.

MANAGEMENT

The top manager of the organization has overall responsibility for designing and implementing effective internal control to ensure the requirement of the board. The top management is also liable for the issues those affects integrity and ethics and other factors of a positive control environment. In our Company, the top management fulfills this duty by providing leadership and direction to senior managers and reviewing the way they're controlling the business. Senior managers, assign responsibility for establishment of more specific internal control policies and procedures to personnel responsible for the unit's functions.

AUDITORS

The internal auditors and external auditors of the organization also measure the effectiveness of internal control and report them accordingly. They assess whether

the controls are properly designed, implemented and working effectively, and make recommendations on how to improve internal control. They may also review Information technology controls, which relate to the IT systems of the organization. There are laws and regulations on internal control related to financial reporting in a number of jurisdictions. To provide reasonable assurance that internal controls involved in the financial reporting process are effective, they are tested by the external auditor (the organization's public accountants), who are required to opine on the internal controls of the Company and the reliability of its financial reporting.

AUDIT COMMITTEE

Summit Power Limited has a very well defined audit commit, similar like other committees. The roles and the responsibilities of the audit committee are as follows -

- Review of the quarterly, half-yearly and annual financial statements as well as other financial results of the Company and, upon its satisfaction of the review, recommend them to the board for approval.
- Monitoring and reviewing the adequacy and effectiveness of the Company's financial reporting process, internal control and risk management system.
- Monitoring and reviewing the arrangements to ensure objectivity and effectiveness of the external and internal audit functions. Examine audit findings and material weaknesses in the system and monitor implementation of audit action plans.
- Recommending to the Board for appointment, reappointment or removal of external auditors.
- Reviewing and monitoring of the Company's ethical standards and procedures to ensure compliance with the regulatory and financial reporting requirements.

REMUNERATION COMMITTEE

The roles and the responsibilities of the remuneration committee of our Company are as follow -

- a) Approve and oversee administration of the Company's Compensation Policy.
- b) Review and approve specific compensation matters for the key executives.
- c) Review, as appropriate, any changes to compensation matters for the officers listed above with the Board.
- d) Review and monitor all human-resource related performance and compliance activities and reports, including the performance management system.
- e) They also ensure that benefit-related performance measures are properly used by the management of the organization.
- f) Review and discuss with management and the external auditors and approve the audited financial statements of the organization and make a recommendation regarding inclusion of those financial statements in any public filing. Also review with management and the independent auditor the effect of regulatory and accounting initiatives as well as off-balance sheet issues in the organization's financial statements.

- g) Review and discuss with management the types of information to be disclosed and the types of presentations to be made financial and investment related issues.
- h) Confirm the scope of audits to be performed by the external and internal auditors, monitor progress and review results and review fees and expenses. Review significant findings or unsatisfactory internal audit reports, or audit problems or difficulties encountered by the external independent auditor. Monitor management's response to all audit findings.
- i) Manage complaints concerning accounting, internal accounting controls or auditing matters.
- j) Receive regular reports from the Top Management and the Company's other Control Committees regarding deficiencies in the design or operation of internal controls and any fraud that involves management or other employees with a significant role in internal controls.
- k) Support management in resolving conflicts of interest. Monitor the adequacy of the organization's internal controls and ensure that all fraud cases are acted upon

OPERATING STAFF

The Company perceives that all staff members are responsible for reporting problems of operations, monitoring and improving their performance, and monitoring non-compliance with the corporate policies and various professional codes, or violations of policies, standards, practices and procedures. Their particular responsibilities are documented in their individual personnel files. In performance management activities they take part in all compliance and performance data collection and processing activities as they are part of various organizational units and may also be responsible for various compliance and operational-related activities of the organization. Staff and junior managers are also involved in evaluating the controls within the organizational unit using a control self-assessment.

SUBSIDIARY COMPANIES

Summit Power Limited has five subsidiary Companies and in accordance with the corporate governance guidelines set by BSEC, the Company ensured that -

- The conditions stating how the Board of Directors should be composed including the requirement to appoint independent directors is fulfilled.
- The independent directors of the Company are also appointed as such in the subsidiary Companies.
- Activities and transactions of the subsidiary Companies are also reviewed at the Board meetings of the Company.
- Minutes of the Board meetings of the subsidiaries are reviewed by the Board of the Company as well.
- Audit Committee of the Company assessed the financial statements of the subsidiary Companies as well.
- Any conflicts of interest that may have arisen during interCompany transactions were mitigated effect.

STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)

Status of compliance with conditions imposed by the Commission's Notification no. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June 2018 issued under section 2CC of the Securities and Exchange Ordinance, 1969 is presented below:

(Report under Condition No. 9.00)

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1.	Board of Directors			
1(1)	The total number of members of a Company's Board of Directors (hereinafter referred to as "Board") shall not be less than 5 (five) and more than 20 (twenty).	✓	-	The SPL Board is comprised of 15 Directors including Managing Director.
1(2)	Independent Directors			
1(2)(a)	At least one fifth (1/5) of the total number of directors in the Company's board of director shall be independent directors.	✓	-	There are three (03) Independent Directors in the SPL Board.
1(2)(b)	'Independent director' means a director			
1(2)(b)(i)	Who either does not hold any share in the Company or holds less than one percent (1%) shares of the total paid-up shares of the Company;	✓	-	-
1(2)(b)(ii)	Who is not a sponsor of the Company or is not connected with the Company's any sponsor or director or nominated director or share holder of the Company or any of its associates, sister concerns, subsidiaries and parents or holding entities who holds one percent (1%) or more shares of the total paid-up shares of the Company on the basis of family relationship and his or her family members also shall not hold above mentioned shares in the Company;	✓	-	-
1(2)(b)(iii)	Who has not been an executive of the Company in immediately preceding 2 (two) financial years;	✓	-	-
1(2)(b)(iv)	Who does not have any other relation ship,whether pecuniary or otherwise, with the Company or its subsidiary or associated companies;	✓	-	-
1(2)(b)(v)	Who is not a member or TREC (Trading Right Entitlement Certificate) holder, director or officer of any stock exchange	✓	-	-
1(2)(b)(vi)	Who is not a shareholder, director excepting independent director or officer of any member or TREC holder of stock exchange or an intermediary of the capital market;	✓	-	-
1(2)(b)(vii)	Who is not a partner or an executive or was not a partner or an executive during the preceding 3 (three) years of the concerned Company's statutory audit firm or audit firm engaged in internal audit services or audit firm conducting special audit or professional certifying compliance of this Code;	✓	-	-
1(2)(b)(viii)	Who is not Independent Director in more than 5 (five) listed companies.	✓	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1(2)(b)(ix)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan or any advance to a Bank or a Non-Bank Financial Institution (NBFI);	✓	-	-
1(2)(b)(x)	Who has not been convicted for a criminal offence involving moral turpitude	✓	-	-
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	✓	-	-
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days	✓	-	-
1(2)(e)	The tenure of office of an Independent Director shall be for a period of 3 (three) years which may be extended for 1 (one) term only.	✓	-	-
1(3)	Qualification of Independent Director			
1(3)(a)	Independent director shall be a Knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	✓	-	-
1(3)(b)	Independent Director shall have following Qualification.			
1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted Company having minimum paid-up capital of Tk. 100.00 million or any listed Company or a member of any national or international chamber of commerce or business association;	✓	-	-
1(3)(b)(ii)	Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum paid-up capital of Tk. 100.00 million or of a listed Company;	✓	-	-
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law;	✓	-	-
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law or not;	✓	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	✓	-	-
1(3)(c)	The Independent Director(s) shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	✓	-	-
1(3)(d)	In special cases, the above qualification or experiences may be relaxed subject to prior approval of the commission.	✓	-	-
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the Company shall be filled by different individuals;	✓	-	-
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed Company shall not hold the same position in another listed Company;	✓	-	-
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the Company;	✓	-	-
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	✓	-	-
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓	-	-
1(5)	Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	✓	-	-
1(5)(ii)	The segment-wise or product-wise performance;	✓	-	-
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	✓	-	-
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	✓	-	-
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	✓	-	-
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	✓	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1(5)(vii)	A statement of utilisation of proceeds raised through public issues, rights issues and/or any other instruments;	-	-	N/A
1(5)(viii)	An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	-	-	N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	✓	-	-
1(5)(x)	A statement of remuneration paid to the directors including Independent Directors;	✓	-	-
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	✓	-	-
1(5)(xii)	A statement that proper books of account of the issuer Company have been maintained;	✓	-	-
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	✓	-	-
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	✓	-	-
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored	✓	-	-
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	✓	-	-
1(5)(xvii)	A statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons thereof shall be disclosed;	✓	-	-
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained;	✓	-	-
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	✓	-	-
1(5)(xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year;	-	-	N/A
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	✓	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	✓	-	-
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by			
1(5)(xxiii) (a)	Parent or subsidiary or associated companies and other related parties (name wise details);	✓	-	-
1(5)(xxiii) (b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	✓	-	-
1(5)(xxiii) (c)	Executives; and	✓	-	-
1(5)(xxiii) (d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details);	✓	-	-
1(5)(xxiv)	In case of appointment/re-appointment of a Director the Company shall disclose the following information to the Shareholders			
1(5)(xxiv) (a)	A brief resume of the Director;	✓	-	-
1(5)(xxiv) (b)	Nature of his/her expertise in specific functional areas.	✓	-	-
1(5)(xxiv) (c)	Names of companies in which the person also holds the directorship and the membership of committees of the board.	✓	-	-
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on			
1(5)(xxv) (a)	Accounting policies and estimation for preparation of financial statements;	✓	-	-
1(5)(xxv) (b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	✓	-	-
1(5)(xxv) (c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	✓	-	-
1(5)(xxv) (d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	✓	-	-
1(5)(xxv) (e)	Briefly explain the financial and economic scenario of the country and the globe;	✓	-	-
1(5)(xxv) (f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company; and	✓	-	-
1(5)(xxv) (g)	Future plan or projection or forecast for Company's operation, performance and financial position, with justification there of, i.e., actual position shall be explained to the shareholders in the next AGM;	✓	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	✓	-	-
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C .	✓	-	-
1(6)	Meetings of the Board of Directors			
	The Company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	✓	-	-
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the Company;	-	✓	In Process
1.7.(b)	The code of conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	-	✓	In Process
2	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of Directors of the holding Company shall be made applicable to the composition of the Board of Directors of the subsidiary Company.	✓	-	-
2(b)	At least 1 (one) independent director on the Board of Directors of the holding Company shall be a director on the Board of Directors of the subsidiary Company.	✓	-	-
2(c)	The minutes of the Board meeting of the subsidiary Company shall be placed for review at the following Board meeting of the holding Company.	✓	-	-
2(d)	The Minutes of the respective Board meeting of the holding Company shall state that they have reviewed the affairs of the Subsidiary Company also.	✓	-	-
2(e)	The Audit Committee of the holding Company shall also review the Financial Statements, in particular the investments made by the Subsidiary Company.	✓	-	-
3.0	Managing Director (MD) or Chief Executive Officer (CEO), Chief Financial Officer (CFO), Head of Internal Audit and Compliance (HIAC) and Company Secretary (CS)			
3(1)	Appointment			

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
3(1)(a)	The Board shall appoint a Managing Director (MD) or Chief Executive Officer (CEO), a Company Secretary (CS), a Chief Financial Officer (CFO) and a Head of Internal Audit and Compliance (HIAC);	✓	-	Ms. Ayesha Aziz Khan is Director Finance (CFO)
3(1)(b)	The positions of the Managing Director (MD) or Chief Executive Officer (CEO), Company Secretary (CS), Chief Financial Officer (CFO) and Head of Internal Audit and Compliance (HIAC) shall be filled by different individuals;	✓	-	-
3(1)(c)	The MD or CEO, CS, CFO and HIAC of a listed Company shall not hold any executive position in any other Company at the same time;	✓	-	-
3(1)(d)	The Board shall clearly define respective roles, responsibilities and duties of the CFO, the HIAC and the CS;	✓	-	-
3(1)(e)	The MD or CEO, CS, CFO and HIAC shall not be removed from their position without approval of the Board as well as immediate dissemination to the Commission and stock exchange(s).	✓	-	-
3(2)	Requirement to attend Board of Directors' Meetings			
	The MD or CEO, CS, CFO and HIAC of the Company shall attend the meetings of the Board.	✓	-	-
3(3)	Duties of Managing Director (MD) or Chief Executive Officer (CEO) and Chief Financial Officer (CFO)			
3(3)(a)	The MD or CEO and CFO shall certify to the Board that they have reviewed financial statements for the year and that to the best of their knowledge and belief:			
3(3)(a)(i)	These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓	-	-
3(3)(a)(ii)	These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws;	✓	-	-
3(3)(b)	The MD or CEO and CFO shall also certify that there are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board or its members;	✓	-	-
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	✓	-	-
4	Board of Directors' Committee			
	For ensuring good governance in the Company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee	✓	-	-
4(ii)	Nomination and Remuneration Committee.	✓	-	-
5	Audit Committee			
5(i)	Responsibility to the Board of Directors.			
5(i)(a)	The Company shall have an Audit Committee as a sub-committee of the Board;	✓	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
5(i)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business;	✓	-	-
5(i)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	✓	-	-
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	✓	-	-
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the Company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	✓	-	-
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	✓	-	-
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee	✓	-	-
5(2)(e)	The Company secretary shall act as the secretary of the Committee;	✓	-	-
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓	-	-
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	✓	-	-
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	✓	-	-
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM);	✓	-	-
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year:	✓	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)	
		Complied	Not complied		
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, which ever is higher, where presence of an independent director is a must.	✓	-	-	
5(5)	Role of Audit Committee				
	The audit committee shall				
5(5)(a)	Oversee the financial reporting process;	✓	-	-	
5(5)(b)	Monitor choice of accounting policies and principles.	✓	-		
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	✓	-	-	
5(5)(d)	Oversee hiring and performance of external auditors.	✓	-	-	
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	✓	-	-	
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	✓	-	-	
5(5)(g)	Review along with the management, the quarterly and half-yearly Financial Statements before submission to the Board for approval.	✓	-	-	
5(5)(h)	Review the adequacy of internal audit function.	✓	-	-	
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report	✓	-	-	
5(5)(j)	Review statement of all related party transactions submitted by the management;	✓	-	-	
5(5)(k)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors.	✓	-	-	
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	✓	-	-	
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission:	✓	-	N/A	
5(6)	Reporting of the Audit Committee				
5(6)(a)	Reporting to the Board of Directors				
5(6)(a)(i)	The Audit Committee shall report on its activities to the Board of Directors.	✓	-	-	
5(6)(a)(ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any:-				

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
5(6)(a)(ii) (a)	Report on conflicts of interests.			
5(6)(a)(ii) (b)	Suspected or presumed fraud or irregularity or material defect identified in the internal audit and compliance process or in the financial statements;	-	-	No such incidence arose
5(6)(a)(ii) (c)	Suspected infringement of laws, regulatory compliances including securities related laws, rules and regulations;	-	-	No such incidence arose
5(6)(a)(ii) (d)	Any other matter which the Audit Committee deems necessary shall be disclosed to the Board immediately;	-	-	No such incidence arose
5(6)(b)	Reporting to the Authorities: If the Audit Committee has reported to the Board about anything which has material impact on the financial condition and results of operation and has discussed with the Board and the management that any rectification is necessary and if the Audit Committee finds that such rectification has been unreasonably ignored, the Audit Committee shall report such finding to the Commission, upon reporting of such matters to the Board for three times or completion of a period of 6 (six) months from the date of first reporting to the Board, which ever is earlier.	-	-	No such reportable incidence arose
5.(7)	Reporting to the Shareholders and General Investors:- Report on activities carried out by the Audit Committee, including any report made to the Board under condition No. 5(6)(a)(ii) above during the year, shall be signed by the Chairperson of the Audit Committee and disclosed in the annual report of the issuer Company.	✓	-	-
6.	Nomination and Remuneration Committee (NRC)			
6(1)	Responsibility to the Board of Directors			
6(1)(a)	The Company shall have a Nomination and Remuneration Committee (NRC) as a sub-committee of the Board;	✓	-	-
6(1)(b)	The NRC shall assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top level executive as well as a policy for formal process of considering remuneration of directors, top level executive;	-	✓	In Process
6(1)(c)	The Terms of Reference (ToR) of the NRC shall be clearly set forth in writing covering the areas as stated at the condition No. 6(5)(b).	-	✓	In Process
6(2)	Constitution of the NRC			
6(2)(a)	The Committee shall comprise of at least three members including an independent director;	✓	-	The Committee is formed on 7 October 2020
6(2)(b)	All members of the Committee shall be non-executive directors;	✓	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
6(2)(c)	Members of the Committee shall be nominated and appointed by the Board;	√	-	-
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√	-	-
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	√	-	-
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	√	-	-
6(2)(g)	The Company secretary shall act as the secretary of the Committee;	√	-	-
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√	-	-
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.	√	-	-
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√	-	-
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes	√	-	Yet to hold any meeting
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders:	√	-	Will attend AGM (14th December 2020)
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√	-	Yet to hold any meeting
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√	-	Do
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, which ever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√	-	Do

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	✓	-	Do
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	✓	-	-
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			
6(5)(b)(i)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	-	✓	In Process
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the Company successfully;	-	✓	In Process
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	-	✓	In Process
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;	-	✓	In Process
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	-	✓	In Process
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	-	✓	In Process
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	-	✓	In Process
6(5)(b)(v)	Identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	-	✓	In Process
6(5)(b)(vi)	Developing, recommending and reviewing annually the Company's human resources and training policies;	-	✓	In Process
6(5)(c)	The Company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	-	✓	In Process
7	External or Statutory Auditors			
7(1)	The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely:-			

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
7(1)(i)	Appraisal or valuation services or fairness opinions;	✓	-	-
7(1)(ii)	Financial information systems design and implementation;	✓	-	-
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	✓	-	-
7(1)(iv)	Broker-dealer services;	✓	-	-
7(1)(v)	Actuarial services;	✓	-	-
7(1)(vi)	Internal audit services or special audit services;	✓	-	-
7(1)(vii)	Any service that the Audit Committee determines;	✓	-	-
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	✓	-	-
7(1)(ix)	Any other service that creates conflict of interest.	✓	-	-
7(2)	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company:	✓	-	-
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	✓	-	-
8	Maintaining a website by the Company			
8(1)	The Company shall have an official website linked with the website of the stock exchange.	✓	-	www.summitpowerinternational.com/spl
8(2)	The Company shall keep the website functional from the date of listing.	✓	-	SPL microwebsite has 34 pages
8(3)	The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	✓	-	www.summitpowerinternational.com/spl-financial-statement
9	Reporting and Compliance of Corporate Governance			
9(1)	The Company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report.	✓	-	-
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting.	✓	-	-
9(3)	The directors of the Company shall state in accordance with the Annexure-C attached, in the directors' report whether the Company has complied with these conditions or not	✓	-	-

3

ENVIRONMENT SOCIAL AND GOVERNANCE (ESG)



Social and Environment:

Environment and Sustainability Report 2019-20

Corporate Social Responsibility (CSR) Report

ENVIRONMENT AND SUSTAINABILITY REPORT 2019-20

Environmental, Health, Safety & Sustainability (EHS&S) is a core part of our SPL identity – we care about people and the environment. It is therefore integrated into all aspects of our business. In 2019-20, we further developed our business strategy and aligned it consistently with the requirements of the future energy world. We operate in a transparent way for our stakeholders i.e. employees, vendors, lenders, investors and the communities we impact, directly and indirectly. Our environmental, social, and governance (ESG) management approach helps us to live up to this commitment. To ensure long-term business resilience, we seek to minimise negative environmental and social impacts, by actively managing our operations and engaging with our stakeholders. Under the guidance of EHS&S and Sustainability, our business units have a responsibility to implement the Annual EHS&S and Sustainable Development Plan to help us meet our overall objectives for these areas.

Our Sustainability Strategic Plans (SSPs) describes how sustainability supports our business strategy and puts in place the commitments for our ESG topics and the selected UN Sustainable Development Goals (SDGs) while providing the framework for medium-term target-setting, annual progress reviews, and specific action plans. Company-wide we have developed and adopted COVID-19 Guidelines. As part of implementation we have conducted a Precaution Drill on COVID-19 Pandemic in all twelve power plants of SPL.

Environment, Health and Safety (EHS) Audits

Every year the EHS audits are conducted in all the SPL power plants to ensure the suitability, adequacy and effectiveness of the environment, health safety and implementation of social policies as per the regulations of Bangladesh and international standards. In addition, we also carefully consider adopting best industrial practices. We target to mitigate any non-compliance issues.



Engr. Md. Mozammel Hossain, Managing Director of Summit Gazipur II Power and Ace Alliance accompanying the ERM India representative while auditing the facilities as part of the Environmental and Social Monitoring Audit.



On behalf of IDCOL, L&T Sargent & Lundy Limited completed the technical audit of Summit Gazipur II Power Co Ltd.



This year we had successfully completed the Environmental and Social Monitoring Audit of Ace Alliance Limited as part of the due diligence with AECOM, the world's premier infrastructure consulting firm.

Part of internal EHS programmes we conduct EHS audits, community consultations, maintain medical first aid, fire safety, access to safe water, waste management and train employees and communities on EHS Awareness.



This year two rounds of audits were conducted by the E&S team on all 12 plants in SPL.



Community consultation meeting



First Aid Boxes and fire extinguishers are made available in selected locations in the power plant premise. Also environmental awareness signages are posted both inside and outside.



As part of Environmental Awareness Programme an onsite training is being held at Kirtonkhola river near the Summit Barisal Power Plant.

Trainings

We regularly conduct training to keep our employees and support staff well informed about the policies and how to implement them.



Emergency Response Drill



IMS training conducting by Bureau Veritas.

A total of 32 trainings on EHS were conducted this year. Here are the trainings conducted at a glimpse:

Title	Course Code	ASPP	CNPP	MDPP	RUPP	JNPP	MNPP	ULPP	NGPP	SNPUIL	SBPL	SGIPL	Total participants
SF-04	Training on Emergency Response Procedure	X	X	X	X	X	X	X	X	X	X	X	455
SF-05	Training on Aspect, Impact & HIRA	X	X	X	X	X	X	X	X	X			212
SF-06	Training on Safety Awareness and PPE	X	X			X	X	X	X		X		176
CT-04	Environmental Protection, Safety Awareness & Use of PPE	X	X								X		118

Internationally recognised certifications received by the power plants of Summit Power Limited are:

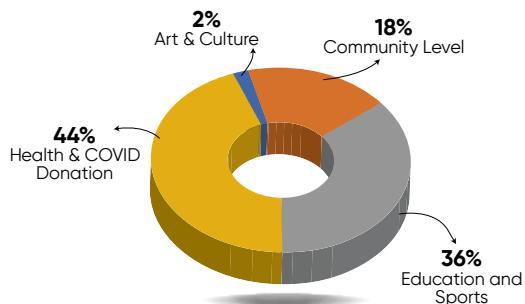
SL. No.	Plant Name	ISO 9001:2015	ISO 14001:2015	OHSAS 18001:2008	Social Policy
1	Ashulia Power Plant	✓	✓	✓	✓
2	Madhabdi Power Plant	✓	✓	✓	✓
3	Chandina Power Plant	✓	✓	✓	✓
4	Maona Power Plant	✓	✓	✓	✓
5	Rupganj Power Plant	✓	✓	✓	✓
6	Jangalia Power Plant	✓	✓	✓	✓
7	Ullapara Power Plant	✓	✓	✓	✓
8	Narayanganj Power Plant Unit I	✓	✓	✓	✓
9	Narayanganj Power Plant Unit II	✓	✓	✓	✓
10	Summit Barisal Power Plant	✓	✓	✓	✓
11	Ace Alliance Power Plant	Under Process	Under Process	Under Process	✓
12	Summit Gazipur II Power Plant	Under Process	Under Process	Under Process	✓

Key figures

Particulars	Unit	2019-20
Employees	Nos	621
Proportion of female employees	%	1.45
Installed Generation capacity	MW	976
Total energy sold	MWhr	26,74,757
Liquid fuel consumption	Metric tons	15,99,34,821.40
Natural Gas consumption	Cubic meter	32,17,81,808.40
Waste generated	Metric tons	1,183.44
Hazardous waste generated	Metric tons	3,716.41
Carbon intensity of Bangladesh portfolio	Ton/GWh	540
Water consumption	Metric tons	73,842.71
Wastewater treated	Metric tons	23,110.95
Facilities certified to ISO:14001	%	100
Facilities certified to OHSAS:18001	%	100
Severe environmental incidents	Nos	0
Fatalities	Nos	0
Total lost time accidents (including vehicular)	hr	0
Total amount spend on community development	Tk	35,314,707

CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT

In March 2020, the Bangladesh government declared lockdown for the pandemic. During the lockdown, there were two Eid festivals when historically almost 25% of the annual retail sales take place creating many temporary jobs. There was a substantial drop in sales. In addition, Barisal and Khulna were affected by the super cyclone *Amphan* with substantial damage in fisheries and agriculture sectors. Due to the cyclone Amphan, about 22 million households were temporarily left without power. We have invested about BDT 3 Crore in our communities which is equivalent to approximately USD 0.35 million in our CSR activities in the last financial year.



This year for the unprecedented and unexpected pandemic Summit has diverted its fund to health and COVID response, followed by our continued commitment in education and sports.

CONTRIBUTION DURING PANDEMIC

Thermal Scanners to the Health Ministry

Summit presented five world-class thermal scanners to the Ministry of Health and Family Welfare (MoHFA) for effectively and speedily identifying body temperatures of the passengers at international airports in Bangladesh. The thermal scanners helped in correct identification of passengers with fever, which is one of the major symptoms of coronavirus (COVID-19) and enabled better coordination with airport and public health professionals for quarantine.



Vice-Chairman of Summit Group of Companies Md. Latif Khan and other directors handed over the thermal scanners to honourable Health and Family Welfare Minister Zahid Maleque.

Hon. Prime Minister's Relief and Welfare Fund

Vice-Chairman of Summit Group of Companies Md. Farid Khan handed over a cheque of BDT Three Crore to the Principal Secretary to the Honourable PM Dr. Ahmad Kaikaus in virtual presence of the Honourable Prime Minister Sheikh Hasina at the Prime Minister's Office to help daily wage earners.



PP gears and masks for medical professionals

In the wake of the global coronavirus pandemic many medical workers were unsafe as they render healthcare to the patients. To support Bangladesh's health and medical workers who are serving selflessly, Summit provided high quality two thousand Protective Suits and fifty thousand masks specifically made for this purpose.



Vice-Chairman of Summit Group Md Farid Khan handed over thermal scanners, personal protective gears and masks especially made for the medical professionals to Brig Gen Md Shahidullah, Director of Central Medical Store Depot (CMSD).

OTHER INSTITUTIONS:

Support Jaago for providing relief, consisting of food and medical supplies, to the daily wage earners

The COVID-19 pandemic has thrust our community into unknown territory and many in our community have faced both health and economic impacts. Summit supported Jaago for providing relief, consisting of food and medical supplies, to the daily wage earners.



Food packages distribution in Banani and Rayer Bazar among the daily wage earners.

Support Prothom Alo Trust for providing relief

To battle against the COVID-19 outbreak Summit distributes relief and cash money to 1,020 students family in remote areas such as Teknaf (Cox's Bazar), Ghogadoho (Kurigram), Godagari (Rajshahi), Padma Char (Rajshahi), Daulatkhan (Bhola), Niyamotpur (Naogoan).



Support SEID for providing relief, consisting of food to the SEID-Summit Community Therapy School Students Family

Poor children with developmental disabilities such as in SEID in Kamrangirchar are more vulnerable to corona virus due to their weak immune system, inadequate living standard, negligence, and lack of awareness. As part of



CSR, we at Summit have provided essential packages with ten masks, two strips of Paracetamol, three bottles of Napa syrup, and five mini soaps to each family of the disable children.

Support Shurer Dhara for providing relief, consisting of food to the Shurer Dhara School Students Family

Summit supports financially disadvantaged slums children's families through Shurer Dhara-Music for Development, an organisation that was founded by Rezwana Chowdhury Bannya.



CONTRIBUTION TO THE COMMUNITY

Diplomatic Correspondents Association (DCAB)

Summit actively facilitates Diplomatic Correspondents Association, Bangladesh (DCAB). DCAB is a professional forum of diplomatic correspondents with the mission to cover the foreign ministry, issues of foreign policy, international security, trade and development, and different international organisations, including diplomatic missions and donor agencies.



Dr. A K Abdul Momen, Foreign Minister and Md. Shahriar Alam, State Minister for Foreign Affairs attended the event as Chief and Special Guest respectively and Masud Bin Momen, Secretary Ministry of Foreign Affairs attended as Guest of Honour at DCAB Night 2019 held 21st anniversary of the forum at Banani Club, Dhaka.

Blanket Distribution

Summit Power Limited carried out a blanket distribution drive to help the underprivileged to fight the harsh winter across the country. This year more than 2,000 selected helpless and poor people got blankets across the country.



Helping the victims of cyclone Amphan

Cyclone Amphan devastated regions of the Southern Part of Bangladesh in May 2020 which affected more than a million people. Summit provided emergency relief for vulnerable communities of the victims of the cyclone *Amphan*.



EDUCATION

Alor Pathshala

Summit fully sponsors six remote schools through Prothom Alo Trust. More than a thousand students are studying free of cost in these schools around Bangladesh.



Coastal Area School, Teknaf, Cox's Bazar



Brahmaputra River Char Area School, Ghogadoho, Kurigram



Adi Bashi School for Santali Tribe Godagari, Rajshahi



A School at River Padma Char Area, Rajshahi



Meghna Char Area School, Daulatkhan, Bhola



School for Kol Tribe at Niyamotpur, Naogan

SEID-Summit Community Therapy School

Since 2009, Summit has been sharing the same objectives for promoting the rights of underprivileged children with disabilities with SEID Trust and sponsors SEID Community Therapy School at Kamrangirchar, Dhaka. The support of Summit for the development of underprivileged children with disabilities of SEID has been proven to be encouraging disable children of families living in slums. Summit Power Limited's Director Ms. Azeza Aziz Khan is the distinguished member of SEID Trust's Board of Directors.



Dhaka Residential Model College Science Club

Summit proudly sponsored the 13th DRMC Summit National Science Carnival. This is one of the biggest science programmes in Bangladesh. There were several Olympiads including Mechanics, Mathematics, Physics, Chemistry, Biochemistry, Astronomy, Earth, Biology and others.

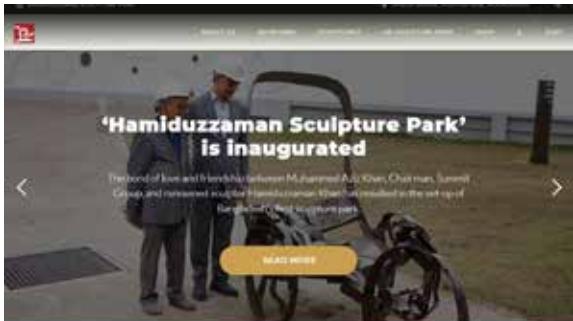


The 13th DRMC Summit National Science Carnival was inaugurated by Nasrul Hamid, MP, state minister for the Ministry of Power, Energy and Mineral Resources while MD of Summit Power presents as the special guest.

ARTS AND CULTURE

Hamiduzzaman Sculpture Park

Summit has set up 'Hamiduzzaman Sculpture Park' located at Summit Gazipur 464 MW Power Plant's premises at Kodda, Gazipur to promote art education. The park contains around 20 sculptures and installations including the country's largest 340-feet mural. The park is work in progress as the artist adds to the collection.



As a tribute to the Hamiduzzaman Khan's work and life throughout the last five decades, Summit also developed website www.hamiduzzamankhan.com

South Regional Clay Artisan Conference and Honouring programme

Bangladesh has a rich heritage of terracotta art of over thousands of years. To encourage the clay artisans, Summit sponsors the fair along with art competition and award ceremony. This year over 200 artisans gathered to exhibit their creations and fourteen were being honoured for their contribution to the art of pottery.. Summit has a 120 MW power plant in Barisal.



'Feeling the Void' of Hamiduzzaman Khan

Summit is pleased to sponsor Prof Hamiduzzaman Khan's solo art exhibition titled 'Feeling the Void' which took place at Dwip Gallery in Dhaka. The exhibition featured watercolour paintings by eminent artist and sculptor Professor Hamiduzzaman Khan. The paintings dealt with abstraction of natural landscape and human environment.



The two-week long solo art exhibition of Prof. Hamiduzzaman Khan held at Dwip Gallery.

Shurer Dhara

Summit supports financially disadvantaged children to learn music and other performing arts through Shurer Dhara -Music for Development, an organisation that was founded by Rezwana Chowdhury Bannya, a distinguished alumna of Viswa Bharati.



Here students from slums learn performing arts along with students who pay for the lessons, creating an environment for better social cohesion and lasting passion for art and culture.

SPORTS

Summit Cup Golf Tournament

Since 1996, Summit has been sponsoring and organising Summit Open Golf Tournament at Kurmitola Golf Club, Dhaka to support this emerging sport in Bangladesh.



Soldier Sonia Akhter of Bangladesh Army won this year's Lady Amateur title, Md. Samrat the Amateur (Men) winner and Ismail Hossain of Savar Golf Club became the champion of 10th Summit Pro Golf Tournament. The total prize money was BDT 1.3 million.

Sabrina Sultana, Gold Medal Winner Shooter

Summit had supported the treatment of Bangladesh's former Commonwealth Games gold medal winner shooter Sabrina Sultana. Unfortunately, she is now bedridden at the young age of only 44 due to neuromyelitis optica, a disease that rendered her lower half almost completely paralysed.



Winning moment of gold medal of the women's 'three positions' event in the Bangladesh Games.

CSR Committee

This year Summit formed a CSR Committee. The CSR Committee will govern and review the CSR Activities of the Company from time to time. The present composition of the CSR committee of the Board is as below:

Mr. Muhammed Aziz Khan
(Chair), Chairman, Summit Group

Ms. Ayesha Aziz Khan
MD & CEO, Summit Power International

Mr. Faisal Karim Khan
Additional Managing Director, Summit Corporation Limited

Ms. Azeza Aziz Khan
Director of Summit Group

Ms. Mohsena Hassan
Head of PR & Media, Summit Corporation Limited

4

FINANCIAL ANALYSIS



- Declaration by MD and Director Finance
- Financial Highlights 2019-20
- Financial Review 2019-20
- Business Review 2019-20
- Value Added Statement 2019-20
- Economic Value Added Statement
- Contribution to the National Exchequer and Economy

DECLARATION BY MD AND DIRECTOR FINANCE

07 October 2020

The Board of Directors
Summit Power Limited
18 Kawran Bazar C/A
Dhaka 1215

Subject: Declaration on Financial Statements for the year ended on 30 June 2020

Dear Sir(s) and Madam(s),

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

1. The Financial Statements of Summit Power Limited for the year ended on 30 June 2020 have been prepared in compliance with International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- i. We have reviewed the financial statements for the year ended on 30 June 2020 and that to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.

Sincerely yours,



Ayesha Aziz Khan
Director Finance

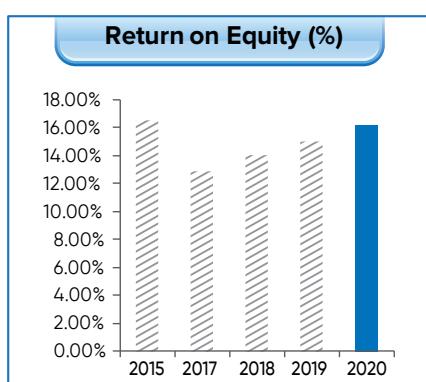
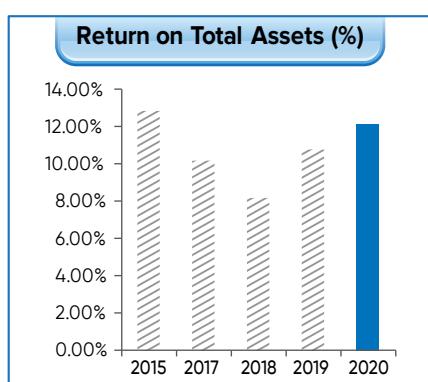
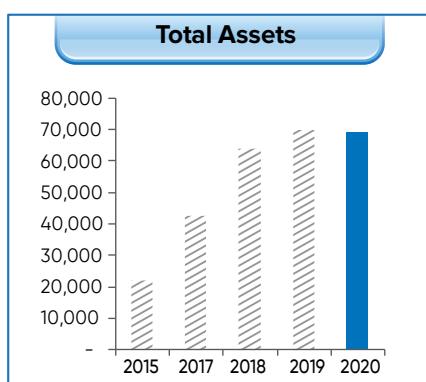
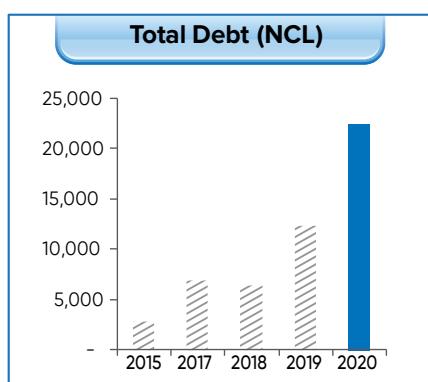


Lt. Gen. (Retd.) Engr. Abdul Wadud
Managing Director

FINANCIAL HIGHLIGHTS 2019-20

Particulars	30 June 2020	30 June 2019	30 June 2018 (Rest.)	30 June 2017 (Rest.)	31 December 2015
Operating Data (Taka in million)					
Turnover	24,031	30,472	18,468	16,214	10,013
Cost of Sales	14,555	22,478	13,063	11,849	6,760
Gross Profit	9,475	7,994	5,405	4,365	3,252
General & Admin Expenses	507	568	461	419	387
Operating Profit	9,261	7,662	5,284	4,178	3,132
Interest & Financial Charges	1,764	1,525	537	529	216
Net Profit of the Company	8,484	7,283	5,274	4,596	3,610
Net Profit Attributable to Owners	5,525	5,105	4,696	4,268	2,943
Balance Sheet Data					
(Taka in million)					
Paid up Capital	10,679	10,679	10,679	10,679	8,264
Shareholders' Equity	33,637	34,596	33,378	31,322	22,968
Total Debt (NCL)	22,465	12,372	6,430	6,895	142
Current Assets	18,482	19,851	15,181	12,376	5,801
Current Liabilities	6,070	15,917	21,016	2,838	7,540
Total Assets	69,338	70,136	64,346	42,810	34,697
Total Liabilities	28,534	28,289	27,446	9,734	7,682
Financial Ratios					
Gross Profit Ratio (%)	39.43%	26.23%	29.27%	27.47%	32.48%
Net Profit Ratio (%)	35.30%	23.90%	28.56%	26.75%	36.05%
Return on Total Assets (%)	12.17%	10.83%	8.20%	10.21%	11.78%
Total Debt Equity Ratio	69.93%	67.60%	74.38%	29.43%	22.14%
Return on Equity (%)	16.20%	15.02%	14.07%	12.94%	14.39%
Price Earnings Ratio (Times)	6.79	8.72	9.70	10.90	10.56
Current Ratio (Times)	3.04	1.25	0.72	4.36	0.77
Other data					
Earnings Per Share (Taka)	5.17	4.78	4.40	4.00	3.36
Dividend (%)	C-35	C-35	C-30	C-30	C-12, B-6
Total No of Shares Outstanding	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	876,000,721
Weighted Average no of Shares Outstanding	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	876,000,721
Total no of Sponsors Shares Under Lock in	723,754,740	723,754,740	723,754,740	723,754,740	578,041,122
Total no of Free Float Shares	344,122,499	344,122,499	344,122,499	344,122,499	297,959,599
Return on capital employed (ROCE)	15.12	15.51	13.25	12.02	12.21
EBITDA (Taka in millions)	11,188	9,537	6,457	5,182	3,942
Capacity utilisation (%)	33%	40%	59%	67%	71%
Licensed capacity (MW)	976	976	782	482	317
Electricity sold (MWH)	2,674,757	3,251,853	2,783,699	2,819,436	1,976,414
No. of permanent employee	593	571	443	313	289
No. of power plant	15	15	14	13	11

FINANCIAL HIGHLIGHTS 2019-20



FINANCIAL REVIEW 2019-20

Despite less demand of electricity caused by COVID-19 pandemic situation in Bangladesh, Summit Power Limited together its subsidiaries, Summit Barisal Power Limited (SBPL), Summit Narayanganj Power Unit II Limited (SNPUIIL), Summit Gazipur II Power Limited (SGIPL) and Ace Alliance Power Limited (AAPL) have managed to maintain its operational efficiency this year through proper planning and prompt initiatives. Although some of the parameters have tended to decrease, the Company managed to increase its overall profitability and earnings growth keeping the cash dividend declaration stable over years.

Revenue

- Consolidated revenue has decreased by 21% (Tk. 6,4441 million) in 2019-20 relative to the revenue in previous year;
- The decrease in revenue has been due to less demand of electricity by BPDB due to shut-down of economic activities in the country.

Cost of Sales

- Consolidated cost of sales in 2019-20 also went down by 35% over last year;
- The decrease in cost of sales has been mainly due to less generation of electricity.

Net Profit

- Net profit increased by 16% (by Tk. 1,201 million) over last year on account of revenue recognition against operating lease (all plant assets) on a straight-line basis (equalisation of capacity-component revenue over the life of PPA term) in accordance with IFRS 16 Leases and efficient management of operating expenses.

Total Assets

- Total assets base of the Company decreased by 1% over last year;
- The decrease in total assets base by Tk. 798 million was attributed mainly by decrease in fair value of investment in equity securities and trade receivables in terms of fuel component, periodic depreciation charge and disbursement of cash dividend.

Total Liabilities

- Total Liabilities increased by 1% during the year due to issuance of redeemable preference shares and drawdown of project loan from foreign lenders for SGIPL, thus settling of liabilities for project loan (short term). Apart from this, trade payables decreased because of less generation resulting in lower fuel bills payable to suppliers.

Shareholders' Equity

- Shareholders' Equity decreased by 3% during the year by an amount of Tk. 959 million;
- The decrease occurred mainly because of decrease in fair value reserve relating to fall in market value of equity investment and decrease in fair value of LIBOR based SWAP instrument.

Operating Profit

- The operating profit increased by 21% this year mainly on account of revenue recognition against operating lease (all plant assets) on a straight-line basis (equalisation of capacity-component revenue over the life of PPA term) in accordance with IFRS 16 Leases and efficient management of operating expenses.

Earnings Per Share (EPS)

- The EPS figure has increased by 8% (Tk. 0.39) per share over last year;
- The increase was mainly on account of increased profitability by SPL and its subsidiaries.

Property, Plant and Equipment

- The property, plant and equipment, net of depreciation, decreased by 1.02% over last year because of few more additions in plant and machinery in the form of spare parts which has been offset by regular periodic depreciation charge on assets.

Current Assets

- The current assets went down by 7% this year compared to previous year due to lower trade receivables caused by lower generation (fuel-component revenue), adjustment of advances with regards to property, plant and equipment and lower advance payment for fuel purchase.

Long Term Liabilities

- The long-term liabilities have increased by Tk. 82% because of addition of long-term foreign currency loan and redeemable preference shares for SGIPL.

Return on Total Assets

- The return on total assets is 12.17% against 10.83% of last year;
- The ratio has increased because of increased profitability by SPL and its subsidiaries.

Return on Equity

- The return on equity is 16.20% against 15.02% of last year;
- The ratio has increased because of increased profitability by SPL and its subsidiaries.

BUSINESS REVIEW 2019-20

Summit Power Limited (SPL) and its subsidiaries at present operate 15 power plants having total Generation Capacity is 976 MW. It has also 17.64% equity participation in Khulna Power Company Limited (KPCL), (155 MW) and 30% in Summit Meghnaghat Power Company Limited (SMPCL), (337.42 MW). All these power plants were made available to the extent required as per the Power Purchase Agreement (PPA), indicating excellent operational performance of the Company. As a result Summit Power Limited of its own has delivered approximately 2,675 million Kwh to the National Grid.

SPL has always used brand new highly efficient engines/turbines and other auxiliaries of best international standard. The aim is to spend bare minimum fuel for generation of electricity and save costly fuel of the country. The new and quality machine allows SPL to maintain its guaranteed contractual availability and Heat Rate (fuel consumption for generation of each unit of electricity) ensuring efficient use of fuel and gas. A typical review of the performance is given below –

- Profit attributed to shareholders has increased by 8.24% over last year due to better operational efficiency and favorable impact of revenue recognition under IFRS 16: Lease;
- All the power plants of Summit Power Limited (separate), performed quite better in terms of energy export in 2019-2020;
- All the plants achieved the targeted availability factor;
- Operational performance of new power plant, Summit Gazipur II Power Limited and Ace Alliance Power Limited for the year ended on 30 June 2020 have contributed to better profitability this year as well;
- Net profit earned from Summit Narayanganj Power Unit II Limited and Summit Barisal Power Limited has also increased over last year due to better operational efficiency and decline in net finance costs;
- The overall gas consumption was reasonably within targeted specification.
- Consolidated net finance costs have increased because of higher interest costs incurred on foreign loan taken for subsidiaries, particularly for Summit Gazipur II Power Plant, coupled with lower foreign exchange gain;
- Profit sharing from SMPCL and dividend income from KPCL have contributed to good profitability at Tk.8,484 million in year 2019-20 against Tk. 7,283 in last year;
- Considering the net profit attributable to shareholders, the earnings per share (EPS) stood this year Tk.5.17 against Tk. 4.78 of last year;
- The operational capacity of power plants in-total stood at 975.96 MW this year as same to last year;
- Availability of better cash and cash equivalents after mitigating all the operational and development cash requirements has assisted management to declare 35% cash dividend this year.

VALUE ADDED STATEMENT 2019-20

A Value added statement (VAS) is regarded as part of social responsibility accounting. A value added statement shows the wealth or value created and is attributed to all stakeholders rather than just the shareholders. The value added statement (VAS) reports on the income earned by a large group of stakeholders, all the providers of capital plus employees and the government.

Value addition	2019-20	2018-19
	Taka	Taka
Revenue	24,030,680,364	30,471,632,393
Other income including interest income	1,024,363,932	1,059,083,573
Cost of sales, excluding depreciation	(12,685,987,508)	(20,666,122,015)
Share of profit from associate Company	327,737,361	401,661,173
Other operating expenses, excluding depreciation & amortization	(449,069,673)	(504,978,642)
Total value added	12,247,724,476	10,761,276,482
Distribution of added value		
To employees as salaries and allowances	559,922,903	509,006,704
To directors as salaries and allowances	92,213,721	79,954,466
To banks and other lenders	1,763,619,373	1,524,938,929
To shareholders	3,737,570,337	3,737,570,337
	6,153,326,334	5,851,470,436
Retained for reinvestment & future growth		
Depreciation and amortization	1,926,979,447	1,874,596,841
Retained profit	4,167,418,695	3,035,209,205
	6,992,537,488	4,909,806,046
	12,247,724,476	10,761,276,482

ECONOMIC VALUE ADDED (EVA) STATEMENT

For the year ended 30 June 2020

Economic Value Added (EVA) is a measure of a Company's financial performance based on the residual wealth calculated by deducting cost of capital from its operating profit (adjusted for taxes on a cash basis). The formula for calculating EVA is as follows:

EVA = Net Operating Profit after Taxes (NOPAT) - (Capital X Cost of Capital)

Particulars	30 June 2020 Taka	30 June 2019 Taka
Net operating profit after tax	8,483,753,840	7,282,615,403
Average shareholders' equity	41,325,682,132	39,373,481,933
Cost of capital*	7.36%	8.56%
Cost of average shareholders' equity	3,041,570,205	3,370,370,053
Economic Value Added (EVA)	5,442,183,635	3,912,245,350

*Cost of capital is based on interest of 5 years Government Treasure Bond plus a standard risk premium.

CONTRIBUTION TO THE NATIONAL EXCHEQUER AND ECONOMY

Electricity is one of the main driving forces of the economy and it has a diversified use and multiplier effect on the economy. Significantly in the development of industrialization, electricity as fuel has no alternative. This year your company added 2,675 million units (Kwh) of electricity to the national grid. This addition has contributed notably in enhancing industrial productions and providing more job opportunities throughout the country. As a shareholder you can be proud of your Company's contribution to Bangladesh as it continues to contribute to national economy in the current year also.

Your Company/group has received exemption from all such taxes from the Government of Bangladesh under the private sector power generation policy for a period of 15 years from start of its commercial operation. However, after expiry of initial 15 years of operation, three power plants (33 MW capacity in-total) are now under the purview of corporate income tax bracket. The Company has contributed a significant amount to the national exchequer in the form of different duties, taxes and VAT while importing spare parts for the power plants' maintenance work and at different operation level activities coupled with corporate income tax for taxable units. The details of such contribution to the Nation Exchequer and the Economy are as follows -

Forms of Contribution	Amount in Taka	
	30 June 2020	30 June 2019
Salary taxes	39,877,582	33,871,438
Corporate income tax, port charges, duties & taxes on spare parts and AIT on interest from bank deposits	82,724,995	159,089,448
AIT of suppliers	52,673,147	58,195,589
VAT of suppliers	58,724,282	96,439,535
AIT on dividend on preference shares	29,860,000	16,500,000
AIT on gas bills	52,264,540	36,341,131
VAT on lubricant oil	41,047,120	69,190,267
Total	357,171,665	469,627,408

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AUDITOR'S REPORT AND AUDITED FINANCIAL STATEMENTS

SPL's Independent Auditor's Report and Audited Financial Statements

Brief Disclosures of Subsidiaries

- Summit Barisal Power Limited (SBPL)
- Summit Narayanganj Power Unit II Limited (SNPUIIL)
- Summit Gazipur II Power Limited (SGIPL)
- Ace Alliance Power Limited (AAPL)
- Summit Chittagong Power Limited (SCPL)

Independent auditor's report

To the shareholders of Summit Power Limited

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated financial statements of Summit Power Limited and its subsidiaries (the "Group") as well as the separate financial statements of Summit Power Limited (the "Company"), which comprise the consolidated and separate statement of financial position as at 30 June 2020, the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements of the Group and the separate financial statements of the Company give a true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at 30 June 2020, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 and comply with the Companies Act, 1994, the Securities and Exchange Rules, 1987, relevant guidelines issued by the Bangladesh Securities and Exchange Commission, Financial Reporting Act, 2015 and other applicable laws and regulations.

Basis for opinion

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

Emphasis of matter

We draw users' attention to the following notes to the financial statements:

Note 12.1 wherein Management has explained that the receivables from Bangladesh Rural Electrification Board (BREB) is recoverable based on the outcome of writ petition filed with the High Court Division of the Honorable Supreme Court.

Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements for the year ended 30 June 2020. These matters were addressed in the context of the audit of the financial statements, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below our description of how our audit addressed the matter is provided in that context.

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

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

Key audit matters	How the matters were addressed in our audit
<p>01. Transition to International Financial Reporting Standard 16 Leases (IFRS 16) from International Accounting Standard 17 Leases (IAS 17)</p> <p>With reference to Note 5 (Sep) and 24 to the financial statements, IFRS 16 Leases becomes effective for annual reporting beginning on or after 01 January 2019 which replaces the existing standard IAS 17 Leases. Summit Power Limited decided to adopt the modified retrospective approach for the transition accounting. The application of the new lease standard resulted in the recognition of a right-of-use (ROU) asset at BDT 24,906,390 (net present value) and lease liabilities at BDT 24,906,390, in opening financial position on 1 July 2019; the impact of the adaptation of the new standard is disclosed in Note 4 of the notes to the financial statements.</p> <p>We considered the implementation of IFRS 16 Leases as a key audit matter, since management had to apply several judgments and estimates for recording the balances such as lease term, discount rates, measurement basis among others and undertake a significant data extraction exercise to summarize the lease data for input into their lease calculation model.</p>	<p>We had obtained an understand of the management's process for implementing IFRS 16 including financial controls designed by the management to mitigate the risks assessed by us independently. We had tested those relevant controls and adopted a control rely strategy. Furthermore, to mitigate the inherent risk in this audit area, our audit approach included testing of the controls and substantive audit procedures, including:</p> <ul style="list-style-type: none"> - Obtained and read the accounting policy for compliance with IFRS 16; - Obtained listing of all contracts from the management and tested the contracts on a sample basis for impact under IFRS 16. In respect of the contracts selected for testing; - Obtained and assess the borrowing rates; - Tested the assumptions used in the calculation model for the sample contracts selected for testing; - Performed test of details on a sample basis on different categories of lease for valuation of the right of use of asset and lease liability; - Assessed the disclosures within the financial statements.
<p>02. Revenue recognition and provision for customer receivables - see note # 32 & 12 to the financial statements</p> <p>Revenue recognition and provision for customer receivables are key areas of judgement, particularly in relation to:</p> <ul style="list-style-type: none"> - Energy revenue is made based on the survey of the meter reading. The customer (or government authority) verify the electrical energy output through physical inspection of meter and/or review of relevant reports generated from the meter. Upon agreement by both parties, the electrical energy delivered for the month is evidenced by the approvals of the professional engineers representing the Group and the customer. The meter is calibrated and certified by independent professional engineers on a regular basis; - Capacity payments are recognized according to the terms set out in the Power Purchase Agreement (PPA) which is mainly the availability factor; - Identifying conflicting issues relating to billing and assessing whether there is little prospect cash will be received for revenue that has been billed; and - Assessing the recoverability of receivables who do not or are unable to pay their bills. 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> - Assessed whether revenue recognition policies were applied through comparison with relevant accounting standards and industry practice, including the policy of not recognizing revenue where it is not probable that cash will be received; - Tested the Group's controls over revenue recognition and provision for customer receivables including reconciliations between sales and cash receipts systems and the general ledger; - Assessed the assumptions used to calculate the metered accrued income by ensuring that inputs used to the calculation have been derived appropriately; - Assessed the customer receivables provisioning policy based on historical cash collections, credits, re-bills and write off information; - Assessed the Group's disclosures of its revenue recognition and customer receivables provisioning policies, including the estimation and uncertainty involved in recording revenue and the receivables provisioning; and - Discussed with the management regarding the treatment for revenue recognition and customer receivables provisioning policy of the Group.

Key audit matters	How the matters were addressed in our audit
<p>03. Application of cash flow hedge accounting - see note # 27.4 to the financial statements</p> <p>Three subsidiaries (SBPL, SNPUIL & AAPL) of the Group are exposed to financial risks for availing loans denominated in foreign currency. Cash flow hedge accounting is applied on interest to manage these financial risks.</p> <p>We regard this as an area of most significance in the current year audit of the consolidated financial statements due to the complexities associated with monitoring and application of hedge accounting.</p> <p>The valuation of underlying hedged items and hedging instruments, along with the calculation of hedge effectiveness and hedge reserve balances can involve complex quantitative models and significant judgement associated with assumptions and hedge accounting methodologies that increase the risk of potential error. Furthermore, the accounting treatment results in significant balances for the Group that arise because of the election to apply hedge accounting.</p>	<p>We had considered the application of the accounting policies and assessed the hedge accounting methodologies applied; and compared these to the requirements of IFRS 9 Financial Instruments, including:</p> <ul style="list-style-type: none"> - Obtained an understanding of management's hedge accounting process and tested the relevant key controls in place over the process and the hedge accounting effectiveness models. - Assessed the inputs and assumptions used in the hedging models by comparing these to external information and market data. - Assessed the presentation for derivative financial instruments and hedge accounting applied in the financial statements.
<p>04. Functional currency changes of subsidiaries.</p> <p>Two subsidiaries (SBPL & SNPUIL) of the Group have changed the functional currency to USD from BDT, that changes made an impact in the financial statements. We assessed this as an area of most significance in the current year audit of the consolidated financial statements due to the complexities associated with monitoring and application of functional currency changes. The underlying functional currency changes along with the calculation of functional currency conversion could have been involved complex quantitative and significant effect in the financial statements.</p>	<p>We had considered the application of the change in accounting policies and assessed the impact of the functional currency change and application of the requirements of IAS 21 The Effects of Changes in Foreign Exchange Rates, including:</p> <ul style="list-style-type: none"> - Obtained an understanding of management's functional currency change process and tested the relevant key controls in place over the process and the functional currency change effects. - Assessed the conversion rates used in the functional currency change by comparing these to external information and market data and checked the presentation for any differences raised due to application of this changes in financial statements.

Other information

Management is responsible for the other information. The other information comprises the directors' report, management discussion and analysis, statement of corporate governance, financial highlights, economic value added statement, value added statement and certification on corporate governance but doesn't include the financial statements and our auditor's report. The directors' report, management discussion and analysis, statement of corporate governance, financial highlights, economic value added (EVA) statement, value added statement and certification on corporate governance are expected to be made available to us after the date of this auditor's report.

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

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

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements of the Group and also separate financial statements of the Company in accordance with IFRSs as explained in note 2 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Companies Act, 1994 and the BSEC guidelines require the management to ensure effective internal audit, internal control and risk management functions of the Company.

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

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit

conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

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

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

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

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

Report on other legal and regulatory requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable rules and regulations issued by BSEC, 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 account as required by law have been kept by the Group and the Company so far as it appeared from our examination of those books;
- c) the consolidated balance sheet and consolidated profit and loss account together with the annexed notes dealt with by the report are in agreement with the books of account and returns; and
- d) the expenditures incurred, and payments made were for the purpose of the Group's and the Company's business for the year.

The engagement partner on the audit resulting in this independent auditor's report is Mohammed Hamidul Islam.

Place: Dhaka
Date: 07 October 2020



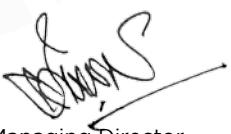
A. Qasem & Co.
Chartered Accountants

SUMMIT POWER LIMITED
Statement of financial position
As at 30 June 2020

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Assets					
Property, plant and equipment	4	39,743,391,034	40,153,454,293	10,905,077,299	11,541,127,388
Intangible assets	5	48,015,987	47,863,446	10,192,339	20,893,446
Investment in subsidiaries	6	-	-	2,550,702,270	2,550,702,270
Investment in associate	7	6,386,644,316	6,084,406,955	3,801,772,452	3,801,772,452
Deferred tax asset	8	-	43,923,588	-	31,960,363
Other asset	9	1,495,080,679	-	-	-
Other investments	10	3,183,406,796	3,955,793,693	3,183,406,796	3,955,793,693
Non-current assets		50,856,538,812	50,285,441,975	20,451,151,156	21,902,249,612
Inventories	11	601,567,551	684,430,782	363,805,232	396,733,863
Trade receivables	12	11,415,305,024	11,856,589,210	7,269,644,496	6,335,784,314
Other receivables	13	48,933,306	118,564,559	38,900,726	69,205,617
Intercompany receivables	14	-	-	328,722,629	491,831,506
Advances, deposits and prepayments	15	688,114,861	1,348,074,663	457,313,212	675,108,914
Cash and cash equivalents	16	5,727,900,496	5,843,296,539	2,141,057,165	2,146,617,197
Current assets		18,481,821,238	19,850,955,753	10,599,443,460	10,115,281,411
Total assets		69,338,360,050	70,136,397,728	31,050,594,616	32,017,531,023
Equity					
Share capital	17	10,678,772,390	10,678,772,390	10,678,772,390	10,678,772,390
Share premium	18	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639
Revaluation reserve	19	867,156,989	963,843,005	867,156,989	963,843,005
Fair value reserve	20	(450,754,855)	323,509,578	(450,754,855)	323,509,578
Capital reserve	21	1,668,093,205	1,668,093,205	1,668,093,205	1,668,093,205
Hedging reserve	22	(638,824,028)	(333,801,733)	-	-
Currency translation reserve	23	80,251,948	62,494,928	-	-
Retained earnings		14,953,387,378	14,754,154,182	10,266,988,041	10,590,121,870
Equity attributable to owners of the Company		33,637,180,666	34,596,163,194	29,509,353,409	30,703,437,687
Non-controlling interests	24	7,166,761,596	7,251,258,808	-	-
Total equity		40,803,942,262	41,847,422,002	29,509,353,409	30,703,437,687
Liabilities					
Redeemable preference shares	25	2,014,135,364	1,469,771,322	-	-
Loans and borrowings	26	19,036,096,085	10,088,328,323	-	-
Deferred liabilities	27	1,382,809,883	813,937,731	294,943,722	233,973,700
Deferred tax liabilities	8	31,576,169	-	46,400,605	-
Non-current liabilities		22,464,617,501	12,372,037,376	341,344,327	233,973,700
Dividend payable	28	276,029,807	75,475,039	276,029,807	75,475,039
Redeemable preference shares	25	351,404,260	157,509,885	-	-
Loans and borrowings	26	1,683,641,291	10,968,298,719	-	-
Trade payables	29	3,175,569,328	3,896,255,273	871,719,596	398,245,011
Other payables and accruals	30	578,746,524	618,470,229	50,210,129	69,801,685
Intercompany payables	31	4,409,077	200,929,205	1,937,348	536,597,901
Current liabilities		6,069,800,287	15,916,938,350	1,199,896,880	1,080,119,636
Total liabilities		28,534,417,788	28,288,975,726	1,541,241,207	1,314,093,336
Total equity and liabilities		69,338,360,050	70,136,397,728	31,050,594,616	32,017,531,023

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


Managing Director


Director


Company Secretary

Signed as per our report of same date.

Place: Dhaka
Date: 07 October 2020


A.Qasem & Co.
Chartered Accountants

SUMMIT POWER LIMITED
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2020

Particulars	Notes	Consolidated		Separate		Figures in BDT
		30 June 2020	30 June 2019	30 June 2020	30 June 2019	
Revenue	32	24,030,680,364	30,471,632,393	8,274,964,857	8,449,571,723	
Cost of sales	33	(14,555,433,002)	(22,477,882,735)	(4,640,325,610)	(4,825,169,800)	
Gross profit		9,475,247,362	7,993,749,658	3,634,639,247	3,624,401,923	
Other income, net	34	292,566,190	236,552,632	1,438,466,608	229,235,365	
General and administrative expenses	35	(506,603,626)	(567,814,762)	(276,621,401)	(300,930,160)	
Operating profit		9,261,209,926	7,662,487,528	4,796,484,454	3,552,707,128	
Finance income/(expenses), net	36	(1,031,821,631)	(702,407,988)	212,681,881	177,069,441	
Share of profit of equity-accounted investees	7	327,737,361	401,661,173	-	-	
Profit before tax		8,557,125,656	7,361,740,713	5,009,166,335	3,729,776,569	
Income tax expenses	37	(73,371,816)	(79,125,310)	(7,786,193)	(34,990,767)	
Profit after tax		8,483,753,840	7,282,615,403	5,001,380,142	3,694,785,802	
Other comprehensive income						
Items that will not be reclassified to profit or loss						
Actuarial gain/(loss) on gratuity valuation, net of tax	38	(5,588,654)	(16,967,450)	(4,249,500)	(14,209,500)	
Other investments – net change in fair value	10	(774,264,433)	(363,132,046)	(774,264,433)	(363,132,046)	
		(779,853,087)	(380,099,496)	(778,513,933)	(377,341,546)	
Items that may be reclassified subsequently to profit or loss						
Change in fair value of financial derivative instruments	27.4	(505,119,225)	(579,964,031)	-	-	
Foreign currency translation impact		48,374,738	106,491,977	-	-	
		(456,744,487)	(473,472,054)	-	-	
Other comprehensive income		(1,236,597,574)	(853,571,550)	(778,513,933)	(377,341,546)	
Total comprehensive income		7,247,156,266	6,429,043,853	4,222,866,209	3,317,444,256	
Profit attributable to:						
Owners of the Company		5,525,397,094	5,104,797,292	-	-	
Non-controlling interests		2,958,356,746	2,177,818,111	-	-	
		8,483,753,840	7,282,615,403	-	-	
Other comprehensive income attributable to:						
Owners of the Company		(1,067,429,135)	(683,316,366)	-	-	
Non-controlling interests		(169,168,439)	(170,255,184)	-	-	
		(1,236,597,574)	(853,571,550)	-	-	
Total comprehensive income attributable to:						
Owners of the Company		4,457,967,959	4,421,480,926	-	-	
Non-controlling interests		2,789,188,307	2,007,562,927	-	-	
		7,247,156,266	6,429,043,853	-	-	
Earnings per share						
Basic earnings per share (face value BDT 10)	39	5.17	4.78	4.68	3.46	

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



Managing Director



Director



Company Secretary

Signed as per our report of same date.

Place: Dhaka
Date: 07 October 2020

SUMMIT POWER LIMITED
Consolidated statement of changes in equity
For the year ended 30 June 2020

Figures in BDT

Particulars	Attributable to owners of the Company									Non-controlling interests	Total equity
	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Hedging reserve	Currency translation reserve	Retained earnings	Total		
Balance at 1 July 2018	10,678,772,390	6,479,097,639	982,964,725	686,641,624	1,668,093,205	-	33,270,616	12,849,427,782	33,378,267,981	3,521,273,883	36,899,541,864
Total comprehensive income											
Profit	-	-	-	-	-	-	-	5,104,797,292	5,104,797,292	2,177,818,111	7,282,615,403
Other comprehensive income	-	-	-	(363,132,046)	-	(333,801,733)	29,224,312	(15,560,895)	(683,270,362)	(170,301,186)	(853,571,548)
Total comprehensive income	-	-	-	(363,132,046)	-	(333,801,733)	29,224,312	5,089,236,397	4,421,526,930	2,007,516,925	6,429,043,855
Transaction with owners of the Company											
Cash dividend	-	-	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)	-	(3,203,631,717)
Equity capital of non-controlling interest	-	-	-	-	-	-	-	-	-	1,722,468,000	1,722,468,000
Total transactions with owners of the Company	-	-	-	-	-	-	-	3,203,631,717	(3,203,631,717)	1,722,468,000	(1,481,163,717)
Transactions recognised directly in equity											
Transfer from revaluation reserve to retained earnings	-	-	(19,121,720)	-	-	-	-	19,121,720	-	-	-
Total transactions recognised directly in equity	-	-	(19,121,720)	-	-	-	-	19,121,720	-	-	-
Balance at 30 June 2019	10,678,772,390	6,479,097,639	963,843,005	323,509,578	1,668,093,205	(333,801,733)	62,494,928	14,754,154,182	34,596,163,194	7,251,258,808	41,847,422,002
Balance at 1 July 2019	10,678,772,390	6,479,097,639	963,843,005	323,509,578	1,668,093,205	(333,801,733)	62,494,928	14,754,154,182	34,596,163,194	7,251,258,808	41,847,422,002
Total comprehensive income											
Profit	-	-	-	-	-	-	-	5,525,397,094	5,525,397,094	2,958,356,746	8,483,753,840
Other comprehensive income	-	-	-	(774,264,433)	-	(305,022,295)	17,757,020	(5,899,427)	(1,067,429,135)	(169,168,439)	(1,236,597,574)
Total comprehensive income	-	-	-	(774,264,433)	-	(305,022,295)	17,757,020	5,519,497,667	4,457,967,959	2,789,188,307	7,247,156,266
Transaction with owners of the Company											
Cash dividend	-	-	-	-	-	-	-	(5,339,386,195)	(5,339,386,195)	(2,873,685,519)	(8,213,071,714)
Equity capital of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-	-	-	(5,339,386,195)	(5,339,386,195)	(2,873,685,519)	(8,213,071,714)
Transactions recognised directly in equity											
Transfer from revaluation reserve to retained earnings	-	-	(19,121,724)	-	-	-	-	19,121,724	-	-	-
Deferred tax on revaluation of property, plant and equipment	-	-	(77,564,292)	-	-	-	-	-	(77,564,292)	-	(77,564,292)
Total transactions recognised directly in equity	-	-	(96,686,016)	-	-	-	-	19,121,724	(77,564,292)	-	(77,564,292)
Balance at 30 June 2020	10,678,772,390	6,479,097,639	867,156,989	(450,754,855)	1,668,093,205	(638,824,028)	80,251,948	14,953,387,378	33,637,180,666	7,166,761,596	40,803,942,262



Managing Director



Director



Company Secretary

Signed as per our report of same date.

Place: Dhaka
Date: 07 October 2020



A.Qasem & Co.
Chartered Accountants

SUMMIT POWER LIMITED
Separate statement of changes in equity
For the year ended 30 June 2020

Particulars	Figures in BDT							
	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Retained earnings	Total equity	
Balance at 1 July 2018	10,678,772,390	6,479,097,639	982,964,725	686,641,624	1,668,093,205	10,094,055,565	30,589,625,148	
Total comprehensive income								
Profit	-	-	-	-	-	3,694,785,802	3,694,785,802	
Other comprehensive income	-	-	-	(363,132,046)	-	(14,209,500)	(377,341,546)	
Total comprehensive income	-	-	-	(363,132,046)	-	3,680,576,302	3,317,444,256	
Transaction with owners of the company								
Cash dividend	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)	
Total transactions with owners of the company	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)	
Transactions recognised directly in equity								
Transfer from revaluation reserve to retained earnings	-	-	(19,121,720)	-	-	19,121,720	-	
Total transactions recognised directly in equity	-	-	(19,121,720)	-	-	19,121,720	-	
Balance at 30 June 2019	10,678,772,390	6,479,097,639	963,843,005	323,509,578	1,668,093,205	10,590,121,870	30,703,437,687	
Balance at 1 July 2019	10,678,772,390	6,479,097,639	963,843,005	323,509,578	1,668,093,205	10,590,121,870	30,703,437,687	
Total comprehensive income								
Profit	-	-	-	-	-	5,001,380,142	5,001,380,142	
Other comprehensive income	-	-	-	(774,264,433)	-	(4,249,500)	(778,513,933)	
Total comprehensive income	-	-	-	(774,264,433)	-	4,997,130,642	4,222,866,209	
Transaction with owners of the company								
Cash dividend	-	-	-	-	-	(5,339,386,195)	(5,339,386,195)	
Total transactions with owners of the company	-	-	-	-	-	(5,339,386,195)	(5,339,386,195)	
Transactions recognised directly in equity								
Transfer from revaluation reserve to retained earnings	-	-	(19,121,724)	-	-	19,121,724	-	
Deferred tax on revaluation of property, plant and equipment	-	-	(77,564,292)	-	-	-	(77,564,292)	
Total transactions recognised directly in equity	-	-	(96,686,016)	-	-	19,121,724	(77,564,292)	
Balance at 30 June 2020	10,678,772,390	6,479,097,639	867,156,989	(450,754,855)	1,668,093,205	10,266,988,041	29,509,353,409	



Managing Director



Director



Company Secretary

Signed as per our report of same date.

Place: Dhaka
Date: 07 October 2020



A.Qasem & Co.
Chartered Accountants

SUMMIT POWER LIMITED
Statement of cash flows
For the year ended 30 June 2020

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Cash flows from operating activities				
Receipts from customers	23,005,035,191	27,808,398,801	7,342,768,427	7,487,596,900
Payment to employees, suppliers and service-providers	(12,923,063,060)	(21,722,259,858)	(3,317,643,094)	(5,044,616,927)
Receipts from other sources	8,996,665	43,926,173	4,923,500	8,164,105
Income tax paid	(35,765,798)	(76,135,963)	(11,195,918)	(11,318,497)
Net cash from operating activities	10,055,202,998	6,053,929,153	4,018,852,915	2,439,825,581
Cash flows from investing activities				
Interest received and realised foreign exchange gain	1,144,908,295	296,185,805	210,146,242	201,643,459
Dividend received	306,296,706	216,937,348	1,430,778,872	216,937,348
Acquisition of property, plant and equipment	(1,332,663,769)	(2,876,129,813)	(164,660,276)	(466,924,438)
Acquisition of intangible asset	(2,674,504)	(4,407,474)	(2,674,504)	(4,407,474)
Proceeds from disposal of property, plant and equipment	886,700	6,043,695	886,700	6,031,000
Acquisition of subsidiary	-	-	-	(251,200,000)
(Payment of)/ Receipt from financial support	-	200,397,901	175,611,484	121,761,876
Net cash generated from/(used in) investing activities	116,753,428	(2,160,972,538)	1,650,088,518	(176,158,229)
Cash flows from financing activities				
Interest paid	(1,753,382,236)	(946,714,504)	(1,009,485)	(1,327,778)
Proceeds from issue of share capital (NCI)	-	25,964,000	-	-
Proceeds from issue of redeemable preference shares	900,000,000	800,431,534	-	-
Repayment of redeemable preference shares	(161,090,500)	(160,000,000)	-	-
Proceeds from loans and borrowings	11,013,404,920	5,491,526,662	-	200,000,000
Repayment of loans and borrowings	(11,537,533,600)	(5,674,776,949)	-	(200,000,000)
Transaction cost	(565,449,121)	(104,728,205)	-	-
Proceeds from/ (Repayment to) financial support	(199,596,448)	820,311,158	(534,660,553)	-
Dividends paid	(8,012,516,946)	(3,186,586,524)	(5,138,831,427)	(3,186,586,524)
Net cash generated from/(used in) financing activities	(10,316,163,931)	(2,934,572,828)	(5,674,501,465)	(3,187,914,302)
Net changes in cash and cash equivalents	(144,207,505)	958,383,787	(5,560,032)	(924,246,950)
Effects of currency translation	28,811,462	2,920,346	-	-
Opening cash and cash equivalents	5,843,296,539	4,881,992,406	2,146,617,197	3,070,864,147
Closing cash and cash equivalents	5,727,900,496	5,843,296,539	2,141,057,165	2,146,617,197



Managing Director



Director



Company Secretary

Signed as per our report of same date.

Place: Dhaka
Date: 07 October 2020



A.Qasem & Co.
Chartered Accountants

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

1 Reporting entity

1.1 Company profile

Summit Power Limited (hereinafter referred to as "the Company"/"SPL") was incorporated in Bangladesh on 30 March 1997 as a private limited company under the Companies Act 1994 under registration no. C 32630(1751)/97 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215. The Company was subsequently converted into a public limited company on 7 June 2004. During October-November 2005, the Company listed its shares with both Dhaka and Chittagong Stock Exchanges. The Company took majority interest of Summit Purbanchol Power Company Limited ("SPPCL") and Summit Uttarancho Power Company Limited ("SUPCL") in 2007 and of Summit Narayanganj Power Limited ("SNPL") in 2010. SPPCL, SUPCL and SNPL have been amalgamated with their parent company Summit Power Limited with effect from 31 December 2015. The operation of the following companies are directly controlled by the management of Summit Power Limited.

Summit Narayanganj Power Unit II Limited ("SNPUIIL") was incorporated in Bangladesh on 10 February 2011 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh as Summit Shantahar Power Limited. On 18 November 2013 the name of Summit Shantahar Power Limited was changed as Summit Narayanganj Power Unit II Limited.

Summit Barisal Power Limited ("SBPL") was incorporated in Bangladesh on 10 February 2011 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh as Summit Saidpur Power Limited. On 18 November 2013 the name of Summit Saidpur Power Limited was changed as Summit Barisal Power Limited.

Summit Chittagong Power Limited ("SCPL") was incorporated on 27 October 2015 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka-1215, Bangladesh.

Ace Alliance Power Limited ("AAPL") was incorporated on 5 September 2011 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka-1215, Bangladesh. Initially, 64% of its shares were owned by Aitken Spence Plc, Sri Lanka and 36% by Alliance Holdings Limited, Bangladesh. In June 2016, Summit Power Limited took 64% of shares from Aitken Spence Plc, Sri Lanka and Summit Corporation Limited took 36% of shares from Alliance Holdings Limited, Bangladesh.

Summit Gazipur II Power Limited ("SGIPL") was incorporated on 3 July 2017 as a private limited company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka-1215, Bangladesh. 80% of its shares are owned by Summit Corporation Limited ("SCL") and 20% by Summit Power Limited ("SPL").

1.2 Nature of business

The principal activity of the Company/Group is to generate and supply of electricity. Operational details of the Company/ Group are as under:

Name of Company	Name of plant	Location	Plant capacity (MW)	Operation starting date	Period of PPA (Year)
Summit Power Limited	Ashulia Power Plant (Unit-I)	Savar, Dhaka	11	1 Sep 2003	20
	Ashulia Power Plant (Unit-II)	Savar, Dhaka	33.75	4 Dec 2007	15
	Madhabdi Power Plant (Unit-I)	Narsingdi	11	1 Sep 2003	20
	Madhabdi Power Plant (Unit-II)	Narsingdi	24.3	16 Dec 2006	15
	Chandina Power Plant (Unit-I)	Comilla	11	1 Sep 2003	20
	Chandina Power Plant (Unit-II)	Comilla	13.5	15 Nov 2006	15
	Rupganj Power Plant	Narayanganj	33	9 Jun 2009	15
	Jangalia Power Plant	Comilla	33	25 Jun 2009	15
	Maona Power Plant	Gazipur	33	12 May 2009	15
	Ullapara Power Plant	Sirajganj	11	3 Mar 2009	15
	Madanganj Power Plant	Narayanganj	102	1 Apr 2011	10
Summit Narayanganj Power Unit II Limited	Madanganj Power Plant (Unit-II)	Narayanganj	55	29 Feb 2016	15
Summit Barisal Power Limited	Rupatoli Power Plant	Barisal	110	5 Apr 2016	15
Ace Alliance Power Limited	Kodda Power Plant (Unit-I)	Gazipur	149	12 July 2018	15
Summit Gazipur II Power Limited	Kodda Power Plant (Unit-II)	Gazipur	300	10 May 2018	15
Summit Chittagong Power Limited*	-	-	-	-	-

All the above power plants are natural gas based, except Madanganj Power Plant, Rupatoli Power Plant, Madanganj Power Plant (Unit-2), Kodda Power Plant (Unit-1) and Kodda Power Plant (Unit-2), which are based on heavy furnace oil (HFO).

* Development of any power plant under Summit Chittagong Power Limited is yet to initiate.

1.3 Ashulia Power Plant (Unit-I), Madhabdi Power Plant (Unit-I) and Chandina Power Plant (Unit-I) - extension of Power Purchase Agreement (PPA)

The Company contracted with Bangladesh Rural Electrification Board ("BREB") for Power Purchase Agreement ("PPA") on 10 February 2000 to supply electricity from Ashulia power plant, Madhabdi power plant and Chandina power plant for 15 years to 31 August 2018 subject to extension the term of contract on the basis of mutual agreement. Under these provisions, on 17 August 2015 Management had applied to BREB for extension of the PPA for 15 years. Subsequently, BREB has recommended to Power Division of Ministry of Power, Energy and Mineral

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

Resources (MPEMR) of Bangladesh for an extension of only 5 years. After having the consent for 5 years' extension from MPEMR, both the Company and BREB have executed the amended PPA with effect from 1 September 2018 to 31 August 2023 on 5 October 2020.

2 Basis of preparation

2.1 Statement of compliance

The financial statements (consolidated and separate financial statements) have been prepared in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987, relevant guidelines issued by the Bangladesh Securities and Exchange Commission, Financial Reporting Act 2015 and other applicable laws and regulations. The titles and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirement of the Companies Act 1994. However, such differences are not material and, in the view of management, IFRSs titles and format give better presentation to the shareholders.

2.2 Authorisation for issue

The financial statements were authorised by the Board of Directors on 7 October 2020 for publication.

2.3 Basis of measurement

The financial statements have been prepared on historical cost basis except for certain assets/liabilities as explained in the accompanying notes.

2.4 Functional and presentational currency and level of precision

These financial statements are presented in Bangladesh Taka (Taka/Tk./BDT) which is both functional currency and presentation currency of the Company/Group, except for Summit Barisal Power Limited, Summit Narayanganj Power Unit II Limited, Ace Alliance Power Limited and Summit Gazipur II Power Limited. For these four companies, United States Dollar (USD) is the functional currency and BDT is the presentation currency. All amounts have been rounded to the nearest integer, unless otherwise indicated.

2.5 Reporting period

The financial period of the Company/Group covers one year from 1 July to 30 June and it is followed consistently.

Details of the Company's/Group's accounting policies are included in Note 52.

2.6 Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses, and accompanying disclosures including the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3 Changes in significant accounting standard

The table below lists the recent changes to International Financial Reporting Standards ("IFRS" or "standards") that are required to be applied by an entity with an annual reporting period beginning on or after 1 January 2019:

- IFRS 16 "Leases"
- IFRIC 23 "Uncertainty over Tax Treatments"
- Amendments to IFRS 9 "Financial Instruments" on prepayment features with negative compensation
- Amendments to IAS 28 "Investments in Associates and Joint Ventures" on long-term interests in associates and joint ventures
- Amendments to IAS 19 "Employee Benefits" on plan amendment, curtailment or settlement
- Amendments to various standards based on the Annual Improvements to IFRSs 2015-2017 Cycle

The Group initially adopted IFRS 16 "Leases" (hereafter "IFRS 16") on 1 July 2019. The other new and amended standards and the interpretation to a standard listed in the table above do not have any or material effect on the Group's financial statements.

The effects of the adoption of IFRS 16 on the Group's financial statements are explained below:

IFRS 16

IFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements for both lessors and lessees. IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC 15 Operating Leases - Incentives, and SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

IFRS 16 introduced a single, on-balance sheet lease accounting model for lessees. It changed the accounting of leases previously classified as operating leases under IAS 17, which were off balance sheet. Under IAS 17, operating leases were expensed on a straight-line basis over the term of the lease, and assets and liabilities were recognised only to the extent that there was a timing difference between actual lease payments and the expense recognised. Under IFRS 16 a lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

There are recognition exemptions for short-term leases and leases of low-value items. In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17; i.e. lessors continue to classify leases as finance or operating leases.

Impact on lessee accounting

As a lessee, the Group leases land from one of its customers (i.e. BREB). The Group previously classified leases as operating lease and accounted for in accordance with IAS 17. Under IFRS 16, the Group recognises right-of-use assets and lease liabilities for leased land from 1 July 2019 and thus the Group is not required to make any adjustments on transition to IFRS 16 for leased land.

Impact on lessor accounting

The Group leased out its power plant assets. The Group has classified these leases as operating leases. The Group is not required to make any adjustments on transition to IFRS 16 for leases in which it acts as a lessor. The Group is showing capacity revenue earned from BREB and BPDB on a straight-line basis, from 1 July 2019, over the remaining tenure of PPAs.

The Group has applied IFRS 15 Revenue from Contracts with Customers to allocate consideration in the contract to each lease and non-lease component.

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

4 Property, plant and equipment

Consolidated

For the year ended 30 June 2020

Figures in BDT

Particulars	Cost/Revaluation					Rate %	Depreciation					Written down value at 30 June 2020
	Balance at 1 July 2019	Addition/ transfer in	Disposal/ transfer out	Effect of ex-change rate movement	Balance at 30 June 2020		Balance at 1 July 2019	Addition/ transfer in	Disposal/ transfer out	Effect of ex-change rate movement	Balance at 30 June 2020	
a) Fixed assets : i) Cost												
Land and land development	1,173,655,772	129,012,920	-	3,498,145	1,306,166,837	-	-	-	-	-	-	1,306,166,837
Furniture and fixtures	35,594,488	5,448,841	-	54,822	41,098,151	10	16,652,754	3,486,455	-	12,375	20,151,584	20,946,567
Office and electrical equipment	87,957,947	7,118,412	(690,200)	122,123	94,508,282	20	49,857,581	12,958,247	(690,200)	49,035	62,174,663	32,333,619
Office decoration	30,305,028	80,500	-	1,157	30,386,685	20	29,401,155	892,428	-	716	30,294,299	92,386
Motor vehicles	178,954,353	-	-	135,677	179,090,030	20	93,030,348	24,129,382	-	43,707	117,203,437	61,886,593
Maintenance equipment	33,674,961	234,661	-	7,956	33,917,578	20	25,604,468	1,848,108	-	3,531	27,456,106	6,461,472
Civil works and others	225,786,570	-	-	146	225,786,716	20	199,062,486	12,596,069	-	47	211,658,601	14,128,115
Plant and machineries:												
Ashulia Power Plant (Unit-1)	464,065,823	1,980,955	-	-	466,046,778	3.33 - 10	282,523,800	26,887,051	-	-	309,410,852	156,635,926
Ashulia Power Plant (Unit-2)	1,574,444,331	14,885,860	-	-	1,589,330,191	3.33 - 16.67	614,399,462	86,527,338	-	-	700,926,800	888,403,391
Madhabdi Power Plant (Unit-1)	426,272,453	1,929,633	-	-	428,202,086	3.33 - 10	318,880,033	24,467,466	-	-	343,347,499	84,854,587
Madhabdi Power Plant (Unit-2)	1,058,974,501	7,744,984	-	-	1,066,719,485	3.33 - 16.67	481,472,510	58,877,023	-	-	540,349,533	526,369,952
Chandina Power Plant (Unit-1)	474,045,869	5,085,268	-	-	479,131,137	3.33 - 10	309,576,071	25,803,891	-	-	335,379,962	143,751,175
Chandina Power Plant (Unit-2)	654,072,598	22,065,288	-	-	676,137,886	3.33 - 16.67	295,751,048	37,406,224	-	-	333,157,272	342,980,614
Jangalia Power Plant	1,577,652,299	50,269,128	-	-	1,627,921,427	3.33 - 16.67	540,769,379	86,998,117	-	-	627,767,496	1,000,153,931
Rupganj Power Plant	1,576,814,156	19,737,799	-	-	1,596,551,955	3.33 - 16.67	550,396,746	73,579,649	-	-	623,976,396	972,575,560
Maona Power Plant	1,513,233,965	32,886,939	-	-	1,546,120,904	3.33 - 16.67	561,147,777	76,950,906	-	-	638,098,683	908,022,221
Ullapara Power Plant	641,176,209	8,874,949	-	-	650,051,158	3.33 - 16.67	231,157,561	36,209,878	-	-	267,367,439	382,683,719
Madanganj Power Plant	5,493,222,130	53,483,323	-	-	5,546,705,452	3.33 - 16.67	1,675,671,897	261,824,716	-	-	1,937,496,613	3,609,208,839
Rupatoli Power Plant	5,472,940,344	70,354,340	-	22,721,980	5,566,016,664	3.33 - 5	624,845,446	221,474,758	-	2,754,993	849,075,197	4,716,941,467
Madanganj Power Plant (Unit-2)	2,900,264,600	22,410,484	-	11,766,762	2,934,441,846	3.33 - 5	325,440,423	120,520,691	-	1,391,152	447,352,266	2,487,089,580
Kodda Power Plant (Unit-1)	6,467,936,135	22,198,158	-	26,784,589	6,516,918,882	3.33 - 5	217,953,081	224,163,692	-	1,068,254	443,185,027	6,073,733,855
Kodda Power Plant (Unit-2)	12,967,222,970	316,094,881	-	53,853,532	13,337,171,383	3.33 - 5	517,311,562	458,886,595	-	2,466,692	978,664,849	12,358,506,534
Total (i)	45,028,267,501	791,897,324	(690,200)	118,946,889	45,938,421,514		7,960,905,587	1,876,488,684	(690,200)	7,790,502	9,844,494,573	36,093,926,940
a) Fixed assets : ii) Revaluation												
Land and land development	569,663,952	-	-	-	569,663,952	-	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	-	13,002,138	20	13,002,138	-	-	-	-	13,002,138
Plant and machineries:												
Ashulia Power Plant (Unit-1)	166,227,903	-	-	-	166,227,903	3.33 - 10	51,945,714	5,540,880	-	-	57,486,594	108,741,309
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	3,310,422	3.33 - 16.67	1,034,517	110,352	-	-	1,144,869	2,165,553
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	-	161,663,341	3.33 - 10	50,519,284	5,388,720	-	-	55,908,004	105,755,337
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	79,752,991	3.33 - 16.67	24,922,578	2,658,420	-	-	27,580,998	52,171,993
Chandina Power Plant (Unit-1)	146,384,742	-	-	-	146,384,742	3.33 - 10	45,744,780	4,879,440	-	-	50,624,220	95,760,522
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	16,317,466	3.33 - 16.67	5,099,164	543,912	-	-	5,643,076	10,674,390
Total (ii)	1,156,322,955				1,156,322,955		192,268,174	19,121,724			211,389,898	944,933,056
Total (a-i+ii)	46,184,590,456	791,897,324	(690,200)	118,946,889	47,094,744,469		8,153,173,761	1,895,610,408	(690,200)	7,790,502	10,055,884,471	37,038,859,996
b) Spare parts												
Stock in hand	894,121,445	285,373,144	(298,778,911)	2,005,469	882,721,147	3.33 - 50	145,684,059	58,368,379	(32,989,786)	193,900	171,256,552	711,464,595
Stock in transit	121,272,030	396,089,577	(346,595,329)	33,809	170,800,087	-	-	-	-	-	-	170,800,087
Total (b)	1,015,393,475	681,462,721	(645,374,240)	2,039,278	1,053,521,234		145,684,059	58,368,379	(32,989,786)	193,900	171,256,552	882,264,682
c) Capital work-in progress												
Capital work in progress	1,252,328,183	895,309,735	(351,507,236)	5,596,466	1,801,727,148	-	-	-	-	-	-	1,801,727,148
Total (c)	1,252,328,183	895,309,735	(351,507,236)	5,596,466	1,801,727,148							1,801,727,148
Total own assets (a+b+c)	48,452,312,114	2,368,669,780	(997,571,676)	126,582,633	49,949,992,852		8,298,857,820	1,953,978,787	(33,679,986)	7,984,402	10,227,141,023	39,722,851,826
d) Right-of-use assets												
Leased land	-	24,906,390	-	-	24,906,390	-	-	4,367,182	-	-	4,367,182	20,539,208
Total (d)	-	24,906,390			24,906,390			4,367,182			4,367,182	20,539,208
Total assets (a+b+c+d)	48,452,312,114	2,393,576,170	(997,571,676)	126,582,633	49,949,899,242		8,298,857,820	1,958,345,969	(33,679,986)	7,984,402	10,231,508,205	39,743,391,034

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

Consolidated

For the year ended 30 June 2019

Figures in BDT

Particulars	Cost/Revaluation					Rate %	Depreciation					Written down value at 30 June 2019
	Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out	Effect of ex-change rate movement	Balance at 30 June 2019		Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out	Effect of ex-change rate movement	Balance at 30 June 2019	
a) Fixed assets : i) Cost												
Land and land development	953,405,952	217,336,968	-	2,912,852	1,173,655,772	-	-	-	-	-	-	1,173,655,772
Furniture and fixtures	31,506,708	4,119,063	(61,315)	30,032	35,594,488	10	13,369,598	3,321,974	(41,763)	2,945	16,652,754	18,941,734
Office and electrical equipment	73,359,209	15,247,126	(771,855)	123,467	87,957,947	20	40,622,553	9,898,429	(683,081)	19,680	49,857,581	38,100,366
Office decoration	29,704,028	601,000	-	-	30,305,028	20	27,251,039	2,150,116	-	-	29,401,155	903,873
Motor vehicles	164,003,784	29,949,535	(15,201,663)	202,697	178,954,353	20	88,226,912	19,966,184	(15,201,663)	38,914	93,030,348	85,924,006
Maintenance equipment	32,885,578	786,896	-	2,487	33,674,961	20	21,240,754	4,363,507	-	207	25,604,468	8,070,493
Civil works and others	224,889,004	897,566	-	-	225,786,570	20	177,549,839	21,512,646	-	-	199,062,486	26,724,084
Plant and machineries:												
Ashulia Power Plant (Unit-1)	457,956,738	6,109,084	-	-	464,065,823	3.33 - 10	255,045,875	27,477,925	-	-	282,523,800	181,542,022
Ashulia Power Plant (Unit-2)	1,480,456,849	93,987,482	-	-	1,574,444,331	3.33 - 16.67	532,101,053	82,298,408	-	-	614,399,462	960,044,869
Madhabdi Power Plant (Unit-1)	421,741,065	4,531,388	-	-	426,272,453	3.33 - 10	293,481,030	25,399,003	-	-	318,880,033	107,392,420
Madhabdi Power Plant (Unit-2)	1,005,495,201	53,479,300	-	-	1,058,974,501	3.33 - 16.67	425,994,874	55,477,636	-	-	481,472,510	577,501,991
Chandina Power Plant (Unit-1)	468,388,956	5,656,913	-	-	474,045,869	3.33 - 10	283,207,909	26,368,162	-	-	309,576,071	164,469,797
Chandina Power Plant (Unit-2)	624,809,281	29,263,317	-	-	654,072,598	3.33 - 16.67	260,824,491	34,926,557	-	-	295,751,048	358,321,550
Jangalia Power Plant	1,519,190,175	58,462,124	-	-	1,577,652,299	3.33 - 16.67	465,775,390	74,993,989	-	-	540,769,379	1,036,882,920
Rupganj Power Plant	1,512,653,345	64,160,812	-	-	1,576,814,156	3.33 - 16.67	474,028,243	76,368,503	-	-	550,396,746	1,026,417,410
Maona Power Plant	1,434,339,147	78,894,818	-	-	1,513,233,965	3.33 - 16.67	490,235,218	70,912,559	-	-	561,147,777	952,086,189
Ullapara Power Plant	542,984,339	98,191,870	-	-	641,176,209	3.33 - 16.67	197,227,856	33,929,705	-	-	231,157,561	410,018,648
Madanganj Power Plant	5,309,071,512	184,150,617	-	-	5,493,222,130	3.33 - 16.67	1,390,982,708	284,689,189	-	-	1,675,671,897	3,817,550,233
Rupatoli Power Plant	5,250,372,185	222,568,159	-	-	5,472,940,344	3.33 - 5	407,000,090	217,845,356	-	-	624,845,446	4,848,094,898
Madanganj Power Plant (Unit-2)	2,767,035,373	133,229,226	-	-	2,900,264,600	3.33 - 5	215,608,244	109,832,179	-	-	325,440,423	2,574,824,177
Kodda Power Plant (Unit-1)	-	6,431,616,186	-	36,319,949	6,467,936,135	3.33 - 5	-	216,685,871	-	1,267,210	217,953,081	6,249,983,054
Kodda Power Plant (Unit-2)	12,780,322,851	68,320,409	-	118,579,710	12,967,222,970	3.33 - 5	72,659,663	441,507,745	-	3,144,154	517,311,562	12,449,911,408
Total (i)	37,084,571,281	7,801,559,859	(16,034,833)	158,171,194	45,028,267,501		6,132,433,339	1,839,925,645	(15,926,507)	4,473,110	7,960,905,587	37,067,361,914
a) Fixed assets : ii) Revaluation												
Land and land development	569,663,952	-	-	-	569,663,952	-	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	-	13,002,138	20	13,002,138	-	-	-	-	13,002,138
Plant and machineries:												
Ashulia Power Plant (Unit-1)	166,227,903	-	-	-	166,227,903	3.33 - 10	46,404,838	5,540,876	-	-	51,945,714	114,282,189
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	3,310,422	3.33 - 16.67	924,165	110,352	-	-	1,034,517	2,275,905
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	-	161,663,341	3.33 - 10	45,130,564	5,388,720	-	-	50,519,284	111,144,057
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	79,752,991	3.33 - 16.67	22,264,158	2,658,420	-	-	24,922,578	54,830,413
Chandina Power Plant (Unit-1)	146,384,742	-	-	-	146,384,742	3.33 - 10	40,865,340	4,879,440	-	-	45,744,780	100,639,962
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	16,317,466	3.33 - 16.67	4,555,252	543,912	-	-	5,099,164	11,218,302
Total (ii)	1,156,322,955	-	-	-	1,156,322,955		173,146,454	19,121,720	-	-	192,268,174	964,054,780
Total (a=i+ii)	38,240,894,236	7,801,559,859	(16,034,833)	158,171,194	46,184,590,456		6,305,579,793	1,859,047,365	(15,926,507)	4,473,110	8,153,173,761	38,031,416,694
b) Spare parts												
Stock in hand	973,575,986	747,314,944	(827,755,062)	985,576	894,121,445	3.33 - 50	131,745,753	65,401,395	(51,475,183)	12,094	145,684,059	748,437,386
Stock in transit	192,764,020	1,065,486,285	(1,136,992,575)	14,300	121,272,030	-	-	-	-	-	-	121,272,030
Total (b)	1,166,340,006	1,812,801,229	(1,964,747,637)	999,876	1,015,393,475		131,745,753	65,401,395	(51,475,183)	12,094	145,684,059	869,709,416
c) Capital work-in progress												
Capital work in progress	6,082,658,814	1,616,887,084	(6,475,773,387)	28,555,672	1,252,328,183	-	-	-	-	-	-	1,252,328,183
Total (c)	6,082,658,814	1,616,887,084	(6,475,773,387)	28,555,672	1,252,328,183		-	-	-	-	-	1,252,328,183
Total assets (a+b+c)	45,489,893,057	11,231,248,173	(8,456,555,857)	187,726,742	48,452,312,114		6,437,325,546	1,924,448,760	(67,401,690)	4,485,204	8,298,857,820	40,153,454,293

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

Separate

For the year ended 30 June 2020

Figures in BDT

Particulars	Cost/Revaluation				Rate %	Depreciation				Written down value at 30 June 2020
	Balance at 1 July 2019	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2020		Balance at 1 July 2019	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2020	
a) Fixed assets : i) Cost										
Land and land development	352,578,242	-	-	352,578,242	-	-	-	-	-	352,578,242
Furniture and fixtures	23,201,020	782,089	-	23,983,109	10	13,942,802	1,989,725	-	15,932,527	8,050,582
Office and electrical equipment	59,289,710	2,613,124	(690,200)	61,212,634	20	40,831,811	7,002,373	(690,200)	47,143,985	14,068,650
Office decoration	30,025,708	80,500	-	30,106,208	20	27,921,478	836,300	-	28,757,778	1,348,430
Motor vehicles	146,197,977	-	-	146,197,977	20	84,906,147	18,022,663	-	102,928,810	43,269,167
Maintenance equipment	31,839,090	45,000	-	31,884,090	20	23,094,763	1,459,025	-	24,553,788	7,330,302
Civil works and others	225,701,485	-	-	225,701,485	20	199,052,541	12,589,032	-	211,641,572	14,059,913
Plant and machineries:										
Ashulia Power Plant (Unit-1)	464,065,823	1,980,955	-	466,046,778	3.33 - 10	282,523,799	26,887,051	-	309,410,850	156,635,928
Ashulia Power Plant (Unit-2)	1,574,444,331	14,885,860	-	1,589,330,191	3.33 - 16.67	614,399,460	86,527,338	-	700,926,798	888,403,393
Madhabdi Power Plant (Unit-1)	426,272,453	1,929,633	-	428,202,086	3.33 - 10	318,880,032	24,467,466	-	343,347,498	84,854,588
Madhabdi Power Plant (Unit-2)	1,058,974,501	7,744,984	-	1,066,719,485	3.33 - 16.67	481,472,509	58,877,023	-	540,349,532	526,369,953
Chandina Power Plant (Unit-1)	474,045,869	5,085,268	-	479,131,137	3.33 - 10	309,576,071	25,803,891	-	335,379,961	143,751,176
Chandina Power Plant (Unit-2)	654,072,598	22,065,288	-	676,137,886	3.33 - 16.67	295,751,047	37,406,224	-	333,157,271	342,980,615
Jangalia Power Plant	1,577,652,299	50,269,128	-	1,627,921,427	3.33 - 16.67	540,769,379	86,998,117	-	627,767,495	1,000,153,932
Rupganj Power Plant	1,576,814,156	19,737,799	-	1,596,551,955	3.33 - 16.67	550,396,746	73,579,649	-	623,976,395	972,575,560
Maona Power Plant	1,513,233,965	32,886,939	-	1,546,120,904	3.33 - 16.67	561,147,776	76,950,906	-	638,098,683	908,022,222
Ullapara Power Plant	641,176,209	8,874,949	-	650,051,158	3.33 - 16.67	231,157,560	36,209,878	-	267,367,438	382,683,720
Madanganj Power Plant	5,493,222,130	53,483,323	-	5,546,705,452	3.33 - 16.67	1,675,671,896	261,824,716	-	1,937,496,612	3,609,208,840
Total (i)	16,322,807,565	222,464,840	(690,200)	16,544,582,205		6,251,495,817	837,431,377	(690,200)	7,088,236,994	9,456,345,211
a) Fixed assets : ii) Revaluation										
Land and land development	569,663,952	-	-	569,663,952	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	13,002,138	20	13,002,138	-	-	13,002,138	-
Plant and machineries:										
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33 - 10	51,945,713	5,540,880	-	57,486,593	108,741,310
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 16.67	1,034,515	110,352	-	1,144,867	2,165,555
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33 - 10	50,519,283	5,388,720	-	55,908,003	105,755,338
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 16.67	24,922,578	2,658,420	-	27,580,998	52,171,993
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 10	45,744,779	4,879,440	-	50,624,219	95,760,523
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 16.67	5,099,165	543,912	-	5,643,077	10,674,389
Total (ii)	1,156,322,955	-	-	1,156,322,955		192,268,170	19,121,724	-	211,389,894	944,933,061
Total (i+ii)	17,479,130,520	222,464,840	(690,200)	17,700,905,160		6,443,763,987	856,553,101	(690,200)	7,299,626,888	10,401,278,272
b) Spare parts										
Stock in hand	510,562,199	157,470,195	(218,847,637)	449,184,757	3.33 - 50	118,699,009	33,011,877	(26,722,736)	124,988,150	324,196,607
Stock in transit	113,897,668	234,849,540	(189,683,996)	159,063,213	-	-	-	-	-	159,063,213
Total (b)	624,459,868	392,319,735	(408,531,633)	608,247,969		118,699,009	33,011,877	(26,722,736)	124,988,150	483,259,819
Total own assets (a+b)	18,103,590,387	614,784,575	(409,221,833)	18,309,153,130		6,562,462,996	889,564,978	(27,412,936)	7,424,615,038	10,884,538,091
c) Right-of-use assets										
Leased land	-	24,906,390	-	24,906,390	-	-	4,367,182	-	4,367,182	20,539,208
Total (c)	-	24,906,390	-	24,906,390		-	4,367,182	-	4,367,182	20,539,208
Total assets (a+b+c)	18,103,590,387	639,690,965	(409,221,833)	18,334,059,520		6,562,462,996	893,932,160	(27,412,936)	7,428,982,220	10,905,077,299

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Particulars	Cost/Revaluation				Rate %	Depreciation				Written down value at 30 June 2019	Figures in BDT	
	Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2019		Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2019			
a) Fixed assets : i) Cost												
Land and land development	350,868,786	1,709,456	-	352,578,242	-	-	-	-	-	-	352,578,242	
Furniture and fixtures	21,313,903	1,948,432	(61,315)	23,201,020	10	11,893,027	2,091,538	(41,763)	13,942,802	9,258,218		
Office and electrical equipment	49,369,683	10,565,277	(645,250)	59,289,710	20	35,341,187	6,135,874	(645,250)	40,831,811	18,457,899		
Office decoration	29,424,708	601,000	-	30,025,708	20	27,143,970	777,508	-	27,921,478	2,104,230		
Motor vehicles	141,177,004	20,222,636	(15,201,663)	146,197,977	20	84,095,344	16,012,465	(15,201,663)	84,906,147	61,291,830		
Maintenance equipment	31,492,590	346,500	-	31,839,090	20	20,784,448	2,310,316	-	23,094,763	8,744,327		
Civil works and others	224,803,919	897,566	-	225,701,485	20	177,546,914	21,505,626	-	199,052,541	26,648,944		
Plant and machineries:												
Ashulia Power Plant (Unit-1)	457,956,738	6,109,084	-	464,065,823	3.33 - 10	255,045,874	27,477,925	-	282,523,799	181,542,024		
Ashulia Power Plant (Unit-2)	1,480,456,849	93,987,482	-	1,574,444,331	3.33 - 16.67	532,101,052	82,298,408	-	614,399,460	960,044,870		
Madhabdi Power Plant (Unit-1)	421,741,065	4,531,388	-	426,272,453	3.33 - 10	293,481,029	25,399,003	-	318,880,032	107,392,421		
Madhabdi Power Plant (Unit-2)	1,005,495,201	53,479,300	-	1,058,974,501	3.33 - 16.67	425,994,873	55,477,636	-	481,472,509	577,501,992		
Chandina Power Plant (Unit-1)	468,388,956	5,656,913	-	474,045,869	3.33 - 10	283,207,909	26,368,162	-	309,576,071	164,469,798		
Chandina Power Plant (Unit-2)	624,809,281	29,263,317	-	654,072,598	3.33 - 16.67	260,824,490	34,926,557	-	295,751,047	358,321,550		
Jangalia Power Plant	1,519,190,175	58,462,124	-	1,577,652,299	3.33 - 16.67	465,775,390	74,993,989	-	540,769,379	1,036,882,920		
Rupganj Power Plant	1,512,653,345	64,160,812	-	1,576,814,156	3.33 - 16.67	474,028,243	76,368,503	-	550,396,746	1,026,417,410		
Maona Power Plant	1,434,339,147	78,894,818	-	1,513,233,965	3.33 - 16.67	490,235,217	70,912,559	-	561,147,776	952,086,189		
Ullapara Power Plant	542,984,339	98,191,870	-	641,176,209	3.33 - 16.67	197,227,855	33,929,705	-	231,157,560	410,018,649		
Madanganj Power Plant	5,309,071,512	184,150,617	-	5,493,222,130	3.33 - 16.67	1,390,982,707	284,689,189	-	1,675,671,896	3,817,550,233		
Total (i)	15,625,537,201	713,178,592	(15,908,228)	16,322,807,565		5,425,709,528	841,674,965	(15,888,676)	6,251,495,817	10,071,311,746		
a) Fixed assets : ii) Revaluation												
Land and land development	569,663,952	-	-	569,663,952	-	-	-	-	-	-	569,663,952	
Civil works and others	13,002,138	-	-	13,002,138	20	13,002,138	-	-	13,002,138	-		
Plant and machineries:												
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33 - 10	46,404,837	5,540,876	-	51,945,713	114,282,190		
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 16.67	924,163	110,352	-	1,034,515	2,275,907		
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33 - 10	45,130,563	5,388,720	-	50,519,283	111,144,058		
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 16.67	22,264,158	2,658,420	-	24,922,578	54,830,413		
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 10	40,865,339	4,879,440	-	45,744,779	100,639,963		
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 16.67	4,555,253	543,912	-	5,099,165	11,218,301		
Total (ii)	1,156,322,955	-	-	1,156,322,955		173,146,450	19,121,720	-	192,268,170	964,054,784		
Total (i+ii)	16,781,860,156	713,178,592	(15,908,228)	17,479,130,520		5,598,855,978	860,796,685	(15,888,676)	6,443,763,987	11,035,366,530		
b) Spare parts												
Stock in hand	714,673,701	469,205,449	(673,316,951)	510,562,199	3.33 - 50	115,623,599	44,981,984	(41,906,574)	118,699,009	391,863,190		
Stock in transit	184,046,153	598,431,583	(668,580,068)	113,897,668	-	-	-	-	-	-	113,897,668	
Total (b)	898,719,854	1,067,637,033	(1,341,897,019)	624,459,868		115,623,599	44,981,984	(41,906,574)	118,699,009	505,760,858		
Total assets (a+b)	17,680,580,010	1,780,815,625	(1,357,805,247)	18,103,590,387		5,714,479,577	905,778,669	(57,795,250)	6,562,462,996	11,541,127,388		

SUMMIT POWER LIMITED
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4.1 Allocation of depreciation

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Cost of sales	1,869,445,494	1,811,760,720	825,310,306	815,038,767
General and administrative expenses	55,910,689	61,212,857	41,899,118	48,833,328
	1,925,356,183	1,872,973,577	867,209,424	863,872,095

5 Intangible assets

Consolidated

For the year ended 30 June 2020

Particulars	Cost					Rate %	Amortisation					Written down value at 30 June 2020
	Balance at 1 July 2019	Addition/transfer in	Disposal/transfer out	Effect of exchange rate movement	Balance at 30 June 2020		Balance at 1 July 2019	Addition/transfer in	Disposal/transfer out	Effect of exchange rate movement	Balance at 30 June 2020	
Software	3,803,851	14,720,688	-	8,873	18,533,411	10 - 20	2,364,166	359,928	-	-	2,724,094	15,809,317
Brand	10,000,000	-	-	-	10,000,000	3.3333	3,499,994	333,336	-	-	3,833,330	6,166,670
License*	27,900,000	-	-	-	27,900,000	-	930,000	930,000	-	-	1,860,000	26,040,000
Software in development	12,953,755	2,674,504	(15,628,259)	-	-	-	-	-	-	-	-	-
Total	54,657,606	17,395,192	(15,628,259)	8,873	56,433,411		6,794,160	1,623,264	-	-	8,417,424	48,015,987

For the year ended 30 June 2019

Particulars	Cost					Rate %	Amortisation					Written down value at 30 June 2019
	Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out	Effect of exchange rate movement	Balance at 30 June 2019		Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out	Effect of exchange rate movement	Balance at 30 June 2019	
Software	3,803,851	-	-	-	3,803,851	20	2,004,238	359,928	-	-	2,364,166	1,439,685
Brand	10,000,000	-	-	-	10,000,000	3.3333	3,166,658	333,336	-	-	3,499,994	6,500,006
License*	30,780,417	-	(2,880,417)	-	27,900,000	-	-	930,000	-	-	930,000	26,970,000
Software in development	8,546,281	4,407,474	-	-	12,953,755	-	-	-	-	-	-	12,953,755
Total	53,130,549	4,407,474	(2,880,417)	-	54,657,606		5,170,896	1,623,264	-	-	6,794,160	47,863,446

*This license has been acquired due to purchase of 64% shares in Ace Alliance Power Limited. This is being amortised over 30-year period beginning from commercial operation date of AAPL.

Separate

For the year ended 30 June 2020

Particulars	Cost				Rate %	Depreciation				Written down value at 30 June 2020
	Balance at 1 July 2019	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2020		Balance at 1 July 2019	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2020	
Software	3,803,851	2,945,912	-	6,749,763	10 - 20	2,364,166	359,928	-	2,724,094	4,025,669
Brand	10,000,000	-	-	10,000,000	3.3333	3,499,994	333,336	-	3,833,330	6,166,670
Software in development	12,953,755	2,674,504	(15,628,259)	-	-	-	-	-	-	-
Total	26,757,606	5,620,416	(15,628,259)	16,749,763		5,864,160	693,264	-	6,557,424	10,192,339

For the year ended 30 June 2019

Particulars	Cost				Rate %	Amortisation				Written down value at 30 June 2019
	Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2019		Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2019	
Software	3,803,851	-	-	3,803,851	20	2,004,238	359,928	-	2,364,166	1,439,685
Brand	10,000,000	-	-	10,000,000	3.3333	3,166,658	333,336	-	3,499,994	6,500,006
Software in development	8,546,281	4,407,474	-	12,953,755	-	-	-	-	-	12,953,755
Total	22,350,132	4,407,474	-	26,757,606		5,170,896	693,264	-	5,864,160	20,893,446

SUMMIT POWER LIMITED
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6 Investment in subsidiaries

Figures in BDT

Particulars	Notes	No. of shares	% of holding	Value in BDT
30 June 2020				
Summit Barisal Power Limited	6.1	50,699,516	49.00%	506,995,160
Summit Narayanganj Power Unit II Limited	6.1	27,712,222	49.00%	277,122,220
Summit Chittagong Power Limited	6.1	490,000	49.00%	4,900,000
Ace Alliance Power Limited	6.1	106,258,489	64.00%	1,090,484,890
Summit Gazipur II Power Limited	6.1	67,120,000	20.00%	671,200,000
		252,280,227		2,550,702,270
30 June 2019				
Summit Barisal Power Limited	6.1	50,699,516	49.00%	506,995,160
Summit Narayanganj Power Unit II Limited	6.1	27,712,222	49.00%	277,122,220
Summit Chittagong Power Limited	6.1	490,000	49.00%	4,900,000
Ace Alliance Power Limited	6.1	106,258,489	64.00%	1,090,484,890
Summit Gazipur II Power Limited	6.1	67,120,000	20.00%	671,200,000
		252,280,227		2,550,702,270

- 6.1** Summit Power Limited (SPL) hold 49% shares in each of Summit Barisal Power Limited (SBPL), Summit Narayanganj Power Unit II Limited (SNPUIIL), Summit Chittagong Power Limited (SCPL); 64% shares in Ace Alliance Power Limited and 20% shares in Summit Gazipur II Power Limited (SGIPL). IFRS 10: *Consolidated Financial Statements* requires preparation and presentation of consolidated financial statements when an entity controls one or more other entities unless falls within the scope of exceptions. According to control procedures as detailed in paragraph 7 of the said IFRS under reference, SBPL, SNPUIIL, SCPL and SGIPL are under the control of SPL because SPL directly manages the activities/ operations of those entities since their commercial operation date (COD) through common corporate management and thus it has the power over these four entities and has established both exposure and rights to significantly affect returns of the investee companies. Therefore SPL is in compliance with IFRS 10 to prepare and present its financial statements in consolidation with that of SBPL, SNPUIIL, SCPL and SGIPL.
- 6.2** In accordance with paragraph 10 of IAS 27: *Separate Financial Statements*, investments in subsidiaries have been accounted for at cost. Details of holding structure in subsidiaries are described in Note 52.A.i.

7 Investment in associates

Particulars	Notes	% of holding	30 June 2020	30 June 2019
Consolidated				
Summit Meghnaghat Power Company Limited				
Value of investment under equity method	7.1	30%	6,084,406,955	5,708,245,782
Share of profit			327,737,361	401,661,173
Dividend received			(25,500,000)	(25,500,000)
			6,386,644,316	6,084,406,955
Separate				
Summit Meghnaghat Power Company Limited				
Cost of investment	7.1	30%	3,801,772,452	3,801,772,452
			3,801,772,452	3,801,772,452

- 7.1** Summit Power Limited has acquired 203,971,500 shares @ BDT 18.64 (at fair value), including share premium of BDT 8.64, of Summit Meghnaghat Power Company Limited ("SMPCL") from Summit Corporation Limited ("SCL") by issuing 106,791,361 shares each @ BDT 35.60 (at fair value), including share premium of BDT 25.60, of its own in 2014.

SUMMIT POWER LIMITED
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8 Deferred tax asset

Consolidated

Particulars	Notes	Carrying amount	Tax base	Figures in BDT Taxable/ (deductible) temporary difference
30 June 2020				
Property, plant and equipment (Taxable plants)		(705,119,769)	(367,895,712)	337,224,057
Provision for gratuity	27.1	197,235,284	-	(197,235,284)
Total temporary difference		(507,884,485)	(367,895,712)	139,988,773
Applicable tax rate				25% to 32.5%
Deferred tax (asset)/ liability				31,576,169
30 June 2019				
Provision for gratuity	27.1	162,022,097	-	(162,022,097)
Total temporary difference		162,022,097	-	(162,022,097)
Applicable tax rate				25% to 35%
Deferred tax (asset)/ liability				(43,923,588)
Separate				
Particulars	Notes	Carrying amount	Tax base	Taxable/ (deductible) temporary difference
30 June 2020				
Property, plant and equipment (Taxable plants)		(705,119,769)	(367,895,712)	337,224,057
Provision for gratuity [SPL portion]	27.1	151,621,637	-	(151,621,637)
Total temporary difference		(553,498,132)	(367,895,712)	185,602,420
Applicable tax rate				25%
Deferred tax (asset)/ liability				46,400,605
30 June 2019				
Provision for gratuity [SPL portion]	27.1	127,841,450	-	(127,841,450)
Total temporary difference		127,841,450	-	(127,841,450)
Applicable tax rate				25%
Deferred tax (asset)/ liability				(31,960,363)

9 Other asset

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Impact of straight-lining (IFRS 16)*				
Barisal Power Plant	(17,330,171)		-	-
Madanganj Power Plant (Unit II)	(9,802,042)		-	-
Kodda Power Plant (Unit I)	544,888,101		-	-
Kodda Power Plant (Unit II)	977,324,791		-	-
	1,495,080,679		-	-

* With pursuant to IFRS 16 Leases the Group has recognised capacity revenue earned from electricity supplied to its customers (i.e. BREB and BPDB) on a straight-line basis over the term of power purchase agreement ("PPA"). The difference between capacity revenue earned during the financial year 2019-20 and the capacity revenue with straight-line impact as per IFRS 16 has been reported as part of "revenue" in statement of profit or loss and other comprehensive income and as "other asset" in statement of financial position. Please see Note 52.K for the relevant accounting policies.

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10 Other investments

Equity securities at FVOCI

Particulars	No. of shares	Rate per share	Market value at			Movement in fair value at		Cost price	Figures in BDT
			30 June 2020	30 June 2019	30 June 2018	30 June 2020	30 June 2019		
Khulna Power Company Limited	70,108,200	45.30	3,175,901,460	3,947,091,660	4,308,467,612	(771,190,200)	(361,375,952)	3,625,296,384	
People's Leasing and Financial Services Limited	408,160	3.00	1,224,480	1,673,456	4,040,784	(448,976)	(2,367,328)	20,500,000	
Popular Life First Mutual Fund	1,495,442	4.20	6,280,856	7,028,577	8,294,879	(747,721)	(1,266,302)	10,000,000	
	72,011,802		3,183,406,796	3,955,793,693	4,320,803,275	(772,386,897)	(365,009,582)	3,655,796,384	
Particulars							For the year ended		
							30 June 2020	30 June 2019	
Allocation									
Included in profit or loss							1,877,536	(1,877,536)	
Included in other comprehensive income							(774,264,433)	(363,132,046)	
							(772,386,897)	(365,009,582)	

On 28 December 2011, Summit Power Limited (SPL) had acquired 53,955,326 shares of Khulna Power Company Limited (KPCL) at BDT 67 each from Summit Corporation Limited (SCL) amounting to BDT 3,625,296,384 including other transaction costs. Now SPL's ownership in KPCL is 17.64%. Since the percentage of ownership in KPCL is below the threshold limit of 20% to recognise KPCL as an associate, management classified such investment as other investments at FVOCI.

11 Inventories

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Consumable - others	11.1	551,271,760	573,222,558	338,694,419	364,905,647
Lubricant oil, chemicals and others	11.2	50,295,791	111,208,224	25,110,813	31,828,216
Closing balance		601,567,551	684,430,782	363,805,232	396,733,863

11.1 Consumable - others

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening Balance	573,222,558	531,213,931	364,905,647	433,464,556
Purchase/transfer	130,773,882	350,007,421	93,104,202	182,519,060
Consumption/transfer	(153,917,474)	(308,518,341)	(119,315,430)	(251,077,969)
Effect of exchange rate movement	1,192,794	519,547	-	-
Closing balance	551,271,760	573,222,558	338,694,419	364,905,647

11.2 Lubricant oil, chemicals and others

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening Balance	111,208,224	85,029,231	31,828,216	35,253,707
Purchase/transfer	313,234,315	497,737,878	120,727,552	146,496,180
Consumption/transfer	(374,107,088)	(472,079,280)	(127,444,955)	(149,921,671)
Effect of exchange rate movement	(39,660)	520,395	-	-
Closing balance	50,295,791	111,208,224	25,110,813	31,828,216

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12 Trade receivables

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Bangladesh Rural Electrification Board ("BREB")					
Ashulia Power Plant	12.1	62,440,758	104,089,773	62,440,758	104,089,773
Ashulia Power Plant (expansion)		2,600,506,859	2,267,338,157	2,600,506,859	2,267,338,157
Madhabdi Power Plant		67,933,759	106,869,747	67,933,759	106,869,747
Madhabdi Power Plant (expansion)		1,935,127,208	1,684,217,915	1,935,127,208	1,684,217,915
Chandina Power Plant		61,682,066	105,577,734	61,682,066	105,577,734
Chandina Power Plant (expansion)		1,058,580,466	926,846,735	1,058,580,466	926,846,735
Rupganj Power Plant		123,206,144	155,543,002	123,206,144	155,543,002
Maona Power Plant		125,210,033	156,602,151	125,210,033	156,602,151
Ullapara Power Plant		37,065,272	47,347,785	37,065,272	47,347,785
Bangladesh Power Development Board ("BPDB")					
Jangalia Power Plant		251,665,150	170,637,526	251,665,150	170,637,526
Madanganj Power Plant	12.2	1,114,985,184	779,472,192	1,114,985,184	779,472,192
Barisal Power Plant		694,849,785	1,262,278,627	-	-
Narayanganj Unit II Power Plant		319,040,091	426,953,219	-	-
Kodda Power Plant (Unit I)		1,342,977,251	1,756,743,202	-	-
Kodda Power Plant (Unit II)		1,788,793,401	2,074,829,848	-	-
		11,584,063,427	12,025,347,613	7,438,402,899	6,504,542,717
Less: Provision for doubtful debt		(168,758,403)	(168,758,403)	(168,758,403)	(168,758,403)
		11,415,305,024	11,856,589,210	7,269,644,496	6,335,784,314

12.1 Out of total receivables from BREB, invoices amounting to 5,498,786,122, raised by the Company, pertaining to the three Expansion Power Plants, have yet not been accepted by BREB due to using different unit rate in calculating revenue. As per contracts for supply of electricity and Government's gazette notification, the Company has been raising invoices at the rate of Taka 3,1141 per KwH from December 2011 to January 2012, for February 2012 at the rate of Taka 3,3741, from March to August 2012 at the rate of Taka 3,6216 per KwH, from September 2012 to August 2015 at the rate of Taka 4,2316 per KwH and September 2015 onward at the rate of Taka 4,4791 per KwH due to rise in BST (Bulk Supply Tariff). BREB has been paying at the rate 2,8333 per KwH. In order to resolve the above matter, the Company went for arbitration in Bangladesh Energy Regulatory Commission (BERC) and a verdict was given in favour of the Company. Later on, due to application by BREB, the verdict was reviewed by BERC and the reviewed verdict was also in favour of the Company. After this, BREB submitted a writ petition in the High Court Division of Supreme Court of Bangladesh on 8 September 2016. On 17 August 2017 the Honourable High Court Division of Supreme Court of Bangladesh was pleased to pass a judgement discharging the rule issued in the writ petitions.

BREB then submitted civil petitions to the Appellate Division of Supreme Court of Bangladesh against the judgement of the High Court Division. The Appellate Division has granted leave to appeal to BREB on 31 October 2018. The formal judgement of granting leave to appeal in favour of BREB was received on 31 January 2019. BREB was directed to submit concise statements within 8 weeks from the date of receipt of the order, and SPL shall then file its concise within 6 weeks thereafter to make all the appeals ready for expeditions hearing.

After submission of concise statements by both parties, the case was heard in the Court of Chamber Judge on 25 July 2019. The Learned Judge has fixed the date of appearance in the full bench list of Appellate Division on 4 March 2020. Consequently, legal counsels of SPL have applied for modification of order of "status quo" given by the Chamber Judge. Followed by representation at the Court of Chamber Judge, the case was sent for hearing to the full bench on 29 October 2019. The case has been listed for hearing in the full court of Appellate Division which appeared in the cause list on 14 January 2020. These appeals last appeared for hearing in the list of the Full Bench of the Honourable Appellate Division on 26 February 2020 on which date the appellant, BREB preayed for an adjournment, which prayer was allowed, and the hearing was adjourned to 7 April 2020. Since 13 March 2020, the Honourable Appellate Division has not been sitting regularly, initially on account of regular spring vacations and then due to the current COVID 19 Pandemic. The Honourable Appellate Division is now functioning in a limited scale virtually hearing leave petitions and interlocutory matters. Regular appeals are not being heard. Prayers have been made on behalf of the Company, the contesting respondent in the appeals for hearing the appeals virtually, before both the Honourable Judge in Chambers and the Full Bench, but the prayers have been refused. The case is likely to be heard after the physical functioning of the Full Bench resumes.

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Meanwhile, the Company has submitted execution case to the District Court which is under process. The management believes that the amount is recoverable and hence no provision has been made in this regard.

- 12.2** In accordance with the clause 26.1 of the previous Power Purchase Agreement (PPA), "Bangladesh Petroleum Corporation (BPC) will be the liquid fuel supplier (HFO) and BPDB will make payment for the fuel". But since the start of the operation of the plant, the quality and quantity of the supplied fuel were not as per given specifications in the PPA. For this reason, the actual fuel consumption was higher per unit of electricity generation. On account of the actual fuel consumption, BPDB started deduction from some of the Company's monthly invoices which amounted to BDT 164.67 million up to March 2013. The Company made a writ petition to the High Court Division for further non deduction on account of excess fuel consumption amounting to USD 1.96 million (approx.). The High Court granted an order of injunction from deducting any money from monthly invoices. On 6 July 2014, the High Court Division of Supreme Court of Bangladesh has extended the order of injunction granted earlier till disposal of the Rule. Subsequently, an application was made on 23 February 2016 to Bangladesh Energy Regulatory Commission (BERC) to take up the matter and commence an arbitration proceedings for full and final settlement of the dispute between the parties as per law after vacating the order of injunction.

A few hearings have already taken place in BERC. BERC requested for additional information from Bangladesh Petroleum Corporation (BPC) which has also been submitted by BPC. A hearing on all submissions have taken place recently. Meanwhile, BERC has instructed BPDB, not to deduct the pending amount from the invoices of the power plant for additional period up to 31 January 2020. The arbitration process is still ongoing. The latest hearing took place on 7 January 2020. After deliberate hearing from both sides, the Arbitration Tribunal directed both parties to make an attempt for amicable settlement. Accordingly, both parties had a meeting on 9 January 2020. The parties could not arrive at an amicable settlement which was conveyed to the Arbitration Tribunal conducted by BERC. It is now in the process for judgement. However, BERC has given interim order not to deduct any money to BPDB from the invoice of the Company up to 30 September 2020. Next date for declaring judgement has been notified as 3 November 2020. However, the Company has made a provision for doubtful debt on said amount of BDT 164.67 million.

13 Other receivables

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Insurance claims	1,939,579	47,372,496	1,939,579	47,372,496
Interest on FDRs	44,409,806	61,663,831	36,961,147	21,833,121
Summit Oil & Shipping Company Limited	-	6,944,311	-	-
SSS Soil Engineers	2,583,921	2,583,921	-	-
	48,933,306	118,564,559	38,900,726	69,205,617

14 Intercompany receivables

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Summit Barisal Power Limited	-	-	147,831,177	228,390,780
Summit Narayanganj Power Unit II Limited	-	-	87,974,548	156,585,774
Ace Alliance Power Limited	-	-	92,916,904	36,012,953
Summit Gazipur II Power Limited	-	-	-	70,841,999
	-	-	328,722,629	491,831,506

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15 Advances, deposits and prepayments

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Advances				
Managhgam Agencies Ltd.	4,946,948	3,011,949	3,023,799	2,688,799
Projukti Annasha	6,294,238	1,205,000	5,995,000	1,025,000
Desh Bangla Enterprise	4,374,233	1,762,195	2,650,000	1,180,000
Energypac Engineering Limited	1,825,540	1,645,540	1,825,540	1,645,540
M/s. R.M. Trade International	10,034,319	10,025,000	7,775,000	7,775,000
Jakir Construction Limited	1,595,151	1,588,571	-	-
SBS International Business Limited	31,689,646	47,800,931	-	-
Padma Oil Company Limited	165,781	1,152,205	-	-
Navana Petroleum Limited	-	101,224	-	-
Bangladesh Centre for Advanced Studies (BCAS)	2,049,389	2,040,934	-	-
AEG Engineering Ltd.	1,700,000	1,700,000	1,700,000	1,700,000
ABB Pte Limited	7,057,464	7,057,464	7,057,464	7,057,464
ABB Limited	396,000	-	396,000	-
Albatross Vision	564,000	-	564,000	-
Autocon Engineering Limited	683,000	-	683,000	-
Bangla Trac Limited	159,899	159,899	159,899	159,899
BRAC Net Limited	300,742	300,742	300,742	300,742
BRB Cable Industries Ltd.	133,316	133,316	133,316	133,316
Clean Fuel Filling Station Ltd.	100,000	-	100,000	-
Paiker Bangladesh	665,000	-	665,000	-
Pulse Engineering Ltd.	937,868	-	937,868	-
All In One Ltd.	-	88,173	-	88,173
Centre for Management Development (CMD)	350,000	350,000	350,000	350,000
Bangladesh Economic Zones Authority (BEZA)	1,320,907	1,320,907	-	-
Jamuna Oil Company Limited	-	1,125,180	-	1,125,180
Iconic Engineering & Trading Company	226,000	-	226,000	-
Investment Corporation of Bangladesh (ICB)	100,000	100,000	100,000	100,000
Ansar & VDP	1,622,843	633,060	-	-
OTOBBI Limited	537,274	535,057	-	-
IT Adventure BD	34,000	34,000	34,000	34,000
Kawran Bazar Ambor Shah Shahi Jame Mosjid	66,666	66,666	66,666	66,666
Corporate Trading	50,000	50,000	50,000	50,000
PNL Holdings Ltd.	55,660	-	55,660	-
Rahimafrooz Distribution Limited	61,040	61,040	61,040	61,040
Ridgeben Holidays	166,500	-	166,500	166,500
Securex (Pvt.) Ltd.	69,000	69,000	69,000	69,000
Society for Education & Inclusion of the Disables (SEID)	230,000	-	230,000	-
Sunko BD	26,000	26,000	26,000	26,000
Trust Filling Station	173,000	100,000	173,000	100,000
Zahara Trade International (ZTI)	180,000	180,000	180,000	180,000
Konecranes And Demag (Bangladesh) Ltd.	86,413	86,413	86,413	86,413
Resources & Solutions Limited	110,000	213,000	110,000	213,000
Metro Safety Corner	928,000	-	928,000	-
Land lord	220,000	319,999	220,000	319,999
Tax advisor	455,000	455,000	250,000	250,000
Issue of redeemable preference shares	-	3,046,621	-	-
Issue of long term loan	-	15,451,332	-	-
Car purchase	1,173,359	1,653,347	1,173,359	1,653,347
Employees	15,090,263	27,070,944	5,150,515	2,744,358

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Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
A & Company	-	44,288,268	-	-
Trazz Bd	3,139,995	12,584,648	392,381	-
Techno In Time	1,465,000	-	1,465,000	-
Turbomech-Snipro JV	5,464,024	5,441,486	-	-
Weber Power Solutions Ltd.	953,358	416,246	-	-
Energyshield Engineering Ltd.	-	1,438,495	-	-
Mitra S.K. Bangladesh (Pvt.) Limited	-	190,481	-	-
M/S Khaza Ajmiri Filter Company	240,000	-	240,000	-
Corona International	480,489	353,134	60,000	60,000
Turner Grahams (Bangladesh) Ltd	1,373,381	-	-	-
Hermitage of Management & Standards Ltd	1,381,345	894,444	175,000	295,000
Microsoft Dynamics (NAV) License Fee	898,697	-	179,740	-
Linde Bangladesh Limited	344,800	344,800	344,800	344,800
Summit Corporation Limited	3,635,990	-	3,635,990	-
Summit Holdings Limited	1,323,668	1,789,198	1,323,668	1,789,198
Summit Oil & Shipping Company Limited	328,709,862	930,961,030	328,709,862	550,000,000
Advance income tax	103,362,505	79,699,025	19,835,233	21,007,328
Others	2,145,693	2,337,558	272,308	353,718
	553,923,266	1,213,459,521	400,306,763	605,199,480
Less: Provision for doubtful advance	(445,000)	(445,000)	(445,000)	(445,000)
	553,478,266	1,213,014,521	399,861,763	604,754,480
Deposits				
Security deposit (non-interest bearing)	3,922,654	3,083,615	1,389,045	1,389,045
Bank guarantee margin:				
Controller of Import and Export (SJIBL)	1,545,053	1,545,053	1,545,053	1,545,053
Pashchimanchal Gas Company Limited	1,113,696	823,441	1,113,696	823,441
Bakhrabad Gas Distribution Company Limited	2,990,889	2,990,889	2,990,889	2,990,889
Bangladesh Power Development Board (BPDB)	1,968,412	1,968,412	1,968,412	1,968,412
Commissioner of Customs, Custom House	7,239,787	7,239,787	7,239,787	7,239,787
Bangladesh Rural Electrification Board (BREB)	4,630,179	4,630,179	4,630,179	4,630,179
Titas Gas Transmission and Distribution Co. Ltd.	5,262,451	5,262,451	5,262,451	5,262,451
	24,750,467	24,460,212	24,750,467	24,460,212
	28,673,121	27,543,827	26,139,512	25,849,257
Prepayments				
Annual license fees	1,189,961	2,458,731	89,465	185,181
Standby letter of credit commission	4,273,680	4,152,906	1,279,841	3,219,834
Bank guarantee/operation bond commission	8,800,186	10,820,123	4,779,398	5,469,846
Agency fee	16,573,087	8,386,374	-	-
Insurance premium	75,116,032	80,827,064	25,163,233	34,769,683
Land lease rental	-	860,633	-	860,633
Others	10,528	10,485	-	-
	105,963,474	107,516,316	31,311,937	44,505,177
	688,114,861	1,348,074,663	457,313,212	675,108,914

Bank guarantee margin had been deposited with various scheduled banks in Bangladesh as security for compliance with the Company's/ Group's operational obligation.

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16 Cash and cash equivalents

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Cash in hand	2,820,318	2,768,655	1,620,318	1,568,655
Cash at bank				
Bank Asia Limited	576,404,016	160,817,155	527,467,165	119,648,609
BRAC Bank Limited	875,853,302	930,344,066	193,325,272	6,851,366
Commercial Bank of Ceylon PLC	2,027,289	2,027,289	2,027,289	2,027,289
Dhaka Bank Limited	7,205,861	4,694,601	7,205,861	4,694,600
Dutch Bangla Bank Limited	83,244,733	32,631,324	75,068,481	24,496,576
Exim Bank Limited	1,330,271	197,683	1,330,271	197,683
One Bank Limited	2,524,332	369,419	2,524,332	291,637
The Premier Bank Limited	12,836,022	21,779,178	12,836,022	21,779,178
Rupali Bank Limited	-	20,002	-	20,002
Shahjalal Islami Bank Limited	883,640	884,830	883,640	884,830
Sonali Bank Limited	1,636,187	999,753	1,636,187	999,753
Southeast Bank Limited	248,704	246,604	248,704	246,604
Standard Chartered Bank	1,064,662,260	3,715,541	6,650,677	3,601,118
Jamuna Bank Limited	3,266	3,897	3,266	3,897
The City Bank Limited	1,003,646,752	383,856,894	2,586,526	16,446
Eastern Bank Limited	16,864	3,985,382	-	-
Mutual Trust Bank Limited	6,098,667	6,131,609	6,067,804	1,951,681
Prime Bank Limited	-	10,681,666	-	-
Trust Bank Limited	-	2,809	-	-
	3,638,622,165	1,563,389,702	839,861,497	187,711,269
Fixed deposit receipts (FDR)				
AI Arafah Islami Bank Limited	104,254,487	51,225,000	104,254,487	51,225,000
Bank Asia Limited	123,425,621	419,032,637	65,871,107	165,217,695
BRAC Bank Limited	250,000,000	200,000,000	-	-
Exim Bank Limited	-	152,250,000	-	152,250,000
First Security Islami Bank Limited	101,250,000	-	101,250,000	-
Meghna Bank Limited	163,174,482	101,187,500	111,296,452	101,187,500
Mercantile Bank Limited	51,369,863	102,602,740	51,369,863	102,602,740
Modhumoti Bank Limited	-	182,035,000	-	182,035,000
IFIC Bank Limited	154,357,812	70,000,000	154,357,812	70,000,000
Mutual Trust Bank Limited	62,193,422	60,140,000	62,193,422	10,140,000
Dhaka Bank Limited	-	154,200,694	-	154,200,694
Eastern Bank Limited	415,212,694	136,300,000	415,212,694	136,300,000
NRB Bank Limited	52,312,500	-	-	-
Bangladesh Commerce Bank Limited	-	101,975,000	-	101,975,000
One Bank Limited	-	101,250,000	-	101,250,000
The Premier Bank Limited	80,965,255	284,534,720	80,965,255	234,534,721
Southeast Bank Limited	51,829,258	191,900,000	51,829,258	191,900,000
Standard Bank Limited	100,975,000	100,000,000	100,975,000	100,000,000
United Commercial Bank Limited	-	100,000,000	-	-
NCC Bank Limited	-	50,000,000	-	-
Trust Bank Limited	-	50,000,000	-	50,000,000
IPDC Finance Limited	375,137,619	152,518,921	-	52,518,923
The City Bank Limited	-	1,515,985,970	-	-
	2,086,458,013	4,277,138,182	1,299,575,350	1,957,337,273
	5,727,900,496	5,843,296,539	2,141,057,165	2,146,617,197

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17 Share capital

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Authorised				
300,000,000 Ordinary shares of Tk 10 each	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
400,000,000 Ordinary shares of Tk 10 each	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000
500,000,000 Ordinary shares of Tk 10 each	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000
30,000,000 Preference shares of Tk 100 each	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
	15,000,000,000	15,000,000,000	15,000,000,000	15,000,000,000
Issued, subscribed and paid-up				
65,000,000 Ordinary shares of Tk 10 each	650,000,000	650,000,000	650,000,000	650,000,000
6,500,000 Bonus shares of Tk 10 each in 2006	65,000,000	65,000,000	65,000,000	65,000,000
14,300,000 Bonus shares of Tk 10 each in 2007	143,000,000	143,000,000	143,000,000	143,000,000
68,640,000 Right shares of Tk 10 each in 2008	686,400,000	686,400,000	686,400,000	686,400,000
30,888,000 Bonus shares of Tk 10 each in 2008	308,880,000	308,880,000	308,880,000	308,880,000
37,065,600 Bonus shares of Tk. 10 each in 2009	370,656,000	370,656,000	370,656,000	370,656,000
55,598,400 Bonus shares of Tk. 10 each in 2010	555,984,000	555,984,000	555,984,000	555,984,000
25,361,973 Ordinary shares of Tk 10 each in 2010	253,619,730	253,619,730	253,619,730	253,619,730
91,006,191 Bonus shares of Tk. 10 each in 2011	910,061,910	910,061,910	910,061,910	910,061,910
98,590,041 Bonus shares of Tk. 10 each in 2012	985,900,410	985,900,410	985,900,410	985,900,410
98,590,041 Bonus shares of Tk. 10 each in 2013	985,900,410	985,900,410	985,900,410	985,900,410
88,731,037 Bonus shares of Tk. 10 each in 2014	887,310,360	887,310,360	887,310,360	887,310,360
106,791,361 Ordinary shares of Tk. 10 each in 2014*	1,067,913,610	1,067,913,610	1,067,913,610	1,067,913,610
39,353,132 Bonus shares of Tk. 10 each in 2015	393,531,320	393,531,320	393,531,320	393,531,320
49,584,946 Bonus shares of Tk. 10 each in 2016	495,849,460	495,849,460	495,849,460	495,849,460
191,876,518 ordinary shares of Tk. 10 each in 2016**	1,918,765,180	1,918,765,180	1,918,765,180	1,918,765,180
	10,678,772,390	10,678,772,390	10,678,772,390	10,678,772,390

* Details are given in Note 7.1.

** This represents the amount of ordinary share capital issued to non-controlling shareholders of Summit Purbanchol Power Company Limited, Summit Uttaranchol Power Company Limited and Summit Narayanganj Power Limited as compensation for amalgamation with Summit Power Limited. On the basis of the approval of Bangladesh Securities and Exchange Commission for issue of 191,876,518 ordinary shares at BDT 10 each, these shares were issued on 4 October 2016.

17.1 Shareholding position

Name of shareholders	Percentage of shareholdings		Number of shares	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Summit Corporation Limited	63.19%	63.19%	674,792,926	674,792,926
Euro Hub Investments Limited	3.65%	3.65%	38,940,126	38,940,126
Institutional investors	21.56%	21.04%	230,242,556	224,699,708
General public	11.60%	12.12%	123,901,631	129,444,479
	100.00%	100.00%	1,067,877,239	1,067,877,239

Classification of shareholders by holding

Particulars	30 June 2020		30 June 2019	
	No. of holders	% of ownership	No. of holders	% of ownership
Less than 500 shares	21,275	0.335%	22,132	0.350%
500 to 5,000 shares	10,279	1.714%	10,413	1.739%
5,001 to 10,000 shares	1,794	1.181%	1,767	1.160%
10,001 to 20,000 shares	725	0.981%	681	0.922%
20,001 to 30,000 shares	232	0.543%	228	0.536%
30,001 to 40,000 shares	114	0.372%	116	0.382%
40,001 to 50,000 shares	87	0.393%	79	0.352%
50,001 to 100,000 shares	168	1.184%	153	1.074%
100,001 to 1,000,000 shares	206	6.024%	219	6.622%
Over 1,000,000 shares	63	87.273%	59	86.863%
	34,943	100.00%	35,847	100.00%

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18 Share premium

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Share premium from issue of 2,000,000 shares in 2005	80,000,000	80,000,000	80,000,000	80,000,000
Share premium from issue of 6,864,000 shares in 2008	308,880,000	308,880,000	308,880,000	308,880,000
Share premium from issue of 25,361,973 shares in 2010	2,745,940,817	2,745,940,817	2,745,940,817	2,745,940,817
	3,134,820,817	3,134,820,817	3,134,820,817	3,134,820,817
Issue costs	(234,123,160)	(234,123,160)	(234,123,160)	(234,123,160)
	2,900,697,657	2,900,697,657	2,900,697,657	2,900,697,657
Share premium on dilution of ownership in SPPCL	600,385,917	600,385,917	600,385,917	600,385,917
Share premium on issue of shares to SCL*	2,733,858,842	2,733,858,842	2,733,858,842	2,733,858,842
Transaction costs	(315,777)	(315,777)	(315,777)	(315,777)
	6,234,626,639	6,234,626,639	6,234,626,639	6,234,626,639
Share premium on amalgamation	244,471,000	244,471,000	244,471,000	244,471,000
	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639

* Details are given in Note 7.1.

19 Revaluation reserve

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening balance	963,843,005	982,964,725	963,843,005	982,964,725
Gain on revaluation during the year	-	-	-	-
Transfer to retained earnings for depreciation of revalued assets	(19,121,724)	(19,121,720)	(19,121,724)	(19,121,720)
Deferred tax on revaluation of property, plant and equipment	(77,564,292)	-	(77,564,292)	-
Closing balance	867,156,989	963,843,005	867,156,989	963,843,005

Initially, the Company carried out revaluation of land in 2008. Subsequently, this revaluation was carried out again in 2013 and 2016.

20 Fair value reserve

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening balance		323,509,578	686,641,624	323,509,578	686,641,624
Movement in fair value of other investments during the year	10	(774,264,433)	(363,132,046)	(774,264,433)	(363,132,046)
Disposal of other investments - equity securities		-	-	-	-
Closing balance		(450,754,855)	323,509,578	(450,754,855)	323,509,578

Please see Note 52.N.

21 Capital reserve

Particulars		Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening balance		1,668,093,205	1,668,093,205	1,668,093,205	1,668,093,205
Addition during the year		-	-	-	-
Release/Reversal during the year		-	-	-	-
Closing balance		1,668,093,205	1,668,093,205	1,668,093,205	1,668,093,205

This reserve was created in FY 2015-16 when three of the subsidiaries of SPL namely Summit Purbanchol Power Company Limited ("SP-PCL"), Summit Uttaranchol Power Company Limited ("SUPCL") and Summit Narayanganj Power Limited ("SNPL") were amalgamated with SPL. Through this amalgamation, the net assets from SPPCL, SUPCL and SNPL have been transferred to SPL at their book values as on 31 December 2015. The difference between the total consideration paid to the minority shareholders of the transferor companies and the equity interests of those minority shareholders was recognised in equity as *Capital reserve*.

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22 Hedging reserve

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Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening balance	(333,801,733)	-	-	-
Recognised in other comprehensive income	(505,119,225)	(579,964,031)	-	-
Transfer to non-controlling interests	200,096,930	246,162,298	-	-
Closing balance	(638,824,028)	(333,801,733)	-	-

Please see Note 52.N.

23 Currency translation reserve

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening balance	62,494,928	33,270,616	-	-
Recognised in other comprehensive income	48,374,738	106,491,977	-	-
Transfer to non-controlling interests	(30,617,718)	(77,267,665)	-	-
Closing balance	80,251,948	62,494,928	-	-

Please see Note 52.M.

24 Non-controlling interests

Particulars	30 June 2020					
	SBPL	SNPUIL	SCPL	AAPL	SGIPL	Total
NCI percentage	51%	51%	51%	36%	80%	
Non-current assets	4,982,949,584	2,820,877,507	15,913	7,622,476,779	14,933,682,717	30,360,002,500
Current assets	1,320,591,067	635,304,627	9,702,159	2,441,191,160	3,805,995,575	8,212,784,588
Non-current liabilities	(3,292,932,014)	(1,892,782,807)	-	(6,187,536,438)	(10,764,846,350)	(22,138,097,609)
Current liabilities	(995,079,246)	(539,039,851)	(55,800)	(1,748,013,369)	(1,918,121,960)	(5,200,310,226)
Net assets	2,015,529,391	1,024,359,476	9,662,272	2,128,118,132	6,056,709,982	11,234,379,253
Net assets attributable to NCI	1,027,919,990	522,423,333	4,927,759	766,122,528	4,845,367,986	7,166,761,596
Less: Intra-group elimination	-	-	-	-	-	-
	1,027,919,990	522,423,333	4,927,759	766,122,528	4,845,367,986	7,166,761,596
Revenue	2,732,033,511	1,372,561,759	-	4,770,187,485	6,880,932,752	15,755,715,507
Profit	506,953,062	238,092,195	(96,978)	613,743,306	2,946,856,917	4,305,548,502
Other comprehensive income	(66,354,094)	(39,973,692)	-	(378,325,945)	26,570,090	(458,083,641)
Total Comprehensive Income	440,598,968	198,118,503	(96,978)	235,417,361	2,973,427,007	3,847,464,861
Profit allocated to NCI	258,546,062	121,427,019	(49,459)	220,947,590	2,357,485,534	2,958,356,746
Other comprehensive income allocated to NCI	(33,840,588)	(20,386,583)	-	(136,197,340)	21,256,072	(169,168,439)
Less: Intra-group elimination	-	-	-	-	-	-
	224,705,474	101,040,436	(49,459)	84,750,250	2,378,741,606	2,789,188,307
Net cash flow from/(used in) operating activities	991,444,038	522,221,777	(80,421)	901,893,375	3,620,871,313	6,036,350,082
Net cash flow from/(used in) investing activities	50,558,738	36,906,875	121,925	(269,885,395)	(50,943,583)	(233,241,440)
Net cash flow from/(used in) financing activities	(1,606,148,332)	(944,223,826)	-	(794,503,046)	(2,591,217,134)	(5,936,092,337)
Net increase/(decrease) in cash and cash equivalents	(564,145,556)	(385,095,174)	41,504	(162,495,066)	978,710,596	(132,983,696)

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Particulars	30 June 2019					
	SBPL	SNPUIL	SCPL	AAPL	SGIPL	Total
NCI percentage	51%	51%	51%	36%	80%	
Non-current assets	5,194,286,912	2,938,109,899	154,395	6,993,269,319	13,498,469,609	28,624,290,134
Current assets	2,455,705,396	1,144,629,159	9,660,655	3,103,600,430	3,885,110,208	10,598,705,848
Non-current liabilities	(3,681,981,739)	(2,096,566,292)	-	(6,359,515,645)	-	(12,138,063,676)
Current liabilities	(1,668,801,346)	(764,042,908)	(55,800)	(1,844,653,333)	(11,422,296,841)	(15,699,850,228)
Net assets	2,299,209,223	1,222,129,858	9,759,250	1,892,700,771	5,961,282,976	11,385,082,078
Net assets attributable to NCI	1,172,596,703	623,286,228	4,977,218	681,372,278	4,769,026,381	7,251,258,808
Less: Intra-group elimination	-	-	-	-	-	-
	1,172,596,703	623,286,228	4,977,218	681,372,278	4,769,026,381	7,251,258,808
Revenue	4,667,225,560	2,491,471,118	-	5,194,303,289	9,669,060,703	22,022,060,670
Profit	408,910,632	193,717,456	(74,500)	499,600,942	2,113,324,302	3,215,478,832
Other comprehensive income	(159,320,453)	(92,605,807)	-	(312,782,275)	88,536,035	(476,172,500)
Total comprehensive Income	249,590,179	101,111,649	(74,500)	186,818,667	2,201,860,337	24,761,367,002
Profit allocated to NCI	208,544,422	98,795,903	(37,995)	179,856,339	1,690,659,442	2,177,818,111
Other comprehensive income allocated to NCI	(81,253,431)	(47,228,962)	-	(112,601,619)	70,828,828	(170,255,184)
Less: Intra-group elimination	-	-	-	-	-	-
	127,290,991	51,566,941	(37,995)	67,254,720	1,761,488,270	2,007,562,927
Net cash flow from/(used in) operating activities	830,082,262	475,784,469	(58,000)	685,127,103	1,604,989,863	3,595,925,697
Net cash flow from/(used in) investing activities	(164,479,179)	(135,828,338)	136,520	(1,025,111,026)	(989,368,312)	(2,314,650,336)
Net cash flow from/(used in) financing activities	(686,296,468)	(289,658,497)	-	1,396,866,988	178,841,586	599,753,609
Net increase/(decrease) in cash and cash equivalents	(20,693,385)	50,297,634	78,520	1,056,883,065	794,463,136	1,881,028,970

25 Redeemable preference shares

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening balance	1,627,281,207	983,677,920	-	-
Addition	899,322,216	800,479,615	-	-
Effect of exchange rate movement	677,784	4,520,385	-	-
	2,527,281,207	1,788,677,920	-	-
Transaction cost	(8,121,138)	(5,772,608)	-	-
Amortisation of transaction cost	7,216,696	4,405,479	-	-
Effect of exchange rate movement	(837,141)	(29,584)	-	-
	2,525,539,624	1,787,281,207	-	-
Repayment/settlement of installment	(159,926,626)	(160,000,000)	-	-
Effect of exchange rate movement	(73,374)	-	-	-
	2,365,539,624	1,627,281,207	-	-
Non-current	2,014,135,364	1,469,771,322	-	-
Current	351,404,260	157,509,885	-	-
	2,365,539,624	1,627,281,207	-	-

In FY 2017, the redeemable preference shares were fully issued by Summit Barisal Power Limited and Summit Narayanganj Power Unit II Limited, face value of which were BDT 640,000,000 and BDT 360,000,000 respectively. These shares were subscribed and paid up by different institutional institutions on 29 June 2017 bearing dividend @ 8.25% per annum payable yearly commencing from June 2018. Preference shares will be redeemed over 7 years or by 6 installments payable at the end of each year commencing from June 2019. These shares do not carry the right to vote. Both Summit Power Limited and Summit Corporation Limited, as sponsor companies, have signed Share Retention Agreement with preference shareholders.

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In FY 2019, the preference shares were issued by Ace Alliance Power Limited, face value of which is BDT 805,000,000, as fully subscribed and paid up on 11 December 2018 bearing dividend @ 9.5% to 10% per annum payable yearly commencing from December 2019. Preference shares are to be redeemed over 6-7 years or by 5-6 instalments payable at the end of each year commencing from December 2020. These shares do not carry the right to vote. Summit Power Limited, as sponsor company, has signed Corporate Guarantee Agreement with preference shareholders. Both Summit Power Limited and Summit Corporation Limited, as sponsor companies, have signed Share Retention Agreement with preference shareholders.

In FY 2020, the preference shares were issued by Summit Gazipur II Power Limited, face value of which is BDT 900,000,000, as fully subscribed and paid up on 30 September 2019 bearing dividend @ 10% per annum payable yearly commencing from September 2020. Preference shares are to be redeemed over 5-7 years or by 5-6 instalments payable at the end of each year commencing from September 2020. These shares do not carry the right to vote. Summit Power Limited, as sponsor company, has signed Corporate Guarantee Agreement with preference shareholders. Both Summit Power Limited and Summit Corporation Limited, as sponsor companies, have signed Share Retention Agreement with preference shareholders.

26 Loans and borrowings

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Non-current					
Project loan	26.1	19,036,096,085	10,088,328,323	-	-
		19,036,096,085	10,088,328,323	-	-
Current					
Project loan	26.1	1,683,641,291	967,867,805	-	-
Deferred letter of credit	26.2	-	10,000,430,914	-	-
		1,683,641,291	10,968,298,719	-	-

26.1 Project loan

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening balance	11,056,196,128	5,995,714,273	-	-
Drawdown				
Infrastructure Development Company Limited ("IDCOL")	-	2,041,819,650	-	-
Islamic Corporation for the Development of the Private Sector ("ICD")	-	2,041,819,650	-	-
The OPEC Fund for International Development ("OFID")	-	1,680,510,000	-	-
Clifford Capital Pte Ltd ("Clifford")	7,342,269,975	-	-	-
Sumitomo Mitsui Banking Corporation ("SMBC")	3,671,134,945	-	-	-
	22,069,601,048	11,759,863,573	-	-
Repayment	(1,082,514,038)	(696,523,778)	-	-
Transaction cost	(362,395,655)	(118,676,841)	-	-
Amortisation of transaction cost	42,008,063	20,789,989	-	-
Effect of exchange rate movement	53,037,958	90,743,184	-	-
	20,719,737,376	11,056,196,128	-	-
Non-current	19,036,096,085	10,088,328,323	-	-
Current	1,683,641,291	967,867,805	-	-
	20,719,737,376	11,056,196,128	-	-

IDCOL provided USD 30,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 12 years including 1 year grace period, repayable quarterly starting on 15 March 2018, and ICD also provided USD 20,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 10.5 years including 6 months grace period, repayable quarterly starting on 15 September 2017 for *Summit Barisal Power Limited ("SBPL")*. The Group has incurred an amount of BDT 85,409,504 as transaction costs till date, which has been capitalised and is being amortised over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company along with Deed of Mortgage, Share Pledge and Bangladesh/English Law Security Assignment Agreements. Summit Power Limited, as one of the sponsor companies, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time, if there is any due. SBPL is exposed to changes in the USD LIBOR interest rate. To reduce the exposure, SBPL has entered into a 5-year interest rate swap agreement on 12 September 2018, to hedge interest rate exposure on its USD 45,475,000 floating rate borrowing with fixed rate of 3.08%.

IDCOL provided USD 15,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 12 years including 1 year grace period, repayable quarterly starting on 15 March 2018, and OFID also provided USD 12,640,000 as long term project loan @

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4.25% per annum plus 3 months' LIBOR for a period of 12 years including 1 year grace period, repayable quarterly starting on 15 March 2018 for *Summit Narayanganj Power Unit II Limited ("SNPUIIL")*. The Group has incurred an amount of BDT 61,878,752 as transaction costs till date, which has been capitalised and is being amortised over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company along with Deed of Mortgage, Share Pledge and Bangladesh/English Law Security Assignment Agreements. Summit Power Limited, as one of the sponsor companies, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time, if there is any due. SNPUIIL is exposed to changes in the USD LIBOR interest rate. To reduce the exposure, SNPUIIL has entered into a 5-year interest rate swap agreement on 12 September 2018, to hedge interest rate exposure on its USD 25,774,300 floating rate borrowing with fixed rate of 3.08%.

IDCOL, ICD and OFID provided USD 24,300,000, USD 24,300,000 and USD 20,000,000 respectively as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 11 years 9 months (including 3 months grace period), repayable quarterly starting on 15 June 2019, for *Ace Alliance Power Limited ("AAPL")*. The Group had incurred an amount of Taka 117,423,896 as transaction costs till date, which has been capitalised and is being amortised over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company along with Deed of Mortgage, Share Pledge and Bangladesh/English Law Security Assignment Agreements. Summit Power Limited, as one of the sponsor companies, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time, if there is any due. AAPL is exposed to changes in the USD LIBOR interest rate. To reduce the exposure, AAPL has entered into a 11-year 6 months interest rate swap agreement on 15 March 2019, to hedge interest rate exposure on its USD 68,600,000 floating rate borrowing with fixed rate of 2.87%.

Clifford and SMBC committed to provide USD 93,415,712 and USD 46,707,856 respectively as long-term project loan for a period of 9 years 9 months, repayable quarterly starting on 15 June 2020, for *Summit Gazipur II Power Limited ("SGIIP")*. The rates of interest for Clifford and SMBC are 3.95% per annum plus 7 years' UTS rate and 3.95% per annum plus 3 months' LIBOR respectively. Till 30 June 2020, the Group made drawdown of USD 86,597,567 from Clifford and USD 43,298,783 from SMBC. The Group had incurred an amount of Taka 362,312,389 as transaction costs till date, which has been capitalised and is being amortised over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company along with Deed of Mortgage, Share Pledge and Bangladesh/English Law Security Assignment Agreements. Summit Corporation Limited, as a sponsor company which is also the parent company of Summit Power Limited, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time if there is any due. The Group/Company has already entered into hedge agreement with SMBC which is yet to be effective.

26.2 Deferred letter of credit

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Bank Asia Limited	-	2,948,549,217	-	-
The City Bank Limited	-	2,809,418,453	-	-
Mutual Trust Bank Limited	-	1,923,253,516	-	-
Prime Bank Limited	-	2,319,209,728	-	-
	-	10,000,430,914	-	-

27. Deferred liabilities

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Gratuity fund	27.1	197,235,284	162,022,097	197,235,284	162,022,097
Liability for assets retirement obligation	27.2	75,347,719	71,951,603	75,347,719	71,951,603
Lease liability	27.3	22,360,719	-	22,360,719	-
Derivative financial instrument	27.4	1,087,866,161	579,964,031	-	-
		1,382,809,883	813,937,731	294,943,722	233,973,700

27.1 Gratuity fund

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening balance		162,022,097	133,881,298	162,022,097	120,370,298
Service cost					
- Included in profit or loss	27.1.1	32,646,000	41,988,000	23,196,000	21,385,000
- Included in other comprehensive income	27.1.1	7,649,000	23,189,000	5,666,000	18,946,000
Benefits paid		(5,081,813)	(37,036,201)	(5,081,813)	(32,859,848)
		197,235,284	162,022,097	185,802,284	127,841,450
Transfer from subsidiaries		-	-	11,433,000	34,180,647
		197,235,284	162,022,097	197,235,284	162,022,097

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27.1.1 Defined benefit obligation charged to profit or loss and other comprehensive income **Figures in BDT**

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Included in profit or loss				
Current service cost	18,875,000	30,608,000	12,330,000	11,154,000
Past service cost	-	-	-	-
Interest accrued on defined benefit obligation	13,771,000	11,380,000	10,866,000	10,231,000
	32,646,000	41,988,000	23,196,000	21,385,000
Included in other comprehensive income				
Actuarial (gain)/loss arising from:				
- Demographic assumptions	-	-	-	-
- Financial assumptions	-	23,797,000	-	19,965,000
- Experience adjustment	7,649,000	(608,000)	5,666,000	(1,019,000)
	7,649,000	23,189,000	5,666,000	18,946,000
	40,295,000	65,177,000	28,862,000	40,331,000

27.1.2 Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date:

	30 June 2020	30 June 2019
Discount rate	8.5%	8.5%
Future salary growth	8.5%	8.5%
Withdrawal Rate	10%	10%

27.1.3 Sensitivity analysis

Reasonably possible changes in reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	30 June 2020		30 June 2019	
	Increase	Decrease	Increase	Decrease
Consolidated				
Discount rate (1% movement)	(32,130,000)	41,198,000	(26,471,000)	33,990,000
Future salary growth (1% movement)	40,771,000	(32,394,000)	33,637,000	(26,688,000)
Separate				
Discount rate (1% movement)	(23,057,000)	29,164,000	(19,557,000)	24,775,000
Future salary growth (1% movement)	28,864,000	(23,248,000)	24,520,000	(19,719,000)

27.2 Liability for assets retirement obligation

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening balance	71,951,603	68,375,562	71,951,603	68,375,562
Addition	3,396,116	3,576,041	3,396,116	3,576,041
Adjustment/payment	-	-	-	-
Closing balance	75,347,719	71,951,603	75,347,719	71,951,603

27.3 Lease obligation

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening balance	-	-	-	-
Addition	24,906,390	-	24,906,390	-
Financial charge	1,294,577	-	1,294,577	-
Payment	(3,840,248)	-	(3,840,248)	-
Closing balance	22,360,719	-	22,360,719	-

This pertains to land leased from BREB for Ashulia (Unit 1 and 2), Madhabdi (Unit 1 and 2), Chandina (Unit 1 and 2), Maona and Ullapara power plants which has been accounted for in accordance with IFRS 16 Leases.

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27.4 Derivative financial instrument

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
<i>Interest rate swap</i>				
Summit Barisal Power Limited	234,578,688	157,534,903	-	-
Summit Narayanganj Power Unit II Limited	137,406,794	91,633,407	-	-
Ace Alliance Power Limited	715,880,679	330,795,721	-	-
	1,087,866,161	579,964,031	-	-

To reduce the variable interest rate exposure, the Group has entered into multiple interest rate swap agreements with different commercial banks (i.e. Eastern Bank Limited for SBPL and SNPUIIL with notional amount of USD 71,249,300 and BRAC Bank Limited for AAPL with notional amount of USD 68,600,000). These financial instruments are valued quarterly.

28 Dividend payable

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening balance	75,475,039	58,429,846	75,475,039	58,429,846
Cash dividend declared	5,339,386,195	3,203,631,717	5,339,386,195	3,203,631,717
Cash dividend paid	(5,138,831,427)	(3,186,586,524)	(5,138,831,427)	(3,186,586,524)
Closing balance	276,029,807	75,475,039	276,029,807	75,475,039

This includes dividends being unclaimed by the shareholders as at 30 June 2020. This is deposited in a bank account and are payable on demand.

29 Trade payables

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Gas:				
<i>Titas Gas Transmission & Distribution Company Limited</i>				
Ashulia Power Plant	8,179,746	3,004,888	8,179,746	3,004,888
Ashulia Power Plant (Expansion)	19,195,741	15,831,900	19,195,741	15,831,900
Madhabdi Power Plant	8,443,750	4,466,297	8,443,750	4,466,297
Madhabdi Power Plant (Expansion)	15,496,435	8,698,090	15,496,435	8,698,090
Rupganj Power Plant	51,848,403	16,423,651	51,848,403	16,423,651
Maona Power Plant	43,080,012	17,552,966	43,080,012	17,552,966
<i>Bakhrabad Gas Distribution Company Limited</i>				
Chandina Power Plant	7,275,909	4,472,181	7,275,909	4,472,181
Chandina Power Plant (Expansion)	7,500,491	5,980,983	7,500,491	5,980,983
Jangalia Power Plant	49,009,624	13,712,977	49,009,624	13,712,977
<i>Pashchimanchal Gas Company Limited</i>				
Ullapara Power Plant	13,241,075	4,818,604	13,241,075	4,818,604
Heavy furnace oil (HFO):				
<i>Summit Oil & Shipping Company Limited</i>				
Madanganj Power Plant	592,724,097	276,613,410	592,724,097	276,613,410
Barisal Power Plant	282,586,193	882,478,867	-	-
Madanganj Power Plant (Unit II)	130,641,314	253,481,231	-	-
Kodda Power Plant (Unit I)	940,363,030	1,345,939,586	-	-
Kodda Power Plant (Unit II)	908,159,556	1,006,753,079	-	-

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Particulars	Figures in BDT			
	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Mobile Jamuna Lubricants Bangladesh Limited	25,064,866	10,613,865	25,064,866	10,613,865
ABB Limited	6,249,956	2,249,269	6,249,956	2,249,269
Navana Petroleum Limited	12,843,600	7,848,720	4,837,800	2,568,720
Jamuna Oil Company Limited	-	1,125,180	-	1,125,180
Ranks Petroleum Limited	-	25,562	-	-
Wärtsilä Bangladesh Limited	47,750,536	11,897,739	15,268,013	8,920,463
Energypac Engineering Limited	288,506	288,506	288,506	288,506
Bangla Trac Limited	252,333	-	203,333	-
Noor Enterprise	203,502	-	203,502	162,590
Waterchem Technology	1,092,002	725,118	-	-
Barkat Business Co. Ltd.	250,000	-	250,000	-
Clarke Energy Bangladesh Ltd.	214,042	-	214,042	-
Delcot Limited	1,474,532	-	1,474,532	-
Desh Bangla Enterprise	950,000	-	950,000	-
Others	1,190,077	1,252,604	719,763	740,472
	3,175,569,328	3,896,255,273	871,719,596	398,245,011

30 Other payables and accruals

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Provision for income tax		191,742,031	130,378,343	37,313,893	44,108,889
Liability for withholding tax and VAT		17,935,263	17,683,355	349,523	5,559
Summit Oil & Shipping Company Limited		82,332,003	35,357,433	3,002,339	2,398,676
Cosmopolitan Communications Limited		231,000	142,800	115,500	111,300
Provision for C&F agents		3,620,012	3,521,247	1,429,628	-
Resources & Solutions Limited		523,638	559,603	523,638	559,603
Audit and certification fees		2,162,000	2,334,500	862,500	862,500
Security services		2,355,883	2,181,148	1,538,860	1,499,699
Liability for earned leave encashment	30.1	5,397,434	26,279,102	3,520,012	19,289,949
M/s UDECO Limited		571,880	571,880	-	-
Bangladesh Securities and Exchange Commission		1,670,000	1,684,955	-	-
Hermitage Of Management & Standards Ltd.		101,111	-	101,111	-
China Northeast Electric Power Engineering & Services Ltd		31,717,896	-	-	-
Clifford Capital Pte. Ltd.		551,194	-	-	-
Green Delta Insurance Company Limited		2,350,287	868,262	-	-
Green Dot Limited		113,750	-	-	-
Pioneer Insurance Co. Ltd.		-	1,411,285	-	-
Interest on project loan		51,556,638	37,078,150	-	-
Interest on short-term bank loan		-	303,048,207	-	-
Dividend on redeemable preference shares		107,726,027	40,226,027	-	-
Provision for bonus to employees		4,030,539	4,077,608	-	-
Payable to employees for office work		236,416	-	-	-
Asset purchase		38,716,276	6,985,430	236,479	94,281
Legal and professional fees payable		23,451,966	1,328,250	785,975	822,250
Security money retained from vendors		7,417,108	2,464,376	31,000	31,000
Others		2,236,171	288,267	399,670	17,978
		578,746,524	618,470,229	50,210,129	69,801,685

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

30.1 Liability for earned leave

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Opening balance	26,279,102	69,938,376	19,289,949	63,316,737
Addition	30,549,958	19,451,240	23,011,223	13,743,475
Payment	(51,436,870)	(63,128,985)	(38,781,160)	(57,770,263)
Effect of exchange rate movement	5,244	18,471	-	-
Closing balance	5,397,434	26,279,102	3,520,012	19,289,949

31 Intercompany payables

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Summit Corporation Limited	4,409,077	200,929,205	253,163	200,397,901
Ace Alliance Power Limited	-	-	-	36,200,000
Summit Gazipur II Power Limited	-	-	1,684,185	300,000,000
	4,409,077	200,929,205	1,937,348	536,597,901

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

32 Revenue

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Sales revenue - Electricity				
Ashulia Power Plant	164,242,180	178,058,335	164,242,180	178,058,335
Ashulia Power Plant (expansion)	925,947,548	944,921,137	925,947,548	944,921,137
Madhabdi Power Plant	194,126,547	190,913,415	194,126,547	190,913,415
Madhabdi Power Plant (expansion)	658,588,500	655,659,057	658,588,500	655,659,057
Chandina Power Plant	162,692,638	179,874,125	162,692,638	179,874,125
Chandina Power Plant (expansion)	366,854,690	373,785,395	366,854,690	373,785,395
Rupganj Power Plant	942,534,580	816,028,850	942,534,580	816,028,850
Jangalia Power Plant	827,964,889	680,426,473	827,964,889	680,426,473
Maona Power Plant	953,379,688	824,310,430	953,379,688	824,310,430
Ullapara Power Plant	293,876,940	254,821,956	293,876,940	254,821,956
Madanganj Power Plant	1,380,628,769	1,364,123,066	1,380,628,769	1,364,123,066
Barisal Power Plant	1,273,204,355	1,257,387,505	-	-
Madanganj Power Plant (Unit II)	674,919,671	668,910,711	-	-
Kodda Power Plant (Unit I)	1,168,608,081	1,128,315,781	-	-
Kodda Power Plant (Unit II)	3,204,414,804	3,221,088,190	-	-
	13,191,983,880	12,738,624,426	6,870,836,969	6,462,922,239
Sales revenue - HFO				
Madanganj Power Plant	1,404,127,888	1,986,649,484	1,404,127,888	1,986,649,484
Barisal Power Plant	1,476,146,276	3,409,838,055	-	-
Madanganj Power Plant (Unit II)	707,436,748	1,822,560,407	-	-
Kodda Power Plant (Unit I)	3,057,101,655	4,065,987,508	-	-
Kodda Power Plant (Unit II)	2,699,929,174	6,447,972,513	-	-
	9,344,741,741	17,733,007,967	1,404,127,888	1,986,649,484
Impact of straight-lining (IFRS 16)*				
Barisal Power Plant	(17,317,120)	-	-	-
Madanganj Power Plant (Unit II)	(9,794,660)	-	-	-
Kodda Power Plant (Unit I)	544,477,749	-	-	-
Kodda Power Plant (Unit II)	976,588,774	-	-	-
	1,493,954,743	-	-	-
	24,030,680,364	30,471,632,393	8,274,964,857	8,449,571,723

* See accounting policies in Note 52.J.

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

33 Cost of sales

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Gas consumption:					
Ashulia Power Plant		82,876,375	54,921,192	82,876,375	54,921,192
Ashulia Power Plant (expansion)		247,375,178	175,495,329	247,375,178	175,495,329
Madhabdi Power Plant		89,416,223	65,781,219	89,416,223	65,781,219
Madhabdi Power Plant (expansion)		177,102,640	127,222,179	177,102,640	127,222,179
Chandina Power Plant		80,481,304	55,607,071	80,481,304	55,607,071
Chandina Power Plant (expansion)		93,946,636	68,115,552	93,946,636	68,115,552
Rupganj Power Plant		315,060,191	217,341,380	315,060,191	217,341,380
Jangalia Power Plant		255,886,059	160,992,154	255,886,059	160,992,154
Maona Power Plant		310,169,483	221,485,118	310,169,483	221,485,118
Ullapara Power Plant		89,837,241	64,409,831	89,837,241	64,409,831
HFO consumption:					
Madanganj Power Plant		1,404,127,888	1,986,649,484	1,404,127,888	1,986,649,484
Barisal Power Plant		1,476,146,276	3,409,838,055	-	-
Madanganj Power Plant (Unit II)		707,436,748	1,822,560,407	-	-
Kodda Power Plant (Unit I)		3,057,101,655	4,065,987,508	-	-
Kodda Power Plant (Unit II)		2,699,929,174	6,447,972,513	-	-
Tankage handling charge		189,147,280	163,743,938	35,268,346	28,945,619
Depreciation on plant and machineries	4.1	1,869,445,494	1,811,760,720	825,310,306	815,038,767
General consumables		206,176,393	338,440,588	122,069,244	231,921,883
Lubricant oil expense		309,039,305	403,495,803	119,240,462	141,503,858
Testing expense		1,308,323	5,055,130	139,900	4,926,980
Diesel consumption		52,247,712	57,638,534	5,468,521	4,821,707
Liquidated damages		11,346,952	-	-	-
Salaries and allowances		420,519,831	365,673,146	236,390,876	213,017,309
Insurance premium		152,456,149	142,930,854	37,946,970	36,502,074
Daily labor charges		30,051,619	32,145,676	17,064,007	18,486,218
Lease land rental		891,369	5,143,242	891,369	5,143,242
Security service		25,657,619	26,426,937	11,314,798	12,071,123
BERC license fees		2,164,358	4,916,449	431,516	678,907
Technical assistance fee		4,558,679	13,321,148	-	-
Environmental compliance		9,816,621	3,128,290	1,897,791	1,009,482
ISO certification		88,780	159,403	88,780	112,500
Plant maintenance		182,404,122	158,979,125	79,708,874	112,628,039
Employee welfare		1,219,325	544,759	814,632	341,582
		14,555,433,002	22,477,882,735	4,640,325,610	4,825,169,800

34 Other income, net

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Sale of empty lube oil drums and HFO sludge				
	9,005,248	22,176,144	4,923,500	8,116,105
Dividend income	280,796,706	191,437,348	1,430,778,872	216,937,348
Impairment loss	1,877,536	(1,877,536)	1,877,536	(1,877,536)
Gain/(loss) from disposal of assets	886,700	5,935,369	886,700	6,011,448
Miscellaneous, net of expenses	-	18,881,307	-	48,000
	292,566,190	236,552,632	1,438,466,608	229,235,365

SUMMIT POWER LIMITED
Notes to the financial statements
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35 General and administrative expenses

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Salaries and allowances		106,751,960	101,441,211	32,924,638	33,898,762
Gratuity		32,651,112	41,892,347	23,196,000	21,385,000
Directors and MD's remuneration		75,136,034	66,147,217	63,450,725	57,368,742
Tax on directors remuneration		17,077,687	15,097,246	17,077,687	15,097,246
Security service and temporary contract worker		37,203,499	37,720,842	19,105,868	19,262,242
Education and training		1,245,624	3,159,339	646,751	1,069,100
Employee welfare		699,261	132,212	699,261	116,499
Board meeting attendance fees	35.1	6,175,826	4,380,126	2,631,080	1,692,300
Board meeting - others		44,032	60,082	24,000	20,000
Audit committee meeting attendance fees		1,799,959	1,581,984	744,440	683,325
Communication		7,386,565	9,008,998	4,865,754	5,213,938
Travelling and conveyance		6,036,908	11,925,218	3,731,515	5,211,951
Vehicle fuel and maintenance		17,905,877	18,329,823	6,436,016	6,140,959
Entertainment		14,550,847	21,193,852	6,406,821	9,523,688
Food and lodging		1,378,087	3,055,527	654,388	655,913
Printing and stationery		2,702,461	3,569,710	904,357	1,039,413
Office expenses		383,588	2,414,334	148,824	1,560,594
General repair and building maintenance		31,415,599	33,173,344	12,048,841	16,468,275
Rent, rates and taxes		5,885,168	7,253,280	3,129,598	3,341,357
Utility expenses		2,081,443	2,228,831	976,616	1,051,760
Insurance premium		3,707,757	4,244,732	1,267,822	1,451,403
Advertisement and publicity		1,977,149	8,183,008	528,308	2,611,462
Gift and compliments		870,029	2,175,656	246,028	667,729
Donation and subscription		27,404,696	32,021,900	8,793,377	8,689,828
Legal and professional consultancy fees		10,557,328	19,524,659	5,043,389	10,881,233
Uniform and liveries		1,070,952	7,869,036	445,398	1,888,035
Audit fee		2,161,047	2,157,997	862,500	862,500
Credit rating fees		1,127,239	696,242	215,000	-
Technical assistance fee		137,195	-	-	-
Annual General Meeting expenses		3,538,030	4,544,481	3,509,319	4,544,481
Depreciation	4.1	55,910,689	61,212,857	41,899,118	48,833,328
Amortisation	5	1,623,264	1,623,264	693,264	693,264
Annual fees		6,957,143	8,962,753	2,043,491	4,869,693
Business development expenses		21,014,641	25,199,194	11,271,207	14,136,141
Inauguration ceremony		-	5,597,151	-	-
Miscellaneous		34,930	36,308	-	-
		506,603,626	567,814,762	276,621,401	300,930,160

35.1 Directors and MD's remuneration

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Salaries and allowances	62,627,056	55,459,207	53,174,884	47,987,185
Festival bonus	10,528,978	8,708,010	9,602,294	8,708,010
Utility expenses	1,980,000	1,980,000	673,547	673,547
	75,136,034	66,147,217	63,450,725	57,368,742
Board meeting attendance fees	6,175,826	4,380,126	2,631,080	1,692,300
	81,311,860	70,527,343	66,081,805	59,061,042

SUMMIT POWER LIMITED
Notes to the financial statements
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36 Finance income/(expenses), net

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Finance Income					
Interest on FDRs		364,086,851	284,988,665	199,186,519	171,238,405
Interest on STDs		66,041,176	31,781,690	26,087,749	17,162,312
Foreign exchange gain/(loss)		301,669,716	505,760,586	1,118,260	4,058,580
		731,797,742	822,530,941	226,392,527	192,459,297
Finance expenses					
Interest on loan					
Bank loan and overdraft		59,847,857	17,853,384	-	1,327,778
Foreign project loan		1,176,843,371	1,147,327,592	-	-
Dividend on redeemable preference shares		216,685,693	122,369,985	-	-
		1,453,376,921	1,287,550,961	-	1,327,778
Others					
Bank charges and others		18,599,580	12,819,083	5,216,345	6,782,405
Bank guarantee commission		8,138,039	10,020,056	2,840,581	2,829,344
Amortisation on ARO		3,396,116	3,576,041	3,396,116	3,576,041
Amortisation of transaction cost		254,758,973	196,148,164	463,993	-
Operation and insurance bond commission		499,034	874,288	499,034	874,288
Financial charge on lease arrangement	27.3	1,294,577	-	1,294,577	-
Agency fee		23,556,133	13,950,336	-	-
		310,242,452	237,387,968	13,710,646	14,062,078
Finance expenses		1,763,619,373	1,524,938,929	13,710,646	15,389,856
Finance income/(expenses), net		(1,031,821,631)	(702,407,988)	212,681,881	177,069,441

37 Income tax expense

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Current tax expenses	37.1	73,323,310	81,972,443	5,573,017	32,122,055
Deferred tax expense/(income) recognised directly in profit	37.2	48,506	(2,847,133)	2,213,176	2,868,712
		73,371,816	79,125,310	7,786,193	34,990,767

37.1 Current tax expenses

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Income tax expense for current year	98,310,282	93,959,277	30,559,989	44,108,889
Adjustment/ Provision released during the year	(24,986,972)	(11,986,834)	(24,986,972)	(11,986,834)
	73,323,310	81,972,443	5,573,017	32,122,055

37.2 Deferred tax expense/(income)

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Deferred tax assets/(liabilities)				
Opening balance	43,923,588	34,821,425	31,960,363	30,092,575
Closing balance	(31,576,169)	43,923,588	(46,400,605)	31,960,363
	75,499,757	(9,102,163)	78,360,968	(1,867,788)
Deferred tax attributable to actuarial (gain)/loss recognised through OCI	2,061,371	6,221,550	1,416,500	4,736,500
Deferred tax attributable to property, plant and equipment recognised directly in equity	(77,564,292)	33,480	(77,564,292)	-
Effect of exchange rate movement	51,670	-	-	-
	48,506	(2,847,133)	2,213,176	2,868,712

SUMMIT POWER LIMITED
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37.3 Tax reconciliation

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Profit before tax	8,557,125,656	7,361,740,713	5,009,166,335	3,729,776,569
Corporate tax rate	25% to 32.5%	25% to 32.5%	25%	25%
Income tax using the corporate tax rate(s)	2,495,951,255	2,166,396,517	1,252,291,584	932,444,142
Factors affecting the tax charge for current period:				
Tax exempt income	(7,187,616,995)	10,010,965,233	(2,354,504,996)	1,220,032,446
Non deductible expenses	4,890,343,714	8,036,096,153	1,122,371,975	(2,108,367,699)
Changes in estimates related to prior years	10,401,426	-	10,401,426	-
Adjustment/ provision released during the year	(24,986,972)	(11,986,834)	(24,986,972)	(11,986,834)
Deferred tax expense/(income)	48,506	-	2,213,176	2,868,712
Effects of results of equity-accounted investee	(110,769,118)	(100,415,293)	-	-
Total income tax expense	73,371,816	79,125,310	7,786,193	34,990,767

38. Actuarial gain/(loss) on gratuity valuation, net of tax

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Actuarial gain/(loss) on defined benefit plans	27.1	(7,650,025)	(23,189,000)	(5,666,000)	(18,946,000)
Deferred tax income/(expense) for actuarial loss on defined benefit plan		2,061,371	6,221,550	1,416,500	4,736,500
		(5,588,654)	(16,967,450)	(4,249,500)	(14,209,500)

39. Earnings per share (EPS)

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Basic earnings per share					
Profit attributable to the ordinary shareholders (basic)		5,525,397,094	5,104,797,292	5,001,380,142	3,694,785,802
Weighted average number of shares outstanding (basic)*		1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Basic earnings per share (EPS)		5.17	4.78	4.68	3.46

* The weighted average number of ordinary shares outstanding during the year is the number of ordinary shares outstanding at the beginning of the year, adjusted by the number of ordinary shares issued during the year multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year. The weighted average number of shares is calculated in case of bonus share by assuming that the shares have always been in issue. This means that they have been issued at the start of the year presented as the comparative figures.

40. Net asset value per share (NAVPS)

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Net asset value	33,637,180,666	34,596,163,194	29,509,353,409	30,703,437,687
Weighted average number of shares outstanding (basic)	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Net asset value per share (NAVPS)	31.50	32.40	27.63	28.75

41. Net operating cash flows per share (NOCFPS)

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Net cash from operating activities	10,055,202,998	6,053,929,153	4,018,852,915	2,439,825,581
Weighted average number of shares outstanding (basic)	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Net operating cash flows per share (NOCFPS)	9.42	5.67	3.76	2.28

SUMMIT POWER LIMITED
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42 Reconciliation of profit after income tax with net cash from operating activities Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2020	30 June 2019	30 June 2020	30 June 2019
Cash flows from operating activities					
Profit after income tax		8,483,753,840	7,282,615,403	5,001,380,142	3,694,785,802
Adjustments for non-cash transactions:					
Depreciation	4	1,925,356,183	1,872,973,577	867,209,424	863,872,095
Amortisation	5	1,623,264	1,623,264	693,264	693,264
Impairment loss on AFS financial assets	34	(1,877,536)	1,877,536	(1,877,536)	1,877,536
Foreign exchange gain/(loss)		(475,669)	(549,102)	-	-
Finance expenses					
Financial charge on lease arrangement	36	1,294,577	-	1,294,577	-
Income tax expenses	37.2	73,371,816	79,125,310	7,786,193	34,990,767
Share of profit of equity-accounted investees	7	(327,737,361)	(401,661,173)	-	-
		1,671,555,274	1,553,389,412	875,105,922	901,433,662
Adjustments for items reclassified to cash flows from investing and financing activities:					
Other income					
Dividend income	34	(280,796,706)	(191,437,348)	(1,430,778,872)	(216,937,348)
Gain/(loss) from disposal of assets	34	(886,700)	(5,935,369)	(886,700)	(6,011,448)
Finance income					
Interest on FDRs and STDs	36	(430,128,027)	(316,770,355)	(225,274,268)	(188,400,717)
Foreign exchange gain/(loss)	36	(63,822,503)	(530,850,627)	545,492	-
Finance expenses					
Interest on loan	36	1,453,376,921	1,287,550,961	-	1,327,778
Amortisation of transaction cost	36	254,758,973	196,148,164	463,993	-
		932,501,959	438,705,426	(1,655,930,355)	(410,021,735)
Changes in:					
Deferred revenue	9	(1,495,080,679)	-	-	-
Inventories	11	82,863,231	(68,187,620)	32,928,631	71,984,400
Trade receivables	12	441,284,186	(2,679,199,205)	(933,860,182)	(966,033,403)
Other receivables (except interest on FDR and insurance receivables)	13	80,383,063	(9,528,232)	-	-
Advances, deposits and prepayments	15	683,623,282	(897,845,814)	216,623,607	(559,508,411)
Deferred liabilities (except other financial liability)	27	38,609,303	31,716,840	38,609,303	45,227,840
Less: Actuarial gain/(loss) from gratuity valuation	38	(7,650,025)	(23,189,000)	(5,666,000)	(18,946,000)
Trade payables	29	(720,685,945)	285,747,177	473,474,585	(259,786,041)
Other payables and accruals	30	(101,087,393)	215,840,729	(12,796,560)	(47,992,036)
Reclassification from intangible asset on advances, deposits and prepayments		898,700	-	179,740	-
		(996,842,277)	3,144,645,125	(190,506,876)	(1,735,053,651)
Cash generated from operating activities		10,090,968,796	6,130,065,116	4,030,048,833	2,451,144,078
Income tax paid		(35,765,798)	(76,135,963)	(11,195,918)	(11,318,497)
Net cash from operating activities		10,055,202,998	6,053,929,153	4,018,852,915	2,439,825,581

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43 Financial instruments - Fair values and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values, where applicable, of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Figures in BDT ('000)

Particulars	Notes	Carrying amount							Fair value				
		Fair value - hedging instruments	Mandatorily at FVTPL - others	FVOCI - debt in- struments	FVOCI - equity instruments	Financial assets at am- ortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
30 June 2020													
Financial assets measured at fair value													
Other investments	10	-	-	-	3,183,407	-	-	3,183,407	3,183,407	-	-	3,183,407	
		-	-	-	3,183,407	-	-	3,183,407	3,183,407	-	-	3,183,407	
Financial assets not measured at fair value													
Trade receivables	12	-	-	-	-	11,415,305	-	11,415,305	-	-	-	-	
Other receivables	13	-	-	-	-	48,933	-	48,933	-	-	-	-	
Deposits	15	-	-	-	-	28,673	-	28,673	-	-	-	-	
Cash and cash equivalents (except cash in hand)	16	-	-	-	-	5,725,080	-	5,725,080	-	-	-	-	
		-	-	-	-	17,217,992	-	17,217,992	-	-	-	-	
Financial liabilities not measured at fair value													
Redeemable preference shares	25	-	-	-	-	-	2,365,540	2,365,540	-	-	-	-	
Loans and borrowings	26	-	-	-	-	-	20,719,737	20,719,737	-	-	-	-	
Deferred liabilities	27	1,087,866	-	-	-	-	294,944	1,382,810	-	-	-	-	
Unclaimed dividends	28	-	-	-	-	-	276,030	276,030	-	-	-	-	
Trade payables	29	-	-	-	-	-	3,175,569	3,175,569	-	-	-	-	
Other payables and accruals	30	-	-	-	-	-	578,747	578,747	-	-	-	-	
Intercompany payables	31	-	-	-	-	-	4,409	4,409	-	-	-	-	
		1,087,866	-	-	-	-	27,414,975	28,502,842	-	-	-	-	

Figures in BDT ('000)

Particulars	Notes	Carrying amount							Fair value				
		Fair value - hedging instruments	Mandatorily at FVTPL - others	FVOCI - debt in- struments	FVOCI - equity instruments	Financial assets at am- ortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total	
30 June 2019													
Financial assets measured at fair value													
Other investments	10	-	-	-	3,955,794	-	-	3,955,794	3,955,794	-	-	3,955,794	
		-	-	-	3,955,794	-	-	3,955,794	3,955,794	-	-	3,955,794	
Financial assets not measured at fair value													
Trade receivables	12	-	-	-	-	11,856,589	-	11,856,589	-	-	-	-	
Other receivables	13	-	-	-	-	118,565	-	118,565	-	-	-	-	
Deposits	15	-	-	-	-	27,544	-	27,544	-	-	-	-	
Cash and cash equivalents (except cash in hand)	16	-	-	-	-	5,840,528	-	5,840,528	-	-	-	-	
		-	-	-	-	17,843,225	-	17,843,225	-	-	-	-	
Financial liabilities not measured at fair value													
Redeemable preference shares	25	-	-	-	-	-	1,627,281	1,627,281	-	-	-	-	
Loans and borrowings	26	-	-	-	-	-	21,056,627	21,056,627	-	-	-	-	
Deferred liabilities	27	579,964	-	-	-	-	233,974	813,938	-	-	-	-	
Unclaimed dividends	28	-	-	-	-	-	75,475	75,475	-	-	-	-	
Trade payables	29	-	-	-	-	-	3,896,255	3,896,255	-	-	-	-	
Other payables and accruals	30	-	-	-	-	-	618,470	618,470	-	-	-	-	
Intercompany payables	31	-	-	-	-	-	200,929	200,929	-	-	-	-	
		579,964	-	-	-	-	27,709,012	28,288,976	-	-	-	-	

The Company/Group has not disclosed the fair values for financial instruments because their carrying amounts are a reasonable approximation of fair values.

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B. Financial risk management

The Group has exposures to the following risks from its use of financial instruments:

- i) Credit risk
- ii) Liquidity risk
- iii) Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's/Group's risk management framework. The Board oversees how management monitors compliance with risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risks faced by the Company/Group. The Board is assisted in its oversight role by Audit Committee. Internal Audit, under the purview of Audit Committee, undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i) Credit risk

Credit risk is the risk of financial loss to the Company/Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's/Group's receivable from customers and investment securities. The Group's sales are made to Government entity, viz, Bangladesh Rural Electrification Board (BREB) and Bangladesh Power Development Board (BPDB) under the conditions of the fixed term Power Purchase Agreement (PPA).

a) Exposure to credit risk

The maximum exposure to credit risk at the reporting date was:

Particulars	Notes	30 June 2020	30 June 2019
Trade receivables	12	11,415,305,024	11,856,589,210
Other receivables	13	48,933,306	118,564,559
Deposits	15	28,673,121	27,543,827
Cash and cash equivalents (except cash in hand)	16	5,725,080,178	5,840,527,884
		17,217,991,629	17,843,225,480

b) Ageing of receivables (excluding interest on FDR and net of bad debt provision)

Particulars	30 June 2020	30 June 2019
Not past due	4,792,468,672	4,664,410,385
Past due 0 - 30 days	885,630,018	1,860,728,771
Past due 31 - 90 days	145,221,035	694,471,490
Past due 91 - 180 days	300,510,623	256,607,954
Past due over 180 days	5,295,998,176	4,437,271,338
	11,419,828,524	11,913,489,938

ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Typically, the Group ensures that it has sufficient cash and cash equivalent to meet expected operational expenses, including the servicing of financial obligation through preparation of the cash forecast, prepared based on time line of payment of the financial obligation and accordingly arrange for sufficient liquidity/fund to make the expected payment within due date. Moreover, the Group seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flows projections and credit lines facilities with banks are negotiated accordingly.

It may be noted that the Group repaid its liabilities in the financial year 2019-2020 on due dates. Rest of the financial liabilities are expected to be repaid in due time which are expected to be financed from operational cash flow.

The following are the contractual maturities of financial liabilities of the Group:

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Particulars	Notes	Carrying amount	Contractual cash flows							
			Total	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years		
30 June 2020										
Non-derivative financial liabilities										
Redeemable preference shares	25	2,365,539,624	2,385,000,000	197,500,000	160,000,000	457,500,000	1,252,500,000	317,500,000		
Loans and borrowings	26	20,719,737,376	21,259,876,970	871,856,851	899,202,666	1,847,875,133	6,940,168,665	10,700,773,655		
Gratuity fund	27.1	197,235,284	197,235,284	-	-	-	197,235,284	-		
Liability for assets retirement obligation	27.2	75,347,719	75,347,719	-	-	-	-	75,347,719		
Lease liability	27.3	22,360,719	25,369,166	3,867,500	2,567,500	5,135,000	12,165,833	1,633,333		
Dividends payable	28	276,029,807	276,029,807	276,029,807	-	-	-	-		
Trade payables	29	3,175,569,328	3,175,569,312	3,175,569,312	-	-	-	-		
Other payables and accruals	30	578,746,524	572,112,628	-	572,112,628	-	-	-		
Intercompany payables	31	4,409,077	4,409,077	-	4,409,077	-	-	-		
		27,414,975,458	27,970,949,963	4,524,823,470	1,638,291,871	2,310,510,133	8,402,069,782	11,095,254,707		
Derivative financial liabilities										
Derivative financial instrument	27.4	1,087,866,161	1,087,866,161	-	-	-	371,985,482	715,880,679		
		1,087,866,161	1,087,866,161	-	-	-	371,985,482	715,880,679		
		28,502,841,619	9,058,816,124	4,524,823,470	1,638,291,871	2,310,510,133	8,774,055,264	11,811,135,386		
Particulars	Notes	Carrying amount	Contractual cash flows							
			Total	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years		
30 June 2019										
Non-derivative financial liabilities										
Redeemable preference shares	25	1,627,281,207	1,645,000,000	-	160,000,000	710,000,000	775,000,000	-		
Loans and borrowings	26	21,056,627,042	21,275,232,114	502,527,242	10,482,041,372	1,071,088,200	3,317,605,200	5,901,970,100		
Gratuity fund	27.1	162,022,097	162,022,097	-	-	-	162,022,097	-		
Liability for assets retirement obligation	27.2	71,951,603	71,951,603	-	-	-	-	71,951,603		
Dividends payable	28	75,475,039	75,475,039	75,475,039	-	-	-	-		
Trade payables	29	3,896,255,273	3,896,255,273	3,896,255,273	-	-	-	-		
Other payables and accruals	30	618,470,229	568,551,255	-	568,551,255	-	-	-		
Intercompany payables	31	200,929,205	200,929,205	-	200,929,205	-	-	-		
		27,709,011,695	27,895,416,586	4,474,257,554	11,411,521,832	1,781,088,200	4,254,627,297	5,973,921,703		
Derivative financial liabilities										
Derivative financial instrument	27.4	579,964,031	579,964,031	-	-	-	249,168,310	330,795,721		
		579,964,031	579,964,031	-	-	-	249,168,310	330,795,721		
		28,288,975,726	28,475,380,617	4,474,257,554	11,411,521,832	1,781,088,200	4,503,795,607	6,304,717,424		

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

iii) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Group's income or the value of its holding of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a) Currency risk

The Group, except SBPL, SNPUIL, AAPL and SGIIPL, is exposed to currency risk on purchases of spare parts and capital machinery that are denominated in a currency other than the functional currency, primarily the United State Dollar (USD) and EURO. For SBPL, SNPUIL, AAPL and SGIIPL, foreign currency transactions are denominated mainly in Bangladesh Taka (BDT) and EURO. The Company/Group has not entered into any type of derivatives instrument in order to hedge foreign currency risk as at 30 June 2020.

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i) **Exposure to currency risk**

The Group's exposure to foreign currency risk arising from foreign currency denominated assets/(liabilities), of the entities whose functional currency is BDT, was as follows:

Figures in BDT			
Particulars	Currency	30 June 2020	30 June 2019
Foreign currency denominated assets			
Trade receivables	USD	522,270,085	502,858,781
Cash and cash equivalents (except cash in hand)	USD	-	107,335,965
		522,270,085	610,194,746
Foreign currency denominated liabilities			
Loans and borrowings	USD	-	5,460,312,105
Interest rate swap	USD	-	249,168,310
		-	5,709,480,415
Net exposure - assets/(liabilities)		522,270,085	(5,099,285,669)

The Group's exposure to foreign currency risk arising from foreign currency denominated assets/(liabilities), of the entities whose functional currency is USD, was as follows:

Particulars	Currency	30 June 2020	30 June 2019
Foreign currency denominated assets			
Trade receivables	BDT	4,145,660,528	3,831,573,050
Other receivables	BDT	10,032,580	18,126,807
Intercompany receivables	BDT	-	371,200,000
Deposit	BDT	1,701,589	1,232,980
Cash and cash equivalents (except cash in hand)	BDT	2,261,056,943	1,998,555,030
		6,418,451,640	6,220,687,867
Foreign currency denominated liabilities			
Loans and borrowings	EURO	-	8,359,515,653
Loans and borrowings	BDT	-	-
Redeemable preference shares	BDT	2,365,539,624	799,731,782
Trade payables	BDT	2,303,849,732	2,359,047,326
Other payables and accruals	BDT	528,480,601	421,347,991
Intercompany payables	BDT	4,155,914	107,013,675
		5,202,025,871	12,046,656,427
Net exposure - assets/(liabilities)		1,216,425,769	(5,825,968,561)

ii) **Foreign exchange rate sensitivity analysis for foreign currency expenditures**

A reasonably possible change of 3% in foreign currencies at 30 June 2020 and 30 June 2019 would have increased/ (decreased) equity and profit or loss of the Group (except the entities whose functional currency is USD) by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit/(loss)		Equity	
	Strengthening	Weakening	Strengthening	Weakening
30 June 2020				
3% movement	15,668,103	(15,668,103)	15,668,103	(15,668,103)
Exchange rate sensitivity	15,668,103	(15,668,103)	15,668,103	(15,668,103)
30 June 2019				
3% movement	(152,978,570)	152,978,570	(152,978,570)	152,978,570
Exchange rate sensitivity	(152,978,570)	152,978,570	(152,978,570)	152,978,570

For the entities whose functional currency is USD, the impact of 3% change in foreign currencies at 30 June 2020 and 30 June 2019 has been analysed below. This analysis assumes that all other variables, in particular interest rates, remain constant.

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Particulars	Profit/(loss)		Equity	
	Strengthening	Weakening	Strengthening	Weakening
30 June 2020				
3% movement	36,492,773	(36,492,773)	36,492,773	(36,492,773)
Exchange rate sensitivity	36,492,773	(36,492,773)	36,492,773	(36,492,773)
30 June 2019				
3% movement	(174,779,057)	174,779,057	(174,779,057)	174,779,057
Exchange rate sensitivity	(174,779,057)	174,779,057	(174,779,057)	174,779,057

The following significant exchange rates are applicable:

	FY 2020		FY 2019	
	Average rate	Closing rate	Average rate	Closing rate
USD	84.7861	84.8500	84.0255	84.5000
EURO	93.6480	95.1927	95.8659	96.0723

b) Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Local loans are not significantly affected by fluctuations in interest rates, as they are secured in fixed rates. Foreign loans and borrowings are affected by fluctuations in floating interest rates. However, such exposures to floating interest rates are adequately mitigated by way of entering interest rate swaps. See note 27.4.

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

Particulars	30 June 2020	30 June 2019
Fixed rate instruments		
Financial assets		
Fixed deposit receipts	2,086,458,013	4,277,138,182
Financial liabilities		
Redeemable preference shares	(2,365,539,624)	(1,627,281,207)
Loans and borrowings	-	(488,177,654)
	(279,081,611)	2,161,679,321
Variable rate instruments		
Financial assets		
Financial liabilities		
Loans and borrowings	(20,719,737,376)	(21,056,627,042)
Effect of interest rate swaps	10,148,943,526	11,056,196,128
	(10,570,793,850)	(10,000,430,914)

44 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

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45 Leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

Figures in BDT

Particulars	30 June 2020	30 June 2019
Within six months	3,867,500	1,300,000
Between six and twelve months	2,567,500	1,300,000
Between one and two years	5,135,000	2,600,000
Between two and five years	12,165,833	6,666,667
More than five years	1,633,333	-
	25,369,166	11,866,667

The Group leases land from BREB for a period of 17 years, with an option to renew the lease after that date. Since 1 July 2019, the Group accounts for the transactions regarding leased land in accordance with IFRS 16 *Leases*.

46 Commitments

46.1 Commitment of capital expenditure

The Group had the following commitments of capital expenditure at 30 June 2020:

Particulars	30 June 2020	30 June 2019
Workshop and store	9,000,000	54,132,047
Civil works	19,723,023	73,907,605
Staff dormitory building	46,518,878	60,550,724
Boundary wall (west)	5,200,000	64,655,830
Water & effluent treatment plant, pump house	5,856,120	2,761,841
Gas suppression system of MV room	-	4,811,415
River bank protection	-	20,835,521
Auxiliary Boiler (HFO)	8,814,933	-
Fire safety works	4,500,000	-
Office Building	6,865,731	-
Pond construction	2,681,458	-
Guard Rooms	4,896,941	-
Village mosque	4,700,000	7,500,000
School Building construction	28,786,504	-
	147,543,588	289,154,982

46.2 Other commitments

The Group had no other commitments as at 30 June 2020.

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47 Contingent liability

Contingent liability represents amounts in relation to issue of construction bond, operation bond, insurance bond and bank guarantee by third parties as listed below:

Particulars	Expiry date/ Income year	Assessment year	Currency	30 June 2020	30 June 2019	Figures in BDT
Operation Security Deposits						
Ashulia-2 plant	05.02.2021	-	USD	66,261,000	65,910,000	
Madhabdi-2 plant	05.02.2021	-	USD	47,572,000	47,320,000	
Chandina-2 plant	05.02.2021	-	USD	27,184,000	27,040,000	
BPDB AG. Jangalia Project	05.08.2021	-	BDT	39,368,234	39,368,234	
BREB AG. Rupganj Project	05.08.2021	-	BDT	39,368,234	39,368,234	
BREB AG. Maona Project	05.08.2021	-	BDT	39,368,234	39,368,234	
BREB AG. Ullapara Project	05.08.2021	-	BDT	13,867,126	13,867,126	
BPDB - SGIPL project	09.06.2021	-	BDT	520,000,000	520,000,000	
BPDB - AAPL project	23.09.2021	-	BDT	160,000,000	160,000,000	
Bank Guarantee						
BPDB - Madanganj	19.06.2021	-	BDT	225,022,200	212,160,000	
Titas gas T&D- Rupganj	24.01.2024	-	BDT	26,690,849	26,690,849	
Titas gas T&D- Rupganj	24.01.2024	-	BDT	3,218,046	3,218,046	
Bakhrabad- Jangalia	24.01.2024	-	BDT	29,908,895	29,908,895	
Titas gas T&D- Maona	24.01.2024	-	BDT	26,690,849	26,690,849	
Pashchimanchal Gas - Ullapara	05.01.2024	-	BDT	8,234,409	8,234,409	
BPDB - SBPL	30.03.2021	-	BDT	200,000,000	200,000,000	
BPDB - SNPUIL	30.03.2021	-	BDT	115,000,000	115,000,000	
Stand-by Letter of Credit						
SPL - in favour of SBPL	20.12.2020	-	USD	325,759,344	325,517,153	
SPL - in favour of SNPUIL	22.01.2021	-	USD	177,779,247	177,112,000	
SPL - in favour of AAPL	05.12.2020	-	USD	387,764,500	452,920,000	
SPL - in favour of AAPL	04.03.2021	-	BDT	467,370,068	-	
Income tax						
Summit Uttarancho Power Company Limited	2012-2013	2013-2014	BDT	3,894,537	3,894,537	

48 Related party transactions

The Group/Company carried out a number of transactions with related parties in the normal course of business on arms length basis. The name of these related parties, nature of transactions and their total value have been set in accordance with the provisions of IAS 24 *Related party disclosures*.

a) Transactions with key management personnel

Key management personnel compensation:

In accordance with IAS 24 *Related Party Disclosures*, key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

The key management personnel compensation included as part of staff costs are as follows:

Particulars	Transaction value				Figures in BDT	
	Group		Company			
	FY 2020	FY 2019	FY 2020	FY 2019		
Short-term employee benefits						
Directors' remuneration	75,136,034	66,147,217	63,450,725	57,368,742		
Tax on directors remuneration	17,077,687	15,097,246	17,077,687	15,097,246		
Board meeting attendance fees and expenses	6,175,826	4,380,126	2,631,080	1,692,300		
Post-employment benefits (including CPF)	1,385,856	1,238,472	829,848	741,588		

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b) Other related party transactions

Figures in BDT

Particulars	Nature of transaction	Group			
		Transaction value		Balance outstanding at	
		FY 2020	FY 2019	30 June 2020	30 June 2019
Parent					
SCL	Building maintenance	12,673,917	13,510,258	3,635,990	(929,205)
	Financial support	229,392,443	200,000,000	(4,409,077)	(200,000,000)
	Dividend	6,247,650,149	2,361,775,241	-	-
Related parties					
SOSCL	HFO purchase	9,344,741,741	17,733,007,967	(2,854,474,190)	(3,765,266,173)
	Tankage handling fee	189,147,280	163,743,938	(82,332,003)	(35,357,433)
	Financial support	328,709,862	937,905,341	(328,709,862)	(937,905,341)
Summit Holdings Limited	Lease rental	465,530	465,530	1,323,668	1,789,198
Cosmopolitan Communications Limited	Internet service provider	2,003,400	1,752,000	(231,000)	(142,800)
Others					
KPCL	Dividend	280,432,800	191,204,184	-	-
SMPCL	Dividend	25,500,000	25,500,000	-	-
Particulars	Nature of transaction	Company			
		Transaction value		Balance outstanding at	
		FY 2020	FY 2019	30 June 2020	30 June 2019
Parent					
SCL	Building maintenance	4,313,495	5,786,975	3,635,990	(397,901)
	Financial support	225,053,524	200,000,000	(253,163)	(200,000,000)
	Dividend	3,373,964,630	2,361,775,241	-	-
Subsidiary					
SBPL	Financial support	236,733,283	165,161,111	147,831,177	228,390,780
	Dividend	354,896,612	-	-	-
SNPUIL	Financial support	136,900,161	110,298,359	87,974,548	156,585,774
	Dividend	193,985,554	-	-	-
AAPL	Financial support	181,683,226	36,012,953	92,916,904	(187,047)
SGIPL	Financial support	556,295,873	48,341,659	(1,684,185)	(229,158,001)
	Dividend	575,600,000	-	-	-
Related parties					
SOSCL	HFO purchase	1,404,127,888	1,986,649,484	(592,724,097)	(276,613,410)
	Tankage handling fee	35,268,346	28,945,619	(3,002,339)	(2,398,676)
	Financial support	328,709,862	550,000,000	(328,709,862)	(550,000,000)
Summit Holdings Limited	Lease rental	465,530	465,530	1,323,668	1,789,198
Cosmopolitan Communications Limited	Internet service provider	1,373,400	1,335,600	(115,500)	(111,300)
Others					
KPCL	Dividend	280,432,800	191,204,184	-	-
SMPCL	Dividend	25,500,000	25,500,000	-	-

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49 Events after reporting date

The Board of Directors of the Company recommended a final cash dividend amounting to BDT 2,135,754,478 being 20% of the paid-up capital (i.e. BDT 2.00 per share) for the year ended 30 June 2020 at its board meeting held on 7 October 2020. The dividend is subject to approval of the shareholders in the annual general meeting scheduled to be held on 14 December 2020. Total cash dividend including final cash dividend stands at 35% of the paid-up capital (i.e. BDT 3.50 per share) for the year ended 30 June 2020, out of which 15% interim cash dividend (i.e. BDT 1.50 per share) has already been disbursed in the financial year 2019-20.

There are no other events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statements.

50 Other disclosures

50.1 Number of employees

During the year ended 30 June 2020 there were 593 permanent employees in the Group (FY 2019: 571 permanent employees).

50.2 Significant non-cash transactions

The Group had no significant non-cash transaction in FY 2020.

50.3 Going concern

The Company and the Group has adequate resources to continue in operation for the foreseeable future. For this reason the management continues to adopt going concern basis in preparing the financial statements. The current resources of the Company provide sufficient funds to meet the present requirements of its existing business.

50.4 Impact of COVID-19 on business performance

Following the declaration of COVID-19 as a pandemic by the World Health Organization (WHO) in early March 2020, like many other governments, the Government of Bangladesh introduced restrictive measures to contain further spread of the virus, affecting free movement of people and goods. These measures included imposing nationwide general holidays from 26 March 2020 onwards, causing an immediate notable fall in the generation of electricity by the Company/Group due to less demand by BREB and BPDB. However, from May 2020 onward electricity generation have recovered significantly. Management continue to monitor the spread of the virus and impact it may have on the Company's/Group's operations.

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

51 Capacity

Name of plants	Licensed capacity MW	Plant factor (% on licensed)		Energy sold (MWH)	
		FY 2020	FY 2019	FY 2020	FY 2019
Ashulia - Savar	11	Average: 64 Maximum: 77	Average: 62 Maximum: 71	62,290	59,799
Ashulia - Savar (Exp)	33.75	Average: 66 Maximum: 82	Average: 71 Maximum: 81	196,315	211,078
Madhabdi - Narsingdi	11	Average: 69 Maximum: 79	Average: 76 Maximum: 82	66,921	73,027
Madhabdi - Narsingdi (Exp)	24.30	Average: 64 Maximum: 79	Average: 68 Maximum: 79	136,287	144,315
Chandina - Comilla	11	Average: 64 Maximum: 74	Average: 64 Maximum: 72	61,439	61,953
Chandina - Comilla (Exp)	13.50	Average: 69 Maximum: 86	Average: 71 Maximum: 83	81,321	83,720
Rupganj - Narayanganj	33	Average: 87 Maximum: 98	Average: 86 Maximum: 98	253,247	248,683
Jangalia - Comilla	33	Average: 72 Maximum: 95	Average: 64 Maximum: 92	208,182	184,660
Maona - Gazipur	33	Average: 88 Maximum: 95	Average: 87 Maximum: 96	255,481	250,189
Ullapara- Sirajganj	11	Average: 75 Maximum: 88	Average: 73 Maximum: 87	72,690	70,662
Madanganj - Narayanganj	102	Average: 25 Maximum: 79	Average: 23 Maximum: 60	223,124	204,834
Rupatoli - Barisal	110	Average: 20 Maximum: 40	Average: 37 Maximum: 82	191,397	360,597
Madanganj Unit II - Narayanganj	55	Average: 20 Maximum: 50	Average: 41 Maximum: 79	96,813	195,646
Kodda Unit I - Gazipur	149	Average: 31 Maximum: 78	Average: 33 Maximum: 60	403,952	431,046
Kodda Unit II - Gazipur	300	Average: 14 Maximum: 47	Average: 26 Maximum: 70	365,298	671,643

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

52 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Set out below is an index of the significant accounting policies, the details of which are available on the current and following pages:

- A Basis of consolidated and separate financial statements
- B Property, plant and equipment
- C Intangible assets
- D Leased assets
- E Inventories
- F Provisions
- G Contingencies
- H Employee benefits
- I Taxation
- J Revenue
- K Other asset
- L Finance income and expenses
- M Foreign currencies
- N Financial instruments
- O Impairment
- P Earnings per share (EPS)
- Q Share capital
- R Dividend
- S Transaction with related parties
- T Statement of cash flows
- U Comparatives and rearrangement
- V Materiality and aggregation
- W Events after the reporting period

A Basis of consolidated and separate financial statements

i) Subsidiaries

Subsidiaries are entities controlled by the Group. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

Name of Subsidiaries	% of controlling interest	% of non-controlling interest
Summit Barisal Power Limited	49	51
Summit Narayanganj Power Unit II Limited	49	51
Summit Chittagong Power Limited	49	51
Ace Alliance Power Limited	64	36
Summit Gazipur II Power Limited	20	80

Summit Power Limited ("SPL") holds 49% shares in each of Summit Barisal Power Limited ("SBPL"), Summit Narayanganj Power Unit II Limited ("SNPUIIL") and Summit Chittagong Power Limited ("SCPL") and 20% shares in Summit Gazipur II Power Limited ("SGIPL"). However, according to control procedures outlined in IFRS 10: *Consolidated Financial Statements*, SBPL, SNPUIIL, SCPL and SGIPL are under the control of SPL because SPL directly manages the activities/operations of those entities since their commercial operation date (COD) through common corporate management and thus it has the power over these four entities and has established both exposure and rights to significantly affect returns of the investee companies. Therefore, on this ground SPL treats these entities as its subsidiaries and consolidates these entities financial statements to its financial statements. SPL also holds 64% shares in Ace Alliance Power Limited.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

ii) Transactions eliminated on consolidation

The financial statements of the subsidiaries have been consolidated with those of Summit Power Limited in accordance with IFRS 10: *Consolidated Financial Statements*. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees (that means in any company wherein Summit Power Limited has made investments, if any) are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. However, on 30 June 2020, the Company has no such investments.

iii) Disclosure of interests in other entities

As a result of IFRS 12: *Disclosure of Interests in Other Entities*, the Group has extended its disclosures about its interests in subsidiaries and equity-accounted investees.

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

iv) Business combination of subsidiaries with the Group entity

When any of the subsidiaries of Summit Power Limited is amalgamated with the Group entity, this implies that the amalgamating company is ultimately controlled by the same party (i.e. SPL) both before and after the amalgamation. According to IFRS 3: *Business Combinations*, this is a common control transaction where control is not transitory. IFRS is silent in case of common control transaction. Therefore, in such cases, all assets and liabilities from the amalgamating company are transferred to the books of the Group entity applying book value (carry-over basis) accounting instead of fair value under acquisition accounting approach as described in IFRS 3. Any difference between the consideration paid and interest acquired is recognised directly in equity.

B Property, plant and equipment

i) Recognition and measurement

According to IAS 16 *Property, Plant and Equipment*, items of property, plant and equipment, excluding freehold land, freehold building and leasehold building, are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes (after deducting trade discount and rebates) and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.

Part of an item of property, plant and equipment having different useful lives, are accounted for as separate items (major components) of property, plant and equipment.

(ii) Subsequent costs

The cost of replacing or upgrading part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group/Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit or loss and other comprehensive income as incurred.

(iii) Borrowing cost

Finance costs that are directly attributable to the construction of plants are included in the cost of those plants in compliance with IAS 23: *Borrowing Costs*. Capitalisation of borrowing costs ceases upon receipt of independent engineers' report which, in accordance with Power Purchase Agreement, confirms the availability of plants for use.

iv) Revaluation of land and plant and machinery

The Company has revalued the plant and machinery, civil works and land of their own units on various dates. The Group/Company transfers the excess depreciation on revalued assets to retained earnings.

v) Depreciation

Depreciation is recognised in the statement of profit or loss and other comprehensive income on a straight-line basis over the estimated useful lives of each item of property, plant and equipment including leased assets except land and land developments. Land and land developments and capital work-in progress are not depreciated.

Plant and machinery are depreciated from the month in which the asset comes into use or is capitalised other than revalued plant and machinery which are depreciated from the calendar year following the year of revaluation. Other items of property, plant and equipment continue to be depreciated from the month immediately following the month on which the asset comes into use or is capitalised. In case of disposals, depreciation is charged for full month in the month of disposal.

Depreciation of power plant has been charged considering 20 to 30 years useful life and residual value of 2% of original cost, on straight line basis on the ground that management intends to continue with operation after completion of 5 to 15 years as stated in the Power Purchase Agreement (PPA). According to PPA, this 15-year term can be extended upon mutual agreement between the Group/Company and the Government of Bangladesh. Management has decided to exercise this option unless it would clearly be not in the interest of the Group/Company at that stage.

The estimated useful lives of property, plant and equipment as determined have been shown below:

In Years	2019-20	2018-19
Furniture and fixtures	10	10
Office and electrical equipment	5	5
Office decoration	5	5
Motor vehicles	5	5
Maintenance equipment	5	5
Civil works and others	5	5
Plant and machinery	20 to 30	20 to 30
Spare parts	2 to 30	2 to 30

Depreciation method, useful lives and residual balances are reviewed at each reporting date and adjusted, if appropriate.

SUMMIT POWER LIMITED
Notes to the financial statements
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vi) Retirements and disposals

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Gains or losses arising from the retirement or disposal of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised as gain or loss from disposal of asset under other income in statement of profit or loss and other comprehensive income.

vii) Asset retirement obligations

Asset retirement obligations are recognised when there is a legal or constructive obligation as a result of past event for dismantling and removing an item of property, plant and equipment and restoring the site on which the item is located and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. A corresponding amount equivalent to the provision is also recognised as part of the cost of the related property, plant and equipment. The amount recognised is the estimated cost of decommissioning, discounted to its present value. Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to property, plant and equipment. The periodic unwinding of the discount is recognised in statement of profit or loss and other comprehensive income as a finance cost as it occurs.

viii) Capital work in progress

Capital work in progress consists of acquisition costs, capital components and related installation cost until the date when the asset is ready to use for its intended purpose. In case of import of components, capital work in progress is recognised when risks and rewards associated with such assets are transferred to the Group/Company.

ix) Spare parts

Spare parts consist of critical and capital spare parts. Critical and capital spare parts are those which are used particularly for scheduled and unscheduled maintenance and overhauling. These are depreciated over their estimated useful lives. When an item of spare parts is used, the cost and accumulated depreciation up to the date of use of that item is transferred to the class of plant and machinery from the class of spare parts - stock in hand.

C Intangible assets

i) Recognition and measurement

Intangible assets that are acquired by the Group/Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment loss, if any. Intangible assets are recognised when all the conditions for recognition as per IAS 38: *Intangible assets* are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

ii) Subsequent costs

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in the statement of profit or loss and other comprehensive income as incurred.

iii) Amortisation

Software and brand are amortised over 5-10 years and 30 years respectively from the month immediately following the month in which the asset comes into use or is capitalised. In case of disposals, amortisation is charged for full month in the month of disposal. The brand represents a payment made by the Summit Power Limited in 2008 to Summit Corporation Limited to use name and other intellectual properties of Summit Corporation Limited.

D Leased assets

Group/Company as lessor

Power Purchase Agreements

The Group/Company adopted IFRS 16: *Leases*, which prescribed that the determination of whether an arrangement is or contains a lease shall be based on the substance of the arrangement. It requires an assessment of whether the fulfillment of the arrangement is dependent on the use of specific asset and whether the arrangement conveys a right to use such assets. An arrangement that contains a lease is accounted for as a finance lease or an operating lease.

The operating lease income is recognised over the term of the lease on a straight-line basis.

Group/Company as lessee

The Group/Company adopted IFRS 16: *Leases*, which prescribed the present value of minimum lease payments to be recognised as an asset (Right-of-use asset) and a corresponding lease liability.

i) Recognition and measurement

Leases have been recognised as assets and liabilities in the statement of financial position at amounts equal at the inception of lease to the present value of minimum lease payments. The interest implicit in the lease has been spread equally over the lease term.

ii) Depreciation

Leases give rise to depreciation expense for a depreciable leased asset as well as a finance expense for each reporting period. The depreciation policy for depreciable leased assets is consistent with that for depreciable assets which are owned.

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E Inventories

Inventories include consumable-others, lubricant oil, chemicals and general consumables. These are for use in the operation and maintenance of power plants. Inventories are measured at lower of cost and net realisable value less allowance for obsolescence. Cost is calculated on First In First Out (FIFO) basis.

F Provisions

A provision is recognised on the date of statement of financial position if, as a result of past events, the Group/Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits are required to settle the obligation, the provision is reversed.

G Contingencies

i) Contingent liability

Contingent liability is a possible obligation that arises from past events, the existence of which can be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group/Company.

Contingent liability should not be recognised in the financial statements, but may require disclosure. A provision should be recognised in the period in which the recognition criteria of provision have been met.

ii) Contingent asset

Contingent asset is a possible asset that arises from past events, the existence of which can be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group/Company.

A contingent asset must not be recognised. Only when the realisation of the related economic benefits is virtually certain should recognition take place provided that it can be measured reliably because, at that point, the asset is no longer contingent.

H Employee benefits

The Group/Company maintains both defined benefit plan (gratuity), defined benefit plan (leave encashment) and defined contribution plan (Contributory Provident Fund) plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective employee benefit policies.

i) Defined benefit plan (gratuity)

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company/ Group's net obligation in respect of defined benefit gratuity plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets are deducted. The Group/Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset).

The discount rate is the yield at the reporting date on that have maturity dates approximating the terms of the Group/Company's obligations and that are denominated in the currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group/Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group/Company. An economic benefit is available to the Group/Company if it is realisable during the life of the plan, or on settlement of the plan liabilities.

Remeasurements of the net defined benefit liability comprise actuarial gains and losses. The Group/Company recognises them immediately in other comprehensive income and all expenses related to defined benefit plans in employee benefits expense in profit or loss.

When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs.

The Group/Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. The gain or loss on settlement is the difference between the present value of the defined benefit obligation being settled as determined on the date of settlement and the settlement price, including any plan assets transferred and any payments made directly by the Group/Company in connection with the settlement.

Gratuity scheme is operated by Summit Power Limited centrally on behalf of all the subsidiaries under the Group. Subsidiaries transfer the amount of provision to the Company at each reporting date. This scheme is not recognised by the National Board of Revenue.

ii) Defined benefit plan (leave encashment)

The Group/Company accrues annual leave for each permanent employee, if one does not avail the leave, at 1.5 times of basic salary. The upper limit is 20 days accrual per year per employee.

iii) Defined contribution plan (provident fund)

The Group/Company operates Contributory Provident Fund (CPF) for all its permanent employees, which is a defined contribution plan. The provident fund is administered by the Board of Trustee and is funded by contributions from employees and from the Group/Company at 10% of the basic pay. These contributions are invested separately from the Group's/Company's business. This fund is recognised by National Board of Revenue.

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iv) Workers' Profit Participation Fund (WPPF)

According to Bangladesh Labour Act 2006 (amended in 2013) ("the Act") and Bangladesh Labour Rules 2015, any company that fulfills the prescribed criterion of this Act is required to set up a workers' profit participation and welfare fund. With effect from 1 January 2014 management of the Group/Company underwent an internal human resource restructuring exercise. The Group/Company employs only managers and all of their employees are part of the management authority entrusted with managerial responsibilities and all other services are outsourced. As such, the Group/Company does not have any "beneficiary" for the purpose of the Act and therefore no such fund is required to be created. This is supported by opinion obtained by the Group/Company from external legal counsel.

I Taxation

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except items recognised directly in equity or in other comprehensive income.

Qualifying power generation companies in the Group are given tax exemptions as per SROs for certain years beginning with the month of Commercial Date of Operation ("COD"). The summary of tax exemptions for the power plants operated in the Group are as below:

Entity	Name of the plant/facility	Location	Tax provision status	Period	Expiry
Summit Power Limited	Ashulia Power Plant (Unit-1)	Savar, Dhaka	Tax applicable	20 years since commercial operation date*	31-Aug-2023
	Madhabdi Power Plant (Unit-1)	Narsingdi	Tax applicable	20 years since commercial operation date*	31-Aug-2023
	Chandina Power Plant (Unit-1)	Comilla	Tax applicable	20 years since commercial operation date*	31-Aug-2023
	Ashulia Power Plant (Unit-2)	Savar, Dhaka	Tax exemption	15 years since commercial operation date	3-Dec-2022
	Madhabdi Power Plant (Unit-2)	Narsingdi	Tax exemption	15 years since commercial operation date	15-Dec-2021
	Chandina Power Plant (Unit-2)	Comilla	Tax exemption	15 years since commercial operation date	14-Nov-2021
	Maona Power Plant	Gazipur	Tax exemption	15 years since commercial operation date	11-May-2024
	Ullapara Power Plant	Sirajganj	Tax exemption	15 years since commercial operation date	2-Mar-2024
	Jangalia Power Plant	Comilla	Tax exemption	15 years since commercial operation date	8-Jun-2024
	Rupganj Power Plant	Narayanganj	Tax exemption	15 years since commercial operation date	24-Jun-2024
Summit Narayanganj Power Unit II Limited	Madanganj Power Plant (Unit-1)	Narayanganj	Tax exemption	10 years since commercial operation date	31-Mar-2021
	Madanganj Power Plant (Unit-2)	Narayanganj	Tax exemption	15 years since commercial operation date	28-Feb-2031
Summit Barisal Power Company Limited	Barisal Power Plant	Barisal	Tax exemption	15 years since commercial operation date	4-Apr-2031
Ace Alliance Power Limited	Kodda Power Plant (Unit-1)	Gazipur	Tax exemption	15 years since commercial operation date	11-Jul-2033
Summit Gazipur II Power Limited	Gazipur Power Plant (Unit-2)	Gazipur	Tax exemption	15 years since commercial operation date	9-May-2033

* As mentioned in Note 1.3, tax exemption period of 15 years was expired for Ashulia Power Plant (Unit-1), Madhabdi Power Plant (Unit-1) and Chandina Power Plant (Unit-1) on 31 August 2018. Therefore, from the financial year 2018-19, current tax provision are being recognised for these plants.

i) Current tax

Current tax is the expected tax payable on the taxable income for the period, using tax rates at the reporting date, and any adjustment to tax payable in respect of previous periods as per Income Tax Ordinance 1984.

According to SRO No. 211-Ain/Aykor/2013 dated 1 July 2013, as notified in the Official Gazette on the same day and followed by subsequent amendments by further SRO No. 354-Ain/2013 dated 18 November 2013 and SRO No. 246-Ain/2016 dated 26 July 2016, private sector power generation companies whose commercial operation commences on or before 31 December 2019 are exempted from taxes payable under Income Tax Ordinance 1984 on income earned from the business of generation of electricity for a period of 15 years from the date of commercial production.

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Notes to the financial statements
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ii) Deferred tax

Deferred tax is recognised in compliance with IAS 12: *Income Taxes*, providing temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

As of 30 June 2020, many of the Group's power plants operated under tax exemption regime [as mentioned in Note 52.I]. The Group has examined the precedent of tax assessment completed of a power generation company for the year when its tax exemption ended, which shows accounting depreciation charge to be equal to the tax depreciation charge, implying that there were no temporary differences between accounting net book value and tax written down value of property, plant and equipment at that point in time. On this basis, in the preparation of these financial statements, the Group has not considered any deferred tax relating to property, plant and equipment relating to power plants that are still under tax exemption as at the reporting date.

J Revenue

Revenue is recognised in the statement of profit or loss and other comprehensive income, upon supply of electricity, quantum of which is determined by survey of meter reading. Revenue is measured at fair value of consideration received or receivable. Revenue under Power Purchase Agreement (PPA) comprise capacity component and energy component. Capacity component is recognised according to the terms set out in the PPA. Energy component is calculated based on electricity delivered multiplied by the factors as stated in PPA.

Capacity revenue

Capacity revenue is recognised in statement of profit or loss and other comprehensive income on a straight-line basis over the term of the PPA, where the PPA is considered to be or to contain operating leases as IFRS 16: *Leases* clarifies the basis of computing the fixed element of revenue.

K Other asset

Other asset comprises the difference between capacity revenue earned from customers (i.e. BREB and BPDB) and capacity revenue recognised in statement of profit or loss and other comprehensive income in relation to the PPAs. The amount is recognised in statement of profit or loss and other comprehensive income on a straight-line basis over the term of the respective PPAs as per IFRS 16 *Leases*.

L Finance income and expenses

Finance income comprises interest income on funds invested. Interest income is recognised on accrual basis.

Finance expenses comprise interest expense on loans, overdraft and finance lease, dividend on redeemable preference shares and all types of bank charges. All borrowing costs are recognised in profit or loss using effective interest method except to the extent that they are capitalised during construction period of the plants in accordance with IAS 23: *Borrowing costs*.

M Foreign currencies

i. Foreign currency transactions and balances

Transactions in foreign currencies are translated into the functional currency of the Group/Company at the rate ruling on the date of transaction. Foreign currency monetary assets and liabilities at the date of statement of financial position are retranslated to the functional currency using foreign exchange rates prevailing on that date. Non-monetary assets and liabilities in a foreign currency that are measured in terms of historical cost are translated using exchange rate at the date of transaction. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at exchange rates at the date the fair value was determined. Foreign currency differences arising from the settlement or from translation of monetary items are recognised in profit or loss.

ii. Translation of the financial statements into presentation currency (BDT) from the functional currency (USD)

- i. assets and liabilities for each item presented in the statement of financial position are translated using the rate prevailed at the reporting date (except the share capital and share money deposit which has been translated using the exchange rate at the date of transaction as the share capital, share money deposit is statutory figure denominated in BDT).
- ii. income and expenses for each item presented in the statement of profit or loss and other comprehensive income are translated using the average exchange rates during the period.
- iii. each item presented in the statement of cash flows are translated using the average exchange rates, except share capital and share money deposit which are translated using historical exchange rate.
- iv. all resulting exchange differences are recognised in other comprehensive income.

N Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii Classification and subsequent measurement

a. Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- 'the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- 'how the performance of the portfolio is evaluated and reported to the Company's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- 'how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- 'the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.'

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial assets include other investments - equity securities at FVOCI, trade receivables, other receivables, intercompany receivables, deposits and cash and cash equivalents except cash in hand.

Other investments - Equity securities at FVOCI

Financial assets classified under this class represent investments in equity securities that the Group/Company intends to hold for the long term and strategic purposes. These assets are recognised, classified and measured as per IFRS 9 *Financial Instruments* and presented in the financial statements as per IFRS 7 *Financial Instruments: Disclosures*. Subsequent to initial recognition, they

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

are measured at fair value and changes therein, including impairment losses, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is recognised in other comprehensive income.

Trade receivables

Trade receivables consists of unpaid bills receivable from Bangladesh Rural Electrification Board ("BREB") and Bangladesh Power Development Board ("BPDB"). Trade receivables are recognised initially at original invoice amount and subsequently measured at the remaining amount less allowances for doubtful receivables at the year-end, which is made at the discretion of management.

Other receivables

Other receivables are stated at amounts which are considered realisable.

Deposits

Deposits are measured at payment value.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at banks and fixed deposits receipt which are held and available for use by the Group/Company without any restriction. For the purposes of statement of cash flow, cash and cash equivalents comprise cash in hand, deposits held at financial institutions and short-term highly liquid investments with maturities of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Group's/Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

b. Financial liability

Financial liabilities are recognised initially on the transaction date at which the Group/Company becomes a party to the contractual provisions of the liability. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include redeemable preference shares, loans and borrowings, derivative financial instruments, trade payables, other payables and intercompany payables.

Redeemable preference shares

In accordance with IAS 32: *Financial Instruments: Presentation*, the substance of a financial instrument rather than its legal form governs its classification on the entity's financial statements. Accordingly, the redeemable preference shares which, in substance, meet the conditions of a financial liability, have been classified as liabilities in these financial statements. Periodic dividend paid to the holders of such shares are charged to profit or loss as finance expense.

Loans and borrowings

Principal amounts of loans and borrowings are stated at their amortised amount. Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

Derivative financial instruments and hedge accounting

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group/Company holds derivative financial instruments to hedge its interest rate risk exposures and designates its derivatives as hedging instruments to hedge the variability in interest rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income (OCI) and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

Trade and other payables

Trade payables consist of unpaid bills payable to different parties for heavy fuel oil, lubricant consumption and plant maintenance services. Other payables consist of payable for general & administrative transactions. The Group/Company recognises a payable when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying benefits.

iii. Offsetting financial asset and financial liability

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group/Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

O Impairment

(i) Recognition

Financial assets not carried at fair value through profit or loss and receivables are assessed at each reporting date to determine whether there is objective evidence that any particular asset is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The carrying value of the non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset or its cash generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss and other comprehensive income.

(ii) Calculation of recoverable amount

The recoverable amount of asset is the greater of its net selling price or its value in use. The latter is determined by discounting the estimated future cash flows to a present value using a discount rate which reflects the current market assessment of the time value of money and risk specific to the asset. For an asset that does not generate significantly independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

(iii) Reversal of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

P Earnings per share (EPS)

The Group/Company represents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group/Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the affects of all dilutive potential ordinary shares.

Q Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Paid up capital represents total amount contributed by the shareholders and bonus shares, if any, issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividend as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

R Dividend

Final dividend distribution to the Company's/Group's shareholders are recognised as a liability in the financial statements in the period in which the dividend is approved by the Group's/Company's shareholders at the Annual General Meeting, while interim dividend distribution is recognised in the year/period in which the dividend is declared and approved by the Board of Directors.

S Transaction with related parties

The company carried out a number of transactions with related parties in the course of business and on arms length basis. Transaction with related parties has been appropriately recognized and disclosed in accordance with IAS 24: *Related Party Disclosures*.

T Statement of cash flows

Cash flows from operating activities have been presented under direct method as per IAS 7: *Statement of Cash Flows*.

U Comparatives and rearrangement

Comparative information has been disclosed for all numerical information in the financial statements and narrative and descriptive information when it is relevant to have better understanding of the financial statement for the current period. To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged and reclassified, whenever necessary to conform to the current year's presentation.

V Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

W Events after the reporting period

Amounts recognised in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

SUMMIT POWER LIMITED
Notes to the financial statements
For the year ended 30 June 2020

53 Standards issued but not yet effective

A number of new standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted. However, the Group has not early adopted the following new or amended standards in preparing these financial statements.

Effective for year beginning 1 January 2020	<ul style="list-style-type: none"> Amendments to references to conceptual framework in IFRS standards Amendments to IFRS 3 "Business Combinations" of definition of business Amendments to IAS 1 "Presentation of Financial Statements" and IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" of definition of material.
Effective for year beginning 1 January 2021	<ul style="list-style-type: none"> IFRS 17 "Insurance Contracts"
Effective date deferred indefinitely/ available for optional adoption	<ul style="list-style-type: none"> Amendments to IFRS 10 "Consolidated Financial Statements" and IAS 28 "Investments in Associates and Joint Ventures" on sale or contribution of assets between an investor and its associate or joint venture

Management does not expect that the adoption of the above new and amended standards and the interpretation to a standard will have a significant impact on the Group's/Company's financial statements.

54 Name of auditors of the Group companies

Name of the company	Status	Name of auditors
Summit Power Limited	Parent	A. Qasem & Co.
Summit Barisal Power Limited	Subsidiary	A. Qasem & Co.
Summit Narayanganj Power Unit II Limited	Subsidiary	A. Qasem & Co.
Summit Chittagong Power Limited	Subsidiary	Mak & Co.
Ace Alliance Power Limited	Subsidiary	Rahman Rahman Huq
Summit Gazipur II Power Limited	Subsidiary	Rahman Rahman Huq
Summit Meghnaghat Power Company Limited	Associate	Rahman Rahman Huq

SUMMIT BARISAL POWER LIMITED

**Directors' & Auditor's Report and
Brief Audited Financial Statements**

as at and for the year ended 30 June 2020



Directors' Report on Subsidiary – SBPL

Dear Shareholders,

Assalumu Alaikum,

The Board of Directors of Summit Barisal Power Limited (SBPL) is pleased to submit before you the operational activities and audited financial statements of the Company for the year ended on 30 June 2020.

Business Activities including its Operating Performance

Summit Barisal Power Limited (SBPL) was incorporated as a Private Limited Company on 10 February 2011 as a private company limited by shares under the Companies Act, 1994 with its registered office located at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh as Summit Saidpur Power Limited. On 18 November 2013 the name of Summit Saidpur Power Limited was changed as Summit Barisal Power Limited. Since this Company is operating under the common management of parent Company, Summit Power Limited, it is destined to achieve the same level of accomplishments and recognition. The Company started its commercial operation on 5 April 2016 in Rupatoli, Barisal of its 110 MW HFO fired power plant and is supplying entire generated electricity to the Bangladesh Power Development Board (BPDB) through National Power Grid.

Operating Result of SBPL

Particulars	FY 2020	FY 2019
Revenue (Tk in M)	2,732	4,667
Gross Profit (Tk in M)	849	808
Profit after income tax (Tk in M)	507	409
Total Assets (Tk in M)	6,304	7,650
Shareholder's Equity (Tk in M)	2,016	2,299
Total Liabilities (Tk in M)	4,288	5,351
Net Profit in %	18.56	8.76
Return on Assets in %	7.27	5.49
Return on Equity in %	23.50	18.81
Capacity Utilization in %	20	37
Electricity Sold (MWH)	191,397	360,597

Revenue over last year has decreased by 41% due to less demand. Yet, gross profit has increased by 5% due to better cost efficiency. Net profit has increased by 24% over last year as a result of reduction in interest expenses and favourable foreign exchange effect.

The Company has received certification from Bureau Veritas after the organisation's Management system successfully implemented Integrated Management

Systems (IMS), which includes - ISO 9001: 2015 - Quality Management System (QMS), ISO 14001: 2015 - Environmental Management System (EMS) and BS 18001: 2007 Occupational Health and Safety Assessment System (OHSAS). In implementing the Integrated Management System the Company has adopted the Quality Policies, Environmental Policies and Occupational Health Protection and Safety Policies. The Company has received "Best Power Generation Project Award 2016" in Private Sector Generation by the Government which was the 4th time in a row for Summit Group to receive this prestigious award.

Auditor

A. Qasem & Co., Chartered Accountants, as statutory auditor of the Company has carried out the audit for the year ended on 30 June 2020.

Proposed Dividend

Your Board has recommended a 37.5% cash dividend on 103,468,400 ordinary shares of Tk. 10 each for the financial year ended on 30 June 2020 for your consideration and approval, subject to clearance of lenders.

Acknowledgement

The Board of Directors would like to take this opportunity to thank the Government regulatory bodies, customers, suppliers, auditors, its shareholders, investors, bankers, and employees for their continuous dedication, commitment, cooperation and support towards success.

On behalf of the Board



Lt. Gen. (Retd). Engr. Abdul Wadud

Managing Director
Dhaka, 07 October 2020

Independent Auditor's Report

To the shareholders of Summit Barisal Power Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Summit Barisal Power Limited (the "Company"), which comprise the statement of financial position as at 30 June 2020, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 and comply with the Companies Act, 1994 and other applicable laws and regulations.

Basis for Opinion

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

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

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

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

Report on other legal and regulatory requirements

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

- i we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- ii in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- iii the financial statements of the Company with the annexed notes dealt with by the report are in agreement with the books of account and returns.

The engagement partner on the audit resulting in this independent auditor's report is Mohammed Hamidul Islam.

Place: Dhaka
Date: 07 October 2020



A. Qasem & Co.
Chartered Accountants

Summit Barisal Power Limited
Statement of financial position
As at 30 June 2020

Figures in BDT

Particulars	30 June 2020	30 June 2019
Assets		
Property, plant and equipment	4,992,684,508	5,190,315,936
Intangible assets	2,945,912	-
Deferred tax asset	4,649,335	3,970,976
Other asset	(17,330,171)	-
Non-current assets	4,982,949,584	5,194,286,912
Inventories	79,819,369	70,009,315
Trade receivables	694,849,785	1,262,278,627
Other receivables	-	18,219,054
Advances, deposits and prepayments	47,766,975	42,195,780
Cash and cash equivalents	498,154,938	1,063,002,620
Current assets	1,320,591,067	2,455,705,396
Total assets	6,303,540,651	7,649,992,308
Equity		
Share capital	1,034,684,000	1,034,684,000
Hedging reserve	(233,868,647)	(157,534,903)
Currency translation reserve	10,274,114	-
Retained earnings	1,204,439,924	1,422,060,126
Total equity	2,015,529,391	2,299,209,223
Liabilities		
Redeemable preference share	336,217,953	433,632,985
Loans and borrowings	2,722,135,373	3,090,813,851
Deferred liabilities	234,578,688	157,534,903
Non-current liabilities	3,292,932,014	3,681,981,739
Redeemable preference share	98,098,108	98,408,246
Loans and borrowings	388,459,564	392,910,000
Trade payables	284,787,098	884,452,179
Other payables and accruals	75,817,250	64,453,850
Intercompany payables	147,917,226	228,577,071
Current liabilities	995,079,246	1,668,801,346
Total liabilities	4,288,011,260	5,350,783,085
Total equity and liabilities	6,303,540,651	7,649,992,308



Managing Director



Director



Company Secretary

Signed as per our report of same date.

Place: Dhaka
Date: 07 October 2020



A.Qasem & Co.
Chartered Accountants

Summit Barisal Power Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2020

Figures in BDT

Particulars	30 June 2020	30 June 2019
Revenue	2,732,033,511	4,667,225,560
Cost of sales	(1,883,124,914)	(3,859,126,069)
Gross profit	848,908,597	808,099,491
Other income	476,802	2,407,269
General and administrative expenses	(42,278,712)	(51,075,192)
Operating profit	807,106,687	759,431,568
Finance income/(cost), net	(286,152,441)	(327,418,235)
Profit before tax	520,954,246	432,013,333
Income tax expenses	(14,001,184)	(23,102,701)
Profit after income tax	506,953,062	408,910,632
Other comprehensive income		
Actuarial gain/(loss) on gratuity valuation, net of tax	(294,464)	(1,785,550)
Change in fair value of derivative financial instruments	(76,333,744)	(157,534,903)
Foreign currency translation impact	10,274,114	-
Other comprehensive income	(66,354,094)	(159,320,453)
Total comprehensive income	440,598,968	249,590,179



Managing Director



Director



Company Secretary

Signed as per our report of same date.

Place: Dhaka
Date: 07 October 2020



A.Qasem & Co.
Chartered Accountants

Summit Barisal Power Limited
Statement of changes in equity
For the year ended 30 June 2020

Figures in BDT

Particulars	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total Equity
Balance at 1 July 2018	1,034,684,000	-	-	1,014,935,044	2,049,619,044
Total comprehensive income					
Profit	-	-	-	408,910,632	408,910,632
Other comprehensive income	-	(157,534,903)	-	(1,785,550)	(159,320,453)
Total comprehensive income	-	(157,534,903)	-	407,125,082	249,590,179
Balance at 30 June 2019	1,034,684,000	(157,534,903)	-	1,422,060,126	2,299,209,223
Balance at 1 July 2019	1,034,684,000	(157,534,903)	-	1,422,060,126	2,299,209,223
Total comprehensive income					
Profit	-	-	-	506,953,062	506,953,062
Other comprehensive income	-	(76,333,744)	10,274,114	(294,464)	(66,354,094)
Total comprehensive income	-	(76,333,744)	10,274,114	506,658,598	440,598,968
Transaction with owners of the company					
Cash dividend	-	-	-	(724,278,800)	(724,278,800)
Total transactions with owners of the company	-	-	-	(724,278,800)	(724,278,800)
Balance at 30 June 2020	1,034,684,000	(233,868,647)	10,274,114	1,204,439,924	2,015,529,391



Managing Director



Director



Company Secretary

Signed as per our report of same date.

Place: Dhaka
Date: 07 October 2020



A.Qasem & Co.
Chartered Accountants

Summit Barisal Power Limited
Statement of cash flows
For the year ended 30 June 2020

Figures in BDT

Particulars	30 June 2020	30 June 2019
Cash flows from operating activities		
Receipts from customers	3,320,019,753	4,239,787,832
Payment to employees, suppliers and service-providers	(2,322,285,465)	(3,407,105,653)
Receipts from other sources	476,515	2,407,269
Income tax paid	(6,766,765)	(5,007,186)
Net cash from operating activities	991,444,038	830,082,262
Cash flows from investing activities		
Interest received	62,434,482	47,610,304
Acquisition of property, plant and equipment	(11,875,745)	(212,089,483)
Net cash from/(used in) investing activities	50,558,738	(164,479,179)
Cash flows from financing activities		
Interest paid	(299,101,405)	(328,211,280)
Dividend paid	(724,278,800)	-
Payment of transaction cost	-	(1,336,211)
Repayment of loan and borrowings	(398,254,970)	(398,396,379)
Repayment of redeemable preference share	(99,894,018)	(100,000,000)
Proceeds from/ (Repayment to) financial support	(84,619,138)	141,647,402
Net cash from/(used in) financing activities	(1,606,148,332)	(686,296,468)
Net changes in cash and cash equivalents		
Effects of currency translation	(564,145,556)	(20,693,385)
Opening cash and cash equivalents	(702,126)	-
Closing cash and cash equivalents	1,063,002,620	1,083,696,005
	498,154,938	1,063,002,620



Managing Director



Director



Company Secretary

Signed as per our report of same date.

Place: Dhaka
Date: 07 October 2020



A.Qasem & Co.
Chartered Accountants

SUMMIT NARAYANGANJ POWER UNIT II LIMITED

**Directors' & Auditor's Report and
Brief Audited Financial Statements**

as at and for the year ended 30 June 2020



Directors' Report on Subsidiary – SNPUIIL

Dear Shareholders,

Assalumu Alaikum,

The Board of Directors of Summit Narayanganj Power Unit II Limited (SNPUIIL) is pleased to submit before you the operational activities and audited financial statements of the Company for the year ended on 30 June 2020.

Business Activities including its Operating Performance

Summit Narayanganj Power Unit II Limited (SNPUIIL) was incorporated as a Private Limited Company on 10 February 2011 as a Private Company limited by shares under Companies Act 1994 with its registered office located at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh as Summit Shantahar Power Limited. On 18 November 2013, the name of Summit Shantahar Power Limited was changed as Summit Narayanganj Power Unit II Limited. Since this Company is operating under the common management of parent Company, Summit Power Limited, it is destined to achieve the same level of accomplishments and recognition. The Company started its commercial operation from 29 February 2016 in Madanganj, Narayanganj of its 55 MW HFO fired power plant and is supplying entire generated electricity to the Bangladesh Power Development Board (BPDB) through National Power Grid.

Operating Result of SNPUIIL

Particulars	FY 2020	FY 2019
Revenue (Tk in M)	1,373	2,491
Gross Profit (Tk in M)	435	422
Profit after income tax (Tk in M)	238	194
Total Assets (Tk in M)	3,456	4,083
Shareholder's Equity (Tk in M)	1,024	1,222
Total Liabilities (Tk in M)	2,432	2,861
Net Profit in %	17.35	7.77
Return on Assets in %	6.32	4.62
Return on Equity in %	21.20	16.53
Capacity Utilization in %	20	41
Electricity Sold (MWH)	96,813	195,646

Revenue over last year has decreased by 45% due to less demand. Yet, gross profit has increased by 3% due to better cost efficiency. However, net profit has increased by 23% over last year as a result of reduction in interest expenses and favourable foreign exchange effect.

The Company has received certification from Bureau Veritas after the organisation's Management system

successfully implemented Integrated Management Systems (IMS), which includes – ISO 9001: 2015 - Quality Management System (QMS), ISO 14001: 2015 - Environmental Management System (EMS) and BS 18001: 2007 Occupational Health and Safety Assessment System (OHSAS). In implementing the Integrated Management System the Company has adopted the Quality Policies, Environmental Policies and Occupational Health Protection and Safety Policies.

Auditor

A. Qasem & Co., Chartered Accountants, as statutory auditor of the Company has carried out the audit for the year ended on 30 June 2020.

Proposed Dividend

Your Board has recommended 27.5% cash dividend on 56,555,555 ordinary shares of Tk. 10 each for the financial year ended on 30 June 2020 for your consideration and approval, subject to clearance of lenders.

Acknowledgement

The Board of Directors would like to take this opportunity to thank the Government regulatory bodies, customers, suppliers, auditors, its shareholders, investors, bankers, and employees for their continuous dedication, commitment, cooperation and support towards success

On behalf of the Board



Lt. Gen. (Retd.) Engr. Abdul Wadud
Managing Director
Dhaka, 07 October 2020

Independent Auditor's Report

To the shareholders of Summit Narayanganj Power Unit II Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Summit Narayanganj Power Unit II Limited (the "Company"), which comprise the statement of financial position as at 30 June 2020, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as explained in note # 2 and comply with the Companies Act, 1994 and other applicable laws and regulations.

Basis for Opinion

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

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement

Gulshan Pink City
Suites # 01-03, Level : 7, Plot # 15, Road # 103
Gulshan Avenue, Dhaka - 1212, Bangladesh

Phone : +880 (2) 8881824-6
Fax : +880 (2) 8881822
Email : a.qasem@bd.ey.com

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

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

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

Report on other legal and regulatory requirements

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

- (i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- (ii) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- (iii) the financial statements of the Company with the annexed notes dealt with by the report are in agreement with the books of account and returns.

The engagement partner on the audit resulting in this independent auditor's report is Mohammed Hamidul Islam.

A. Qasem & Co.
Chartered Accountants

Summit Narayanganj Power Unit II Limited
Statement of financial position
As at 30 June 2020

Figures in BDT		
	30 June 2020	30 June 2019
Assets		
Property, plant and equipment	2,825,341,312	2,936,079,549
Intangible assets	2,945,912	-
Deferred tax asset	2,392,325	2,030,350
Other asset	(9,802,042)	-
Non-current assets	2,820,877,507	2,938,109,899
Inventories	47,164,459	52,804,497
Trade receivables	319,040,091	426,953,219
Other receivables	-	13,013,081
Advances, deposits and prepayments	30,780,296	25,371,418
Cash and cash equivalents	238,319,781	626,486,944
Current assets	635,304,627	1,144,629,159
Total assets	3,456,182,134	4,082,739,058
Equity		
Share capital	565,555,550	565,555,550
Hedging reserve	(136,993,062)	(91,633,407)
Currency translation reserve	5,440,500	-
Retained earnings	590,356,488	748,207,715
Total equity	1,024,359,476	1,222,129,858
Liabilities		
Redeemable preference share	177,948,045	236,406,555
Loans and borrowings	1,577,427,968	1,768,526,330
Deferred liabilities	137,406,794	91,633,407
Non-current liabilities	1,892,782,807	2,096,566,292
Redeemable preference share	58,896,908	59,101,639
Loans and borrowings	203,978,243	208,061,924
Trade payables	131,904,900	254,510,758
Other payables and accruals	56,199,203	50,596,521
Intercompany payables	88,060,597	191,772,066
Current liabilities	539,039,851	764,042,908
Total liabilities	2,431,822,658	2,860,609,200
Total equity and liabilities	3,456,182,134	4,082,739,058



Managing Director



Director



Company Secretary

Signed as per our report of same date.

Place: Dhaka
Date: 07 October 2020



A.Qasem & Co.
Chartered Accountants

Summit Narayanganj Power Unit II Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2020

Particulars	Figures in BDT	
	30 June 2020	30 June 2019
Revenue	1,372,561,759	2,491,471,118
Cost of sales	(938,022,809)	(2,069,317,849)
Gross profit	434,538,950	422,153,269
Other income	71,806	234,579
General and administrative expenses	(22,024,874)	(30,490,509)
Operating profit	412,585,882	391,897,339
Finance income/(cost), net	(166,386,791)	(183,365,421)
Profit before tax	246,199,091	208,531,918
Income tax expenses	(8,106,896)	(14,814,462)
Profit after income tax	238,092,195	193,717,456
Other comprehensive income		
Actuarial gain/(loss) on gratuity valuation, net of tax	(54,537)	(972,400)
Change in fair value of derivative financial instruments	(45,359,655)	(91,633,407)
Foreign currency translation impact	5,440,500	-
Other comprehensive income	(39,973,692)	(92,605,807)
Total comprehensive income	198,118,503	101,111,649



Managing Director



Director



Company Secretary

Signed as per our report of same date.

Place: Dhaka
Date: 07 October 2020



A.Qasem & Co.
Chartered Accountants

Summit Narayanganj Power Unit II Limited
Statement of changes in equity
For the year ended 30 June 2020

Figures in BDT

Particulars	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total Equity
Balance at 1 July 2018	565,555,550	-	-	555,462,659	1,121,018,209
Total comprehensive income					
Profit	-	-	-	193,717,456	193,717,456
Other comprehensive income	-	(91,633,407)	-	(972,400)	(92,605,807)
Total comprehensive income	-	(91,633,407)	-	192,745,056	101,111,649
Balance at 30 June 2019	565,555,550	(91,633,407)	-	748,207,715	1,222,129,858
Balance at 1 July 2019	565,555,550	(91,633,407)	-	748,207,715	1,222,129,858
Total comprehensive income					
Profit	-	-	-	238,092,195	238,092,195
Other comprehensive income	-	(45,359,655)	5,440,500	(54,537)	(39,973,692)
Total comprehensive income	-	(45,359,655)	5,440,500	238,037,658	198,118,503
Transactions with owners of the Company					
Cash dividend	-	-	-	(395,888,885)	(395,888,885)
Total transactions with owners of the Company	-	-	-	(395,888,885)	(395,888,885)
Balance at 30 June 2020	565,555,550	(136,993,062)	5,440,500	590,356,488	1,024,359,476



Managing Director



Director



Company Secretary

Place: Dhaka
Date: 07 October 2020

Signed as per our report of same date.



A.Qasem & Co.
Chartered Accountants

Particulars	Figures in BDT	
	30 June 2020	30 June 2019
Cash flows from operating activities		
Receipts from customers	1,492,149,471	2,814,447,687
Payment to employees, suppliers and service-providers	(965,946,169)	(2,333,715,678)
Receipts from other sources	60,063	234,579
Income tax paid	(4,041,588)	(5,182,119)
Net cash from operating activities	522,221,777	475,784,469
Cash flows from investing activities		
Interest received	38,935,813	30,545,038
Acquisition of property, plant and equipment	(2,028,938)	(166,373,376)
Net cash from/(used in) investing activities	36,906,875	(135,828,338)
Cash flows from financing activities		
Interest paid	(168,674,526)	(186,628,563)
Dividend paid	(395,888,885)	-
Repayment of loan and borrowings	(210,913,902)	(212,214,585)
Repayment of redeemable preference shares	(61,196,482)	(60,000,000)
Proceeds from/ (Repayment to) financial support	(107,550,031)	169,184,651
Net cash from/(used in) financing activities	(944,223,826)	(289,658,497)
Net changes in cash and cash equivalents	(385,095,174)	50,297,634
Effects of currency translation	(3,071,989)	-
Opening cash and cash equivalents	626,486,944	576,189,310
Closing cash and cash equivalents	238,319,781	626,486,944



Managing Director



Director



Company Secretary


A.Qasem & Co.
Chartered Accountants

Signed as per our report of same date.

Place: Dhaka
Date: 07 October 2020

SUMMIT GAZIPUR II POWER LIMITED

**Directors' & Auditor's Report and
Brief Audited Financial Statements**

as at and for the year ended 30 June 2020



Directors' Report on Subsidiary – SGIPL

Dear Shareholders,

Assalumu Alaikum,

The Board of Directors of Summit Gazipur II Power Limited (SGIPL) is pleased to submit before you the operational activities and audited financial statements of the Company for the year ended on 30 June 2020.

Business Activities including its Operating Performance

Summit Gazipur II Power Limited (SGIPL) was incorporated as a Private Limited Company on 3 July 2017 under the Companies Act, 1994. The address of the Company's registered office is at Summit Centre, 18 Kawran Bazar, Dhaka 1215. Since this Company is operating under the common management of parent Company, Summit Power Limited, it is destined to achieve the same level of accomplishments and recognition. The Company started its commercial operation from 10 May 2018 in Kodda, Gazipur of its 300 MW HFO Fired power plant and is supplying entire generated electricity to the Bangladesh Power Development Board (BPDB) through National Power Grid.

Operating Result of SGIPL

Particulars	FY 2020	FY 2019
Revenue (Tk in M)	6,881	9,669
Gross Profit (Tk in M)	3,372	2,422
Profit after income tax (Tk in M)	2,947	2,113
Total Assets (Tk in M)	18,740	17,383
Shareholder's Equity (Tk in M)	6,057	5,961
Total Liabilities (Tk in M)	12,683	11,422
Net Profit in %	42.83	21.86
Return on Assets in %	16	13
Return on Equity in %	49	35
Capacity Utilization in %	14	27
Electricity Sold (MWH)	365,298	671,643

Revenue over last year has decreased by 29% due to less demand. Yet, gross profit has increased by 39% due to implementation of IFRS 16 and better cost efficiency. Although interest expense has increased during the year because of borrowings in the form of redeemable preference shares and long term loan, net profit has increased by 39% because of higher interest income from bank deposits and favourable foreign exchange effect.

Auditor

Rahman Rahman Huq, Chartered Accountants, as statutory auditors of the Company has carried out the audit for the period ended on 30 June 2020

Acknowledgement

The Board of Directors would like to take this opportunity to thank the Government regulatory bodies, customers, suppliers, auditors, its shareholders, investors, bankers, and employees for their continuous dedication, commitment, cooperation and support towards success.

On behalf of the Board



Engr. Md. Mozammel Hossain
Managing Director
Dhaka, 07 October 2020

Independent Auditor's Report

To the shareholders of Summit Gazipur II Power Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Summit Gazipur II Power Limited ("the Company"), which comprise the statement of financial position as at 30 June 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dhaka, 07 October 2020

Summit Gazipur II Power Limited
Statement of financial position

Figures in BDT

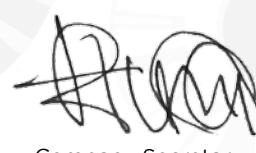
Particulars	30 June 2020	30 June 2019
Assets		
Property, plant and equipment	13,949,760,314	13,494,679,807
Intangible asset	2,945,912	-
Deferred tax asset	3,651,700	3,789,800
Other asset	977,324,791	-
Non current assets	14,933,682,717	13,498,469,607
Inventories	67,503,319	97,000,478
Trade receivables	1,788,793,401	2,074,829,848
Other receivables	6,038,816	7,904,963
Intercompany receivables	1,684,184	335,000,000
Advances, deposits and prepayments	87,608,549	518,973,214
Cash and cash equivalents	1,854,367,306	851,401,705
Current assets	3,805,995,575	3,885,110,208
Total assets	18,739,678,292	17,383,579,815
Equity		
Share capital	3,356,000,000	3,356,000,000
Currency translation reserve	132,142,569	107,493,431
Retained earnings	2,568,567,413	2,497,789,544
Total equity	6,056,709,982	5,961,282,975
Liabilities		
Redeemable preference shares	835,273,092	-
Loans and borrowings	9,929,573,258	-
Non-current liabilities	10,764,846,350	-
Liabilities		
Redeemable preference shares	58,144,375	-
Loans and borrowings	641,220,592	9,989,972,522
Trade payables	927,194,934	1,007,102,621
Other payables and accruals	288,074,901	354,300,337
Intercompany payables	3,487,158	70,921,360
Current liabilities	1,918,121,960	11,422,296,840
Total liabilities	12,682,968,310	11,422,296,840
Total equity and liabilities	18,739,678,292	17,383,579,815



Managing Director



Director



Company Secretary

As per our report of same date.



Auditor

Dhaka, 07 October 2020

Summit Gazipur II Power Limited
Statement of profit or loss and other comprehensive income

Figures in BDT

Particulars	For the year ended	
	30 June 2020	30 June 2019
Revenue	6,880,932,752	9,669,060,703
Cost of sales	(3,508,485,648)	(7,246,763,128)
Gross profit	3,372,447,104	2,422,297,575
Other income	1,754,909	10,099,016
General and administrative expenses	(100,979,100)	(115,644,587)
Operating profit	3,273,222,913	2,316,752,004
Finance income/ (expense), net	(290,189,394)	(197,013,347)
Profit before tax	2,983,033,519	2,119,738,657
Income tax expense	(36,176,602)	(6,414,357)
Profit after income tax	2,946,856,917	2,113,324,300
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Actuarial gain/ (loss) on gratuity valuation, net of tax	1,920,952	-
	1,920,952	-
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation impact	24,649,138	88,478,532
Total other comprehensive income	26,570,090	88,478,532
Total comprehensive income	2,973,427,007	2,201,802,832

Managing Director

Director

Company Secretary

Dhaka, 07 October 2020

As per our report of same date.

Auditor

Summit Gazipur II Power Limited
Statement of changes in equity

Particulars	For the year ended 30 June 2019					Figures in BDT
	Share capital	Share money deposit	Currency translation reserve	Retained earnings	Total equity	
Balance at 1 July 2018	100,000,000	1,420,000,000	19,014,899	384,465,244	1,923,480,143	
Total comprehensive income						
Profit	-	-	-	2,113,324,300	2,113,324,300	
Other comprehensive income	-	-	88,478,532	-	88,478,532	
Total comprehensive income for the year	-	-	88,478,532	2,113,324,300	2,201,802,832	
Transactions with owners of the Company						
Contribution to share money deposit	-	251,200,000	-	-	251,200,000	
Transfer from intercompany loan	-	1,584,800,000	-	-	1,584,800,000	
Issue of share capital						
Transfer from share money deposit	3,256,000,000	(3,256,000,000)	-	-	-	
Total transactions with owners of the Company	3,256,000,000	(1,420,000,000)	-	-	1,836,000,000	
Balance at 30 June 2019	3,356,000,000	-	107,493,431	2,497,789,544	5,961,282,975	

Particulars	For the year ended 30 June 2020					Figures in BDT
	Share capital	Share money deposit	Currency translation reserve	Retained earnings	Total equity	
Balance at 1 July 2019	3,356,000,000	-	107,493,431	2,497,789,544	5,961,282,975	
Total comprehensive income						
Profit	-	-	-	2,946,856,917	2,946,856,917	
Other comprehensive income	-	-	24,649,138	1,920,952	26,570,090	
Total comprehensive income for the year	-	-	24,649,138	2,948,777,869	2,973,427,007	
Transactions with owners of the Company						
Cash dividend	-	-	-	(2,878,000,000)	(2,878,000,000)	
Total transactions with owners of the Company	-	-	-	(2,878,000,000)	(2,878,000,000)	
Balance at 30 June 2020	3,356,000,000	-	132,142,569	2,568,567,413	6,056,709,982	

Summit Gazipur II Power Limited
Statement of cash flows

Figures in BDT

Particulars	For the year ended	
	30 June 2020	30 June 2019
Cash flows from operating activities		
Cash received from customer	6,201,878,162	9,811,257,173
Payment to employees, suppliers and service providers	(2,575,121,033)	(8,201,330,760)
Income taxes paid	(7,645,938)	(15,023,872)
Receipts from other sources	1,760,122	10,087,322
Net cash generated from operating activities	3,620,871,313	1,604,989,863
Cash flows from investing activities		
Acquisition of property, plant and equipment	(868,712,177)	(1,001,395,155)
Interest received and realised foreign exchange gain	817,768,595	12,026,843
Net cash used in investing activities	(50,943,582)	(989,368,312)
Cash flows from financing activities		
Interest and other charges paid	(789,943,004)	(123,485,584)
Dividend distribution	(2,878,000,000)	-
Proceeds from share money deposit	-	251,200,000
Proceeds from redeemable preference shares	900,000,000	-
Proceeds from loans and borrowings	11,013,404,920	(472,622,638)
Transaction cost	(565,365,856)	-
Repayment of loans and borrowings	(10,535,194,463)	-
Proceeds from/ (Repayment to) financial support	263,881,269	523,749,807
Net cash (used in)/generated from financing activities	(2,591,217,134)	178,841,586
Net change in cash and cash equivalents		
Effects of currency translation	978,710,596	794,463,136
Opening cash and cash equivalents	24,255,004	(590,768)
Closing cash and cash equivalents	851,401,705	57,529,337
	1,854,367,306	851,401,705

ACE ALLIANCE POWER LIMITED

**Directors' & Auditor's Report and
Brief Audited Financial Statements**
as at and for the year ended 30 June 2020



Directors' Report on Subsidiary – AAPL

Dear Shareholders,

Assalumu Alaikum,

The Board of Directors of Ace Alliance Power Limited (AAPL) is pleased to submit before you the operational activities and audited financial statements of the Company for the period ended on 30 June 2020.

Business Activities including its Operating Performance

Ace Alliance Power Limited was incorporated as a Private Limited Company on 5 September 2011 under the Companies Act, 1994. The address of the Company's registered office is Summit Centre, 18, Karwan Bazar C/A, Dhaka-1215. The objective of the Company is to build, own and operate a 149 MW dual fuel (HFO/Gas) power plant in Kodda, Gazipur, Bangladesh. On 24 June 2016, Aitken Spence Plc., Sri Lanka has transferred its 6,400 shares to Summit Power Limited ("SPL") and on 29 June 2016, Alliance Holdings Limited has transferred its 3,600 shares to Summit Corporation Limited ("SCL"). Since this Company is operating under the common management of parent Company, Summit Power Limited, it is destined to achieve the same level of accomplishments and recognition. The Company started its commercial operation from 12 July 2018 in Kodda, Gazipur of its 149 MW dual fuel (HFO/gas) power plant and is supplying entire generated electricity to the Bangladesh Power Development Board (BPDB) through National Power Grid.

Operating Result of AAPL

Particulars	FY 2020	FY 2019
Revenue (Tk in M)	4,770	5,194
Gross Profit (Tk in M)	1,185	717
Profit after income tax (Tk in M)	614	500
Total Assets (Tk in M)	10,064	10,097
Shareholder's Equity (Tk in M)	2,128	1,893
Total Liabilities (Tk in M)	7,936	8,204
Net Profit in %	12.87	9.62
Return on Assets in %	6	6
Return on Equity in %	31	30
Capacity Utilization in %	31	33
Electricity Sold (MWH)	403,952	431,046

Revenue over last year has decreased by 8% due to less demand. Yet, gross profit has increased by 65% due to implementation of IFRS 16 and better cost efficiency. Although net finance expenses have increased over last year in terms of interest expense on borrowings and having effect of favourable foreign exchange effect in last year, net profit has increased by 23%.

Auditor

Rahman Rahman Huq, Chartered Accountants, as statutory auditors of the Company has carried out the audit for the period ended on 30th June 2020.

Acknowledgement

The Board of Directors would like to take this opportunity to thank the Government regulatory bodies, customers, suppliers, auditors, its shareholders, investors, bankers, and employees for their continuous dedication, commitment, cooperation and support towards success.

On behalf of the Board



Engr. Md. Mozammel Hossain
Managing Director
Dhaka, 07 October 2020

Independent Auditor's Report

To the shareholders of Ace Alliance Power Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ace Alliance Power Limited ("the Company"), which comprise the statement of financial position as at 30 June 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and

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

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

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

Report on Other Legal and Regulatory Requirements

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

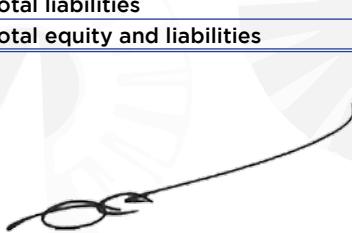
- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dhaka, 07 October 2020

Ace Alliance Power Limited
Statement of financial position

Figures in BDT

Particulars	30 June 2020	30 June 2019
Assets		
Property, plant and equipment	7,070,511,690	6,991,097,219
Intangible asset	2,945,913	-
Deferred tax asset	4,131,075	2,172,100
Other asset	544,888,101	-
Non current assets	7,622,476,779	6,993,269,319
Inventories	43,275,172	67,882,629
Trade receivables	1,342,977,251	1,756,743,202
Other receivables	3,993,764	10,221,844
Intercompany receivables	-	36,200,000
Advances, deposits and prepayments	63,119,919	84,899,430
Cash and cash equivalents	987,825,054	1,147,653,325
Current assets	2,441,191,160	3,103,600,430
Total assets	10,063,667,939	10,096,869,749
Equity		
Share capital	1,660,288,890	1,660,288,890
Currency translation reserve	72,067,611	64,056,625
Hedging reserve	(714,221,547)	(330,795,721)
Retained earnings	1,109,983,178	499,150,977
Total equity	2,128,118,132	1,892,700,771
Liabilities		
Redeemable preference shares	664,696,273	799,731,782
Loans and borrowings	4,806,959,486	5,228,988,142
Derivative financial instrument	715,880,679	330,795,721
Non-current liabilities	6,187,536,438	6,359,515,645
Redeemable preference shares	136,264,869	-
Loans and borrowings	449,982,892	377,354,273
Trade payables	959,962,800	1,351,944,705
Other payables and accruals	108,389,247	79,262,040
Intercompany payables	93,413,561	36,092,315
Current liabilities	1,748,013,369	1,844,653,333
Total liabilities	7,935,549,807	8,204,168,978
Total equity and liabilities	10,063,667,939	10,096,869,749



Managing Director

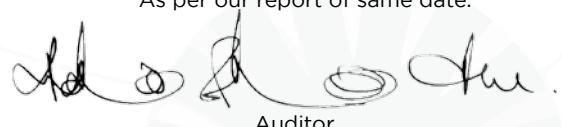


Director



Company Secretary

As per our report of same date.



Auditor

Dhaka, 07 October 2020

Ace Alliance Power Limited
Statement of profit or loss and other comprehensive income

Figures in BDT

Particulars	For the year ended	
	30 June 2020	30 June 2019
Revenue	4,770,187,485	5,194,303,289
Cost of sales	(3,585,583,877)	(4,477,505,928)
Gross profit	1,184,603,608	716,797,361
Other income/(expenses), net	1,778,231	22,956,820
General and administrative expenses	(63,562,705)	(68,669,793)
Operating profit	1,122,819,134	671,084,388
Finance income/(expense), net	(501,774,886)	(171,680,426)
Profit before tax	621,044,248	499,403,962
Income tax expense	(7,300,942)	196,980
Profit after income tax	613,743,306	499,600,942
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Actuarial gain/(loss) on gratuity valuation, net of tax	(2,911,105)	-
	(2,911,105)	-
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation impact	8,010,986	18,013,446
Change in fair value of financial derivative instruments	(383,425,826)	(330,795,721)
Total other comprehensive income	(378,325,945)	(312,782,275)
Total comprehensive income	235,417,361	186,818,667



Managing Director



Director



Company Secretary

As per our report of same date.



Auditor

Dhaka, 07 October 2020

Ace Alliance Power Limited
Statement of changes in equity

Figures in BDT

Particulars	For the year ended 30 June 2019					
	Share capital	Share money deposit	Currency translation reserve	Hedging reserve	Retained earnings	Total equity
Balance at 1 July 2018	1,324,036,000	26,064,000	46,043,179	-	(449,965)	1,395,693,214
Total comprehensive income						
Profit for the year	-	-	-	-	499,600,942	499,600,942
Other comprehensive income	-	-	18,013,446	(330,795,721)	-	(312,782,275)
Total comprehensive income for the year	-	-	18,013,446	(330,795,721)	499,600,942	186,818,667
Transactions with owners of the Company						
Issue of share capital	25,964,000	-	-	-	-	25,964,000
Transfer from share money deposit	26,064,000	(26,064,000)	-	-	-	-
Transfer from loan	284,224,890	-	-	-	-	284,224,890
Total transactions with owners of the Company	336,252,890	(26,064,000)	-	-	-	310,188,890
Balance at 30 June 2019	1,660,288,890	-	64,056,625	(330,795,721)	499,150,977	1,892,700,771

Particulars	For the year ended 30 June 2020					
	Share capital	Share money deposit	Currency translation reserve	Hedging reserve	Retained earnings	Total equity
Balance at 1 July 2019	1,660,288,890	-	64,056,625	(330,795,721)	499,150,977	1,892,700,771
Total comprehensive income						
Profit for the year	-	-	-	-	613,743,306	613,743,306
Other comprehensive income	-	-	8,010,986	(383,425,826)	(2,911,105)	(378,325,945)
Total comprehensive income for the year	-	-	8,010,986	(383,425,826)	610,832,201	235,417,361
Balance at 30 June 2020	1,660,288,890	-	72,067,611	(714,221,547)	1,109,983,178	2,128,118,132

Ace Alliance Power Limited
Statement of cash flows

Figures in BDT

Particulars	For the year ended	
	30 June 2020	30 June 2019
Cash flows from operating activities		
Receipts from customers	4,648,219,378	3,455,309,209
Payment to employees, suppliers and service-providers	(3,741,986,879)	(2,764,360,284)
Income taxes paid	(6,115,589)	(10,676,844)
Receipts from other sources	1,776,464	23,032,898
Net cash generated from operating activities	901,893,374	703,304,979
Cash flows from investing activities		
Acquisition of property, plant and equipment	(285,508,558)	(1,029,483,881)
Disposal of property, plant and equipment	-	12,695
Interest received and realised foreign exchange gain	15,623,163	4,360,160
Net cash used in investment activities	(269,885,395)	(1,025,111,026)
Cash flows from financing activities		
Interest and other charges paid	(494,653,815)	(307,061,299)
Proceeds from share capital	-	25,964,000
Proceeds from redeemable preference shares	-	800,431,534
Proceeds from loans and borrowings	-	5,764,149,300
Transaction cost	(83,266)	(103,391,994)
Repayment of loans and borrowings	(393,170,264)	(4,864,165,985)
Proceeds from/ (Repayment to) financial support	93,404,300	62,763,562
Net cash (used in)/generated from financing activities	(794,503,045)	1,378,689,118
Net change in cash and cash equivalents	(162,495,066)	1,056,883,071
Effects of currency translation	2,666,794	5,112,875
Opening cash and cash equivalents	1,147,653,326	85,657,379
Closing cash and cash equivalents	987,825,054	1,147,653,325

SUMMIT CHITTAGONG POWER LIMITED

**Auditor's Report and
Brief Audited Financial Statements**
as at and for the year ended 30 June 2020



Independent Auditor's Report On The Financial Statements

To the Shareholders of Summit Chittagong Power Limited

Opinion

We have audited the financial statements of Summit Chittagong Power Limited, which comprise the statement of financial position (Balance Sheet) as at 30 June, 2020, statement of profit or loss and other comprehensive income, statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of Summit Chittagong Power Limited give a true and fair view of the financial position as at 30 June, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard (IFRSs) and comply with other applicable laws and regulations.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those

risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

Report on other Legal and Regulatory Requirements

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

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Place: Dhaka
07 October 2020

Mak & Co.
Chartered Accountants

Summit Chittagong Power Limited
Statement of financial position
As at 30 June 2020

Particulars	Figures in BDT	
	30 June 2020	30 June 2019
Assets		
Capital work in progress	15,913	154,395
Non-current assets	15,913	154,395
Advances, deposits and prepayments	1,525,907	1,525,907
Cash and cash equivalents	8,176,252	8,134,748
Current assets	9,702,159	9,660,655
Total assets	9,718,072	9,815,050
Equity		
Share Capital	10,000,000	10,000,000
Retained earnings	(337,728)	(240,750)
Total equity	9,662,272	9,759,250
Liabilities		
Other liabilities	55,800	55,800
Current liabilities	55,800	55,800
Total liabilities	55,800	55,800
Total equity and liabilities	9,718,072	9,815,050



Managing Director



Director



Company Secretary

Signed in terms of our separate report of even date.

Dhaka, 07 October 2020



Mak & Co.
Chartered Accountants

Summit Chittagong Power Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2020

Figures in BDT

Particulars	30 June 2020	30 June 2019
Revenue		
Service charge	-	-
Other income	-	-
	-	-
Operating expenses		
General & administrative expenses	(96,978)	(74,500)
Operating profit/ (loss)	(96,978)	(74,500)
Financial expense	-	-
Profit/ (loss) before tax	(96,978)	(74,500)
Less: Income tax expenses	-	-
Profit/ (loss) after income tax	(96,978)	(74,500)
Add: Other comprehensive income	-	-
Total Comprehensive Income	(96,978)	(74,500)



Managing Director



Director



Company Secretary

Signed in terms of our separate report of even date.

Dhaka, 07 October 2020



Mak & Co.
Chartered Accountants

Summit Chittagong Power Limited
Statement of changes in equity
For the year ended 30 June 2020

Figures in BDT

Particulars	Paid up capital	Share money deposit	Retained earnings	Total equity
Balance as at 1 July 2018	10,000,000	-	(166,250)	9,833,750
Issue of Share	-	-	-	-
Share Money Deposit	-	-	-	-
Profit (Loss) for the year	-	-	(74,500)	(74,500)
Balance as at 30 June 2019	10,000,000	-	(240,750)	9,759,250
Balance as at 1 July 2019	10,000,000	-	(240,750)	9,759,250
Issue of Share	-	-	-	-
Share Money Deposit	-	-	-	-
Profit/(Loss) for the year	-	-	(96,978)	(96,978)
Balance as at 30 June 2020	10,000,000	-	(337,728)	9,662,272

Summit Chittagong Power Limited
Statement of cash flows
For the year ended 30 June 2020

Figures in BDT

Particulars	30 June 2020	30 June 2019
Cash flows from operating activities		
Payments for administrative works	(80,421)	(58,000)
Net cash used in operating activities	(80,421)	(58,000)
Cash flows from investing activities		
Capital work in progress	121,925	136,520
Net cash from investing activities	121,925	136,520
Cash flows from financing activities		
Intercompany financing	-	-
Net cash generated by financing activities	-	-
Net change in cash and cash equivalents	41,504	78,520
Opening cash and cash equivalents	8,134,748	8,056,228
Closing cash and cash equivalents	8,176,252	8,134,748

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CORPORATE INFORMATION



Milestones

Shareholders' Attendance Slip & Proxy Form

MILESTONES

1997 – 2004

- March 30, 1997**
Incorporation of the Company
- February 10, 2000**
Signing of Project Agreements with REB & GOB
- February 08, 2001**
Commercial operation at Savar
- April 01, 2001**
Commercial operation at Narshingdi
- June 02, 2001**
Commercial operation at Comilla
- June 07, 2004**
Conversion from private to public limited Company

2006

- March 20, 2006**
Signing of Project Agreements for expansion at Ashulia, Savar with REB & GOB
- November 15, 2006**
Commercial operation at Comilla expansion project
- December 16, 2006**
Commercial operation at Madhabdi expansion project

2009

- March 2, 2009**
Commercial operation at Ullapara, Sirajgonj
- May 11, 2009**
Commercial operation at Maona, Gazipur
- June 9, 2009**
Commercial operation at Rupganj, Narayanganj
- June 24, 2009**
Commercial operation at Jangalia, Comilla

2005

- January 13, 2005**
Appointment of Issue Manager
- March 29, 2005**
Credit Rating by CRISL
- June 19, 2005**
Agreement with CDBL
- June 25, 2005**
Approval of Prospectus from Securities & Exchange Commission
- June 28, 2005**
Signing of Project Agreements for expansion at Madhabdi and Comilla with REB
- June 28, 2005**
Publication of Prospectus
- August 27, 2005**
Subscription opens for public
- October 03, 2005**
Allotment of IPO shares
- October 23, 2005**
Listing with Chittagong Stock Exchange Limited
- November 10, 2005**
Listing with Dhaka Stock Exchange Limited
- November 15, 2005**
First Trading in Stock Exchanges

2007

- August 15, 2007**
Incorporation of Summit Purbanchal Power Company Limited (99% subsidiary of Summit Power Limited)
- August 15, 2007**
Incorporation of Summit Uttaranchol Power Company Limited (99% subsidiary of Summit Power Limited)
- September 29, 2007**
Increase the Authorized Share Capital of the Company (SPL) through EGM for issuance of Rights Share at the ratio of 5:4
- October 11, 2007**
Signing of Project Agreements with REB, BPDB & GOB to implement total 110MW power plants (04 nos) through its two Subsidiary Companies.
- December 04, 2007**
Commercial Operation at Ashulia expansion project

2010

- May 4, 2010**
Incorporation of Summit Narayanganj Power Limited (55% subsidiary of Summit Power Limited)
- June 23, 2010**
Signing of Project Agreement with BPDB to implement Summit Narayanganj 102MW power plant Project.

2008

- January 29, 2008**
Approval for issuance of Rights Share
- March 09, 2008**
Subscription opens for Rights Share
- April 21, 2008**
Allotment of Rights Share
- July 27, 2008**
Signing of Syndicated Term Loan Facility of BDT 395.50 crore for setting up 110 MWh Power Plants of Summit's Subsidiaries.

MILESTONES

2011

April 1, 2011

Commercial Operation of 102 MW Dual Fuel Power Plant of Summit Narayanganj Power Limited at Madanganj, Narayanganj

September 28, 2011

Asian Power Awards 2011- Best Fast Track Project in Asia for Construction of SNPL in 270 Days

October 4, 2011

11th ICAB National Awards for Best Published Accounts and Reports 2010 (Manufacturing): 2nd Position

November 29, 2011

Best Presented Accounts and Corporate Governance Disclosures Awards 2010 by South Asian Federation of Accounts (SAFA): Merit

September 13, 2011

SNPL has achieved financial close by receiving a foreign currency term loan of USD 45 million from DEG - Deutsche Investitionsund Entwicklungsgesellschaft mbH and FMO – Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.

December 28, 2011

Summit Power Limited was awarded the "Best Corporate Award" in the power Companies' category in 2012 for its efforts to establish corporate governance by the Institute of Cost and Management Accountants of Bangladesh (ICMAB).

2012

January 12, 2012

Summit Power Limited was awarded the "Best Corporate Award" in the power Companies' category in 2012 for its efforts to establish corporate governance by the Institute of Cost and Management Accountants of Bangladesh (ICMAB).

June 25, 2012

The Company received "International Star for Leadership in Quality Award" in Paris in Gold Category for its outstanding business achievements, for perseverance and leadership in excellence, and quality in accordance with the QC 100 Criteria from Business Initiative Directions (BID), an organization whose primary objective is oriented towards sharing quality culture in leading Companies worldwide.

October 8, 2012

Summit Narayanganj Power Limited (SNPL) received the certificates of ISO 9001: 2000 – Quality Management System (QMS), ISO 14001: 2004 – Environmental Management System (EMS), BS OHSAS 18001: 2007 – Occupational Health & Safety (OH&S) for successful implementation of Integrated Management System (IMS).

October 11, 2012

Bangladesh Securities and Exchange Commission (BSEC) gave its consent for raising of capital through Initial Public Offer (IPO) and issuance of prospectus by Summit Purbanchol Power Company Limited.

December 26, 2012

Summit Power Limited (SPL) received the certificates of ISO 9001: 2000 – Quality Management System (QMS), ISO 14001: 2004 – Environmental Management System (EMS), BS OHSAS 18001: 2007 – Occupational Health & Safety (OH&S) for successful implementation of Integrated Management System (IMS).

2013

November 12, 2013

Best Power Generation Company Award 2013 in Private Sector Power Generation Summit Purbanchol Power Company Limited, a subsidiary of Summit Power Limited has received the "Best Power Generation Company" award in private sector power generation in a grand ceremony organized to celebrate the milestone achievement of 10,000 MW of electricity generation in Bangladesh.

December 24, 2013

13th ICAB National Award for Best Presented Annual Reports 2012 On the occasion of 13th ICAB National Award for Best Presented Annual Reports 2012, Summit Power Limited (SPL) received ICAB National Award, Certificate of Merit for 'Best Published Accounts and Reports 2012' under Non-Financial Sector Category – IV: Manufacturing

2014**April 28, 2014**

ICMAB Best Corporate Award 2013
Summit Power Limited received the “ICMAB Best Corporate Award 2013”, First Position in the power Companies’ category for its efforts to establish corporate governance by the Institute of Cost and Management Accountants of Bangladesh (ICMAB)

July 1, 2014

Summit has established a Testing and Calibration Laboratory to keep the equipment, oils and chemicals in a required status, thus minimize any possible unexpected accident/breakdown of plants.

December 2, 2014

Summit Power Limited acquired 30% shares of another group Company named, Summit Meghnaghat Power Company Limited (SMPCL), which is a dual fuel (Natural Gas/ liquid Fuel Oil) fired combined cycle power plant located at Meghnaghat, Narayanganj with net capacity of 335 MW on gas and 305 MW on HFO.

December 4, 2014

The Company received 2nd prize in the category of General Manufacturing Sector of 1st ICSB National Award 2013 of Institute of Chartered Secretaries of Bangladesh (ICSB) for Corporate Governance Excellence.

December 11, 2014

Summit Meghnaghat Power Company Limited (SMPCL), a new associate Company of Summit Power Limited received the “Best Power Generation Project Award 2014” in Private Sector Power Generation by the Government of the country.

2015**January 20, 2015**

In the category of Power Generation, Summit Power Limited and its subsidiary Company Summit Purbanchol Power Company Limited attained the “ICMAB Best Corporate Award 2014”, first and the second positions respectively for its efforts to establish corporate governance.

February 18, 2015

Global CSR Excellence & Leadership Award Summit Power Limited (SPL) won the prestigious “Global CSR Excellence & Leadership Award” presented by the World CSR Congress in Mumbai, India.

November 10, 2015

The Company received ICSB National Award 2014 in General Manufacturing Sector by Institute of Chartered Secretaries of Bangladesh (ICSB) for Corporate Governance Excellence.

December 10, 2015

On the occasion of 15th ICAB National Award for Best Presented Annual Report 2014, Summit Power Limited received ICAB National Award, 3rd prize for “Best Published Accounts and Reports 2014 under Manufacturing Sector.

2016**January 20, 2016**

SPL received SAFA Best Presented Annual Reports Awards for its excellence in quality Annual Report 2014 by South Asian Federation of Accounts (SAFA)

26 October 2016

On the occasion of “ICMAB Best Corporate Award 2015” in the power generation category, Summit Power Limited ranked first for its efforts to establish corporate governance.

November 29, 2016

On the occasion of 16th ICAB National Award for Best Presented Annual Report 2015, Summit Power Limited received ICAB National Award, merit for Best Published Accounts and Reports 2015 under Manufacturing Sector.

December 10, 2016

Summit Barisal Power Limited (SBPL), a new subsidiary Company of Summit Power Limited received the “Best Power Generation Project Award 2016” in Private Sector Power Generation by the Government of the country. Again this the 4th time in a row for Summit Group to receive this prestigious award.

December 24, 2016

The Company received the ICSB National Award 2015, 3rd position in General Manufacturing Sector by Institute of Chartered Secretaries of Bangladesh (ICSB) for Corporate Governance Excellence.

December 29, 2016

Summit Barisal Power Limited (SBPL) and Summit Narayanganj Power Unit II Limited (SNPL II) – two subsidiaries of the Company, achieved financial close by receiving a foreign currency term loan of USD 50 million and USD 27.64 million respectively.

MILESTONES

2017

March 05, 2017

Credit Rating Information and Services Limited (CRISL) has assigned the Long Term Rating "AAA" and Short Term Rating "ST-1" to the Summit Power Limited.

April 11, 2017

SPL Signed Project Agreement with BPDB to implement a 149 MW power plant at Kodda, Gazipur. The plant is supposed to be commissioned by March 2018 and would provide uninterrupted electricity to Gazipur region and to Kaliakor Hi-Tech Park.

December 22, 2017

The 8th Summit Open and the 22st Summit Cup Golf Tournament 2017 was held successfully at Kurmitola Golf Club.

2018

January 29, 2018

The Institute of Cost and Management Accountants of Bangladesh (ICMAB) has awarded Summit Power Limited the first prize in the ICMAB Best Corporate Award 2016 under the power generation and distribution category. This is the fifth time in a row that Summit Power Limited has received this recognition from the ICMAB.

February 7, 2018

Summit's deal of syndicated loans worth USD 79.67 million for Summit Barisal Power and Summit Narayanganj Power for 12 years and 10.5 years was awarded the Best Bangladesh Deal by FinanceAsia Achievement Awards 2017.

March 6, 2018

In the Board Meeting held on 6th March 2018, the Board of Directors approved and eventually transferred 70,237,499 number of ordinary shares of the Company from Summit Holdings Limited (SHL) to Summit Corporation Limited (SCL).

May 10, 2018

After successful testing and commissioning, the 300 MW HFO based power of Summit Gazipur II Power Limited has started its commercial operation within schedule (nine months from the date of LoI) on 10th May 2018.

May 24, 2018

Summit Power Limited (SPL) received the prestigious long term AAA and short term ST-1 credit ratings from CRISL.

July 12, 2018

After successful testing and commissioning, the 149 MW HFO based power of Ace Alliance Power Limited has started its commercial operation within schedule on 12th July 2018.

August 05, 2018

Honourable Prime Minister Sheikh Hasina inaugurated the Summit Gazipur II Power Limited via video conference from her official residence Gonobhaban. The 300 MW power plant was completed in record nine month time.

September 6, 2018

Summit Power Limited received the Best Private Power Generation Company award for the Best Private Power Generation Company (300 MW Summit Gazipur II Power Limited) in recognition of fastest implemented power plant in the country from the Honorable Prime Minister Sheikh Hasina.

September 20, 2018:

Summit Gazipur II Power Limited (20% owned associate of SPL) won Best Fast Track Power Project Award, silver in a ceremony held in Jakarta, Indonesia. The award is considered as Oscars of the Power Industry.

October 01, 2018

Summit Group and Eastern Bank Limited (EBL) have closed an Interest Rate SWAP derivative deal worth 71.25 million US dollars for two power plants of the group—Summit Barisal Power Limited (120 MW) and Summit Narayanganj Power Unit II Limited (62 MW). This transaction is first of its kind executed by a private commercial bank in Bangladesh.

November 01, 2018

Honourable Prime Minister Sheikh Hasina inaugurated Summit's 149 MW dual-fuel (Gas/HFO) based power plant Ace Alliance Power Limited. The plant is currently supplying power in the national grid at 132 KV through PGCB's Kodda grid sub-stations and located in Kodda, Gazipur about 30 km away from Dhaka city.

November 9, 2018

A Subscription Closing Ceremony held for Redeemable Preference Shares

worth BDT 1,000 Million (USD 12.50 Million) for two associate companies - Summit Barisal Power Limited & Summit Narayanganj Power Unit II Limited.

November 11, 2018

Summit Power Limited awarded the gold award at ICSB National Award for Corporate Governance Excellence in the Fuel and Power Companies Category. This is the fourth time that Summit Power Limited has received this recognition from the ICSB.

December 19, 2018

Summit Ace Alliance Power Limited (AAPL) achieved financial close by receiving a foreign currency term loan of USD 68.6 million from IDCOL, ICD and OFID.

December 08, 2018

Summit Power Limited secured the first position at the ICMAB Best Corporate Award 2017 under the power generation category. This is the sixth time in a row that Summit Power Limited has received this recognition from the ICMAB for corporate governance. Summit Power has been consistently ICMAB award winner since 2012.

2019**March 19, 2019**

A subscription closing ceremony to raise capital through issuance of Preference Shares worth BDT 805 Million for Ace Alliance Power Limited.

April 07, 2019

Summit Ace Alliance Power Limited (AAPL) and BRAC Bank signed an Interest Rate Swap (IRS) deal. Under the agreement, BRAC Bank provided hedging for AAPL's exposure in LIBOR against their borrowing of USD 68.60 million for 10.3 years. This deal is one-of-a-kind as it is the highest tenor Interest Rate Derivative for any private commercial bank in the industry.

June 17, 2019

The technology group Wärtsilä signed two major Maintenance management and operational advisory agreements with Summit Group, the largest independent power producer (IPP) in Bangladesh and long standing partner. The seven-year agreements represent the biggest ever signed service deals, in terms of MW generation, in the Bangladesh energy sector. The orders were booked by Wärtsilä in Q2, 2019.

September 27, 2019

Summit Power received Wärtsilä's Valued Customer Recognition Award 2019 from Tomas Häyry, Mayor, City of Vaasa, Finland for execution of 450 MW fast track power project complex in Gazipur in record time.

2020**April 27, 2020**

Summit Gazipur II received USD 140 Million in Project Financing from international commercial financial institutions Clifford Capital Pte. Ltd. of Singapore and Japan's second largest bank Sumitomo Mitsui Banking Corporation. Amidst of COVID-19 pandemic, receiving long-tenor low cost project finance from commercial lenders is a testament of Summit and Bangladesh's goodwill in the international community.



SUMMIT POWER LIMITED

Summit Centre, 18 Kawran Bazar C/A, Dhaka-1215
Email: spl.investorrelations@summit-centre.com

PROXY FORM

I/We of
..... being a member of Summit Power Limited hereby appoint
Mr./Ms. of
..... another member of the Company, as my proxy to attend and vote for me on my behalf at the 23rd Annual General Meeting of the Company to be held at 11.00 a.m. on 14th December 2020 through digital platform and at any adjournment thereof.

Signed this day of 2020

.....
Signature of the Shareholder (s)

.....
Signature of the Proxy

Number of Shares held

BO ID NO.

Note: A member entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote in his/her stead. The Proxy Form, duly stamped, must be deposited at the Registered Office/Corporate Office of the Company not later than 48 hours before the time appointed for the meeting.

Signature Verified



.....
Authorised Signature



SUMMIT POWER LIMITED

Summit Centre, 18 Kawran Bazar C/A, Dhaka-1215
Email: spl.investorrelations@summit-centre.com

VIRTUAL MEETING LOGISTICS



Date
Monday, 14 December 2020



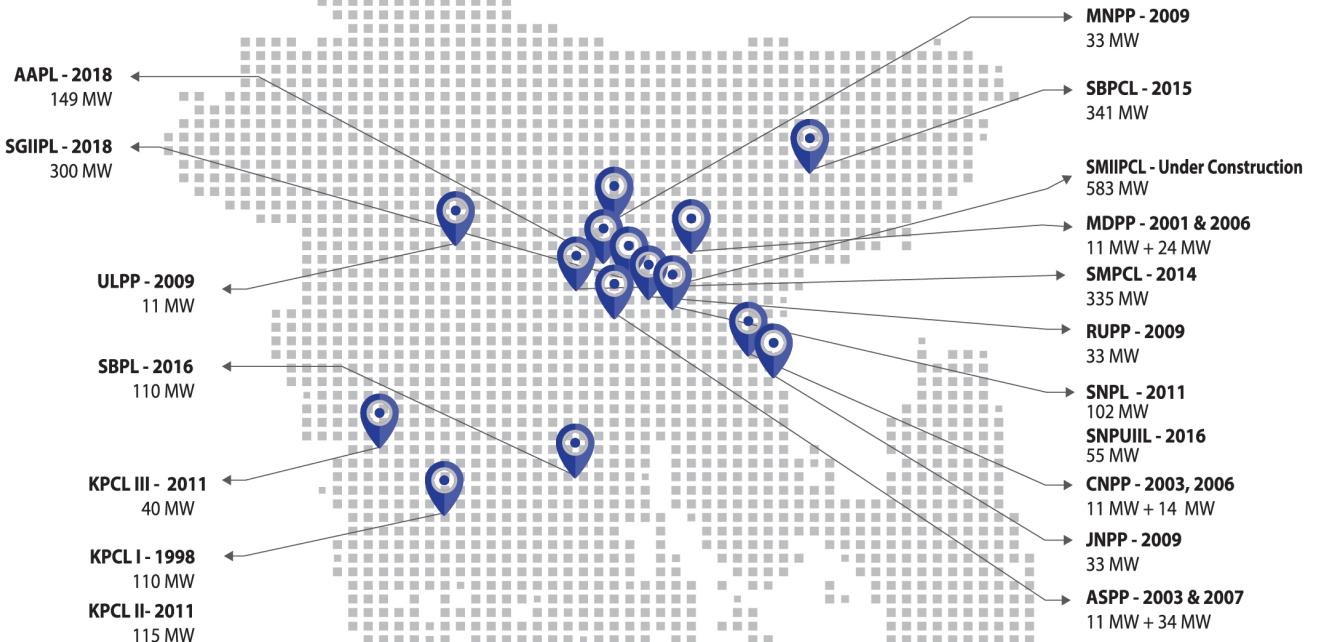
Live Webcast
<https://summitpower.bdvirtualagm.com>



Time
11:00 AM
(Bangladesh Standard Time)



POWER PLANTS

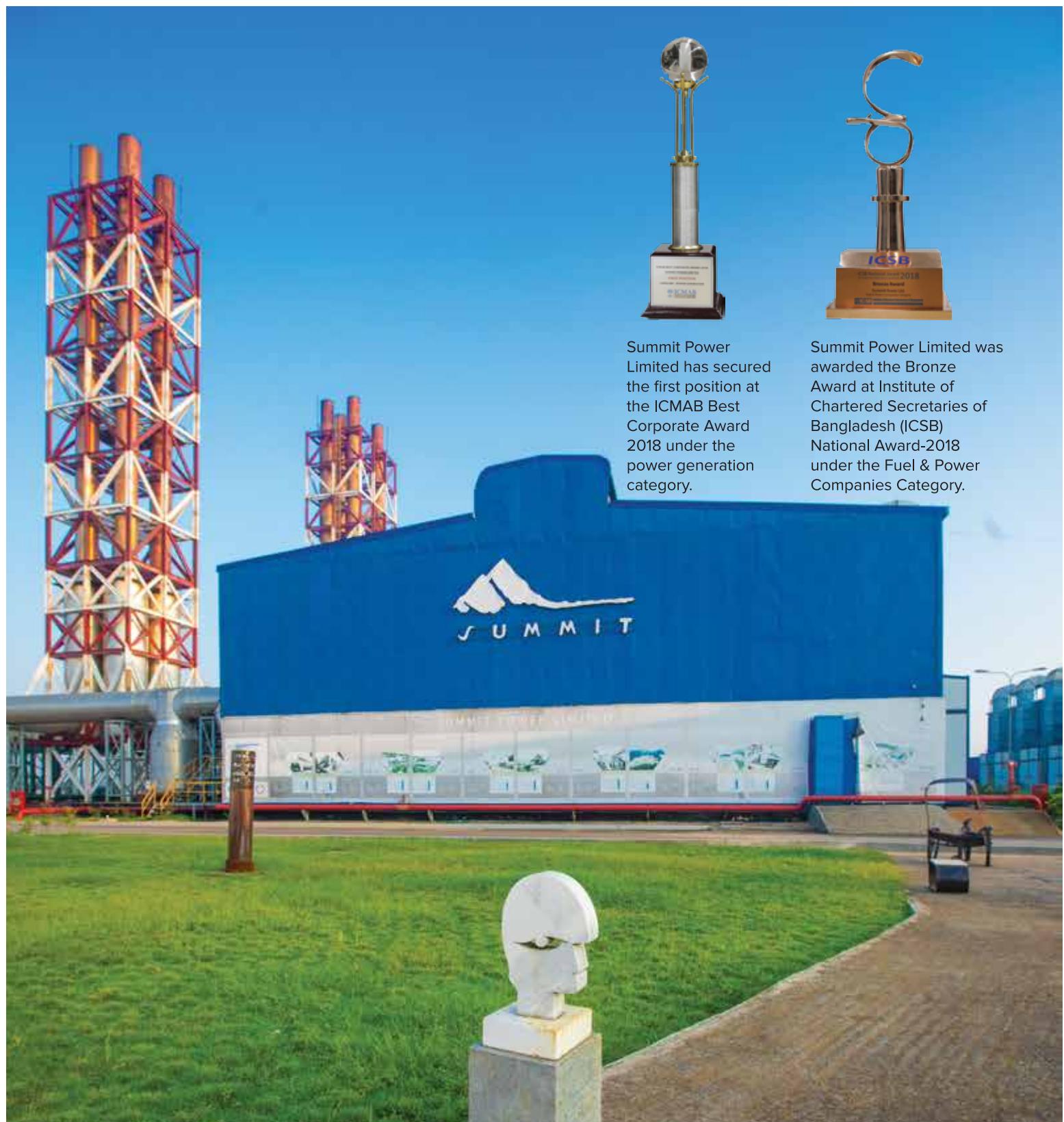


AAPL
 SGIPL
 MNPP
 ULPP
 ASPP
 KPCL III
 KPCL I
 KPCL II
 SBPCL

Ace Alliance Power Limited
 Summit Gazipur II Power Limited
 Maona Power Plant
 Ullapara Power Plant
 Ashulia Power Plant
 Khulna Power Company Limited Unit III
 Khulna Power Company Limited Unit I
 Khulna Power Company Limited Unit II
 Summit Bibiyana Power Company Limited

MDPP
 SMPCL
 SIIIPCL
 RUPP
 SNPL
 SNPUIL
 CNPP
 JNPP
 SBPL

Madhabdi Power Plant
 Summit Meghnaghat Power Company Limited
 Summit Meghnaghat II Power Company Limited
 Rupganj Power Plant
 Summit Narayanganj Power Plant Unit I
 Summit Narayanganj Power Unit II Limited
 Chandina Power Plant
 Jangalia Power Plant
 Summit Barisal Power Limited



Summit Power Limited has secured the first position at the ICMAB Best Corporate Award 2018 under the power generation category.

Summit Power Limited was awarded the Bronze Award at Institute of Chartered Secretaries of Bangladesh (ICSB) National Award-2018 under the Fuel & Power Companies Category.



Summit Power Limited

Summit Centre, 18 Karwan Bazar C/A, Dhaka-1215, Bangladesh
Telephone: (+8802) 55012255-56, 55012257, 55012258, 55012259
Fax: (+8802) 55012260
Email: spl.investorrelations@summit-centre.com
www.summitpowerinternational.com/spl