

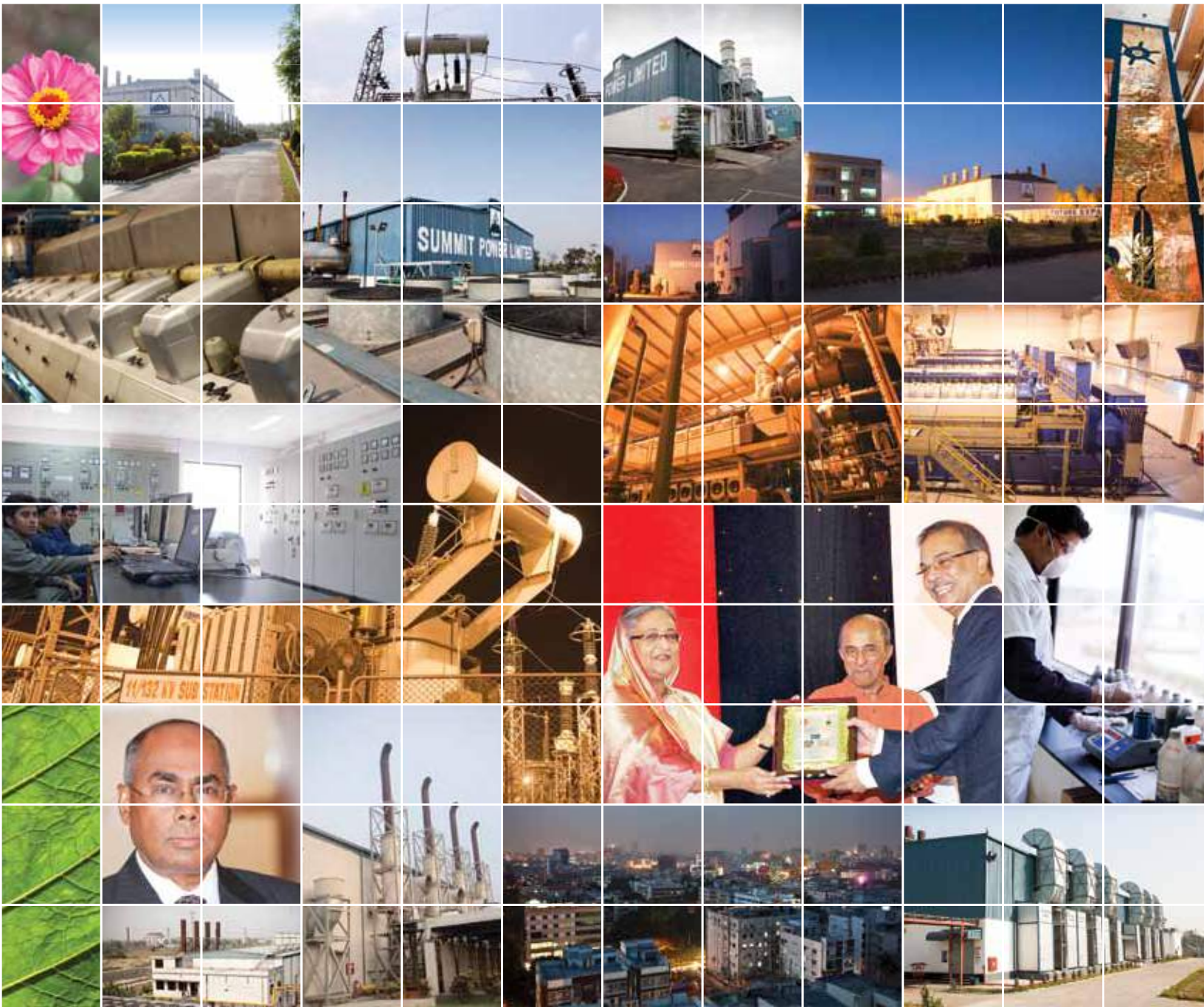
SUMMIT POWER LIMITED

ANNUAL REPORT 2013



Empowering Bangladesh

Empowering Bangladesh



The First IPP in Bangladesh

Summit Power Limited (SPL), sponsored by Summit Group, is the first Bangladeshi Independent Power Producer (IPP) in Bangladesh in private sector providing power to national grid. SPL was incorporated in Bangladesh on March 30, 1997 as a Private Limited Company. On June 7, 2004 the Company was converted into Public Limited Company under the Companies Act 1994.

VISION

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

MISSION

“Empowering Bangladesh”

To expand the company into a power generation capacity to the 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 utilization of capital, machines, material and human resources.
- Continuous improvement of customer satisfaction and resource management.

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About our Company



Summit Power Limited (SPL), a subsidiary of Summit Group is the first Bangladeshi Independent Power Producer (IPP) in Bangladesh in private sector providing power to national grid. SPL was incorporated in Bangladesh on March 30, 1997 as a Private Limited Company. On June 7, 2004 the Company was converted into Public Limited Company under the Companies Act 1994.

Today Summit Power Limited owns and operates 08 (eight) power plants at different locations across the country. Our plants are manufactured by world famous technotex companies, i.e. – Wartsila – Finland, Caterpillar - USA, and GE Jenbacher, Austria. All of its power plants run 24 hours a day to support the national grid. Due to Company's practice of Integrated Management System, it has been certified by ISO 9001: 2008 - Quality Management System, ISO 14001: 2004 - Environmental Management System and OSHAS 18001: 2007 - Occupational Health and Safety Management System certificates.

Summit Power Limited holds 17.64% of the ownership of Khulna Power Company Limited (KPCL). That means 50 MW (approximately) has been added with that of SPL being the total capacity of 365 MW.

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. In the way to this mission to enlighten the nation, recently, the Company is going to implement two new power plants with a total generation capacity of 160 MW.

Due to Management's dedication, integrity and leadership, the Company has been applauded locally and internationally by several awards, like – Best Fast Track Power Project Award by Asian Power Awards, International Star for Leadership in Quality Award by Business Initiative Directions (BID), Best Corporate in the Power Sector under ICMAB Best Corporate Award, ICAB National Award for Best Published Accounts and Reports, ICAB National Award for Best Presented Annual Reports, Best Power Generation Company award of 2013 in private sector power generation at national level etc.



Core Values



Environment

“Meeting the needs of the current generation without compromising the ability of future generations to meet their needs (brundtland commission, 1987)”



Corporate Directory

Board of Directors

Muhammed Aziz Khan	Chairman
Md. Latif Khan	Vice-Chairman
Lt Gen (Retd) Abdul Wadud	Managing Director
Anjuman Aziz Khan	Director
Md. Farid Khan	Director
Ayesha Aziz Khan	Director
Mr. Jafer Ummeed Khan	Director
Faisal Karim Khan	Director
Syed Fazlul Haque FCA	Director
Abbas Uddin Ahmed	Independent Director
Ziaul Hasan Siddiqui	Independent Director
Helal Uddin Ahmed	Director
Company Secretariat	
Mahmud Hasan FCMA	Company Secretary
Swapon Kumar Pal ACA	Deputy Financial Controller
Rahmat-e-Rabbi	Assistant General Manager (Accounts)



REGISTERED OFFICE

Summit Centre
18, Kawran Bazar C/A, Dhaka-1215
Phone-9137485-6, Fax-913 9284
Email: spl@summitpower.org
Web: www.summitpower.org

AUDITORS

Hoda Vasi Chowdhury & Co
Chartered Accountants
(Independent Correspondent Firm to
Deloitte Touche Tohmatsu)
National Office
BTMC Bhaban (Levels 7 & 8)
7-9 Kawran Bazar
Dhaka-1215, Bangladesh

LEGAL ADVISOR

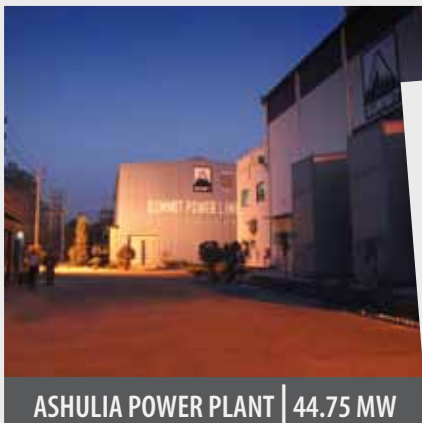
Mahmood Jabbar Khan
Barristers & Advocates
Summit Centre (6th floor)
18, Kawran Bazar C/A
Dhaka-1215

POWER PLANTS

Ashulia-Savar
Madhabdi-Narshingdi
Chandina-Comilla
Ullapara-Sirajganj
Maona-Gazipur
Jangalia-Comilla
Rupganj-Narayanganj
Madanganj-Narayanganj

MAIN BANKERS

Standard Chartered Bank
Dutch Bangla Bank Limited
IIDFC
BRAC Bank Limited



ASHULIA POWER PLANT | 44.75 MW



CHANDINA POWER PLANT | 24.50 MW



JANGALIA POWER PLANT | 33 MW



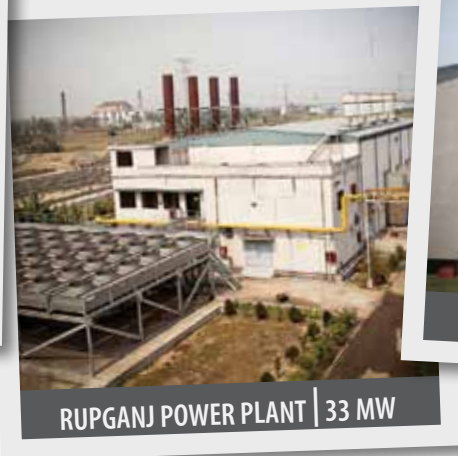
MADANGANJ POWER PLANT | 102 MW



MADHABDI POWER PLANT | 35.30 MW



MAONA POWER PLANT | 33 MW



RUPGANJ POWER PLANT | 33 MW



ULLAPARA POWER PLANT | 11 MW

Notice of the 17th AGM

Notice is hereby given that the 17th Annual General Meeting of the Shareholders of Summit Power Limited will be held on Monday the 23rd day of June, 2014, at Police Convention Hall, Eskaton Garden Road, Ramna, Dhaka-1000 at 11.00 A.M to transact the following businesses:

Ordinary Business:

1. To receive and adopt the Directors' Report and the Audited Financial Statements for the year ended December 31, 2013 together with the Auditors' Report thereon.
2. To declare dividend for the year 2013 as recommended by the Board of Directors.
3. To elect Directors in place of those retiring under Article 23(a) of the Company's Articles of Association.
4. To ratify appointment of the Managing Director as per section 109 of the Companies Act-1994.
5. To appoint Auditors for the year 2014 and to fix their remuneration.

Special Business:

6. To consider and if thought fit, to pass the following resolution as Special Resolution:
"Resolved that the Company may issue Corporate Guarantee in favour of any Scheduled Bank or Financial Institution to secure the credit facilities for any of its Associates, Subsidiaries or its Sister Concerns as they may avail from time to time."
7. To consider and if thought fit, to pass the following resolution as Special Resolution:
"Resolved that the existing Article 20(a) of the Company's Articles of Association be amended by substituting the existing one as under:
20(a). Until otherwise determined in the General Meeting of the Company the number of the Directors shall not be less than 3 (three) and not more than 20 (twenty)."

By order of the Board



(Mahmud Hasan FCMA)
Company Secretary

Dhaka, May 25, 2014.

Notes:

1. Shareholders whose names appeared at the record date i.e. May 18, 2014 in the Share Register of the Company or in the Depository Register on that date will be eligible to attend and vote in the Annual General Meeting and to receive dividend as approved in the AGM.
2. Members entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend and vote on his/her behalf. The proxy form must be affixed with requisite revenue stamp and must be submitted to the Registered Office of the Company not less than 48 hours before the time fixed for the Annual General Meeting.
3. Admission into the meeting venue will be allowed on production of the Attendance Slip attached with the Proxy Form.

Special Note:

No benefit or gift in cash or kind shall be given to the Shareholders for attending the 17th Annual General Meeting as per Bangladesh Securities and Exchange Commission's Circular No. SEC/CMRRCD/2009-193/154 dated October 24, 2013.

সম্মানিত শেয়ারহোল্ডারবৃন্দের সদয় অবগতির জন্য জানানো যাচ্ছে যে, আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/খাবার/কুপন প্রদানের ব্যবস্থা থাকবে না।



Shareholders in the registration desk



Partial view of the honorable shareholders

Our Code of Conduct and Ethics

This Code of Business regarding Conduct and Ethics applies to the Directors, Management and employees of all 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 development, implementation and practice of Integrated Management System (IMS).

A. Objective

Summit Group (Summit) 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. 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 wrongdoings. 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

1. 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.

2. 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.

3. 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.

4. 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.

5. 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.

6. 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.

7. 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.

8. 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.

9. Compliance with Laws, Rules and Regulations

Obedying 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.

10. 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.

11. 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

1. 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.

2. 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.

Our Product - The Electricity

Electricity – Our main concern/ Product

Alessandro Volta

Although electricity had been known to be produced as a result of the chemical reactions that take place in an electrolytic cell since Alessandro Volta developed the voltaic pile in 1800, its production by this means was, and still is, expensive



Alessandro Volta (1745-1827) Italian physicist, demonstrating his electric pile (battery). Wood engraving, Paris, c.1870

Michael Faraday



Michael Faraday, FRS (22 September 1791 – 25 August 1867) was an English scientist who contributed to the fields of electromagnetism and electrochemistry



In 1831, Michael Faraday devised a machine that generated electricity from rotary motion, but it took almost 50 years for the technology to reach a commercially viable stage.

Thomas Alva Edison

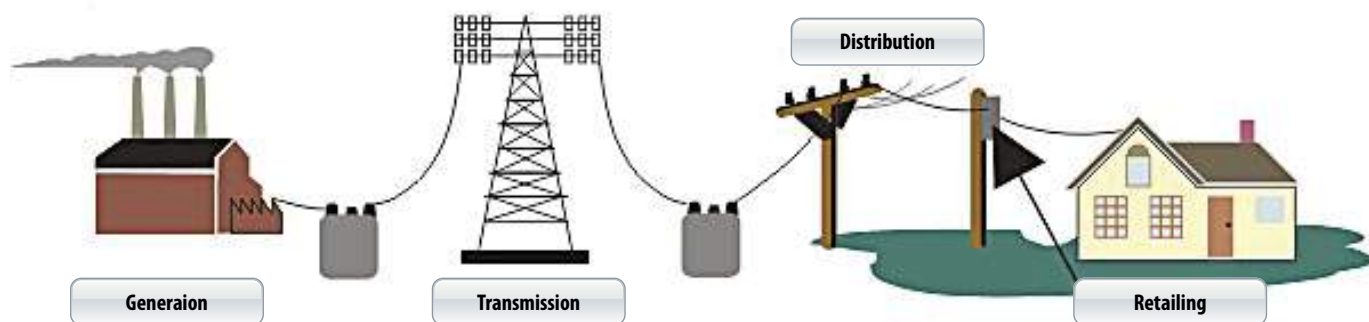


Thomas Alva Edison (February 11, 1847 – October 18, 1931) was an American inventor and businessman. He developed many devices that greatly influenced life around the world



In 1878, in the US, Thomas Edison developed and sold a commercially viable replacement for gas lighting and heating using locally generated and distributed direct current electricity.

The electric power industry is commonly split up into four processes. These are electricity generation such as a power station, electric power transmission, electricity distribution and electricity retailing. In our country, the generation is done by both Government and private companies and the rest of the three steps are either directly owned and operated by Government or heavily regulated by Government.



Whatever electricity the power plants produce, are sold to the Government Directly (National Grid).

Usually the generated electricity cannot be stored, so it is consumed upon generation.

The demand of the electricity fluctuates by day-night and season, i.e. - in the night of winter due to the low demand some power plants are required to shut down sometimes.

Power plants usually run 24 hours a day, 7 days in a week 12 months in year, unless some predefined and allowed maintenance hours.

The total generated electricity of Summit Power Limited and its subsidiaries is equivalent to the whole year's uninterruptable electricity consumption of more than 02 (two) lac families¹.

Note1: 05 tube lights and ceiling fans, one computer, fridge and others

MESSAGE FROM THE CHAIRMAN



My dear Shareholders,

Assalamualaikum,

A warm welcome to each of you on the 17th Annual General Meeting (AGM) of your Company.

The year 2013 was one of great achievement for Summit Power Limited (SPL); we made great progress in spite of it being one of the most challenging years for the country's economy. SPL held onto to its high standards of corporate governance and transparency and achieved the first position in ICMAB Best Corporate Award-2013, it also received the ICAB National award, Certificate of Merit for 'Best Presented Annual Reports 2012', while its subsidiary Summit Purbanchol Power Company Limited received the 'Best Power Generation Company' award in private sector power generation. These awards are evidence of your Company's efficient management along with optimum utilization of its brand new highly efficient engines and other auxiliaries of international standard.

Your management has been doing an excellent job and is guided by your Board; which includes

our very wise and respected independent director Mr. Ziaul Hasan Siddiqui, Mr. Abbas Uddin Ahmed as independent director and Chair of our Audit Committee and finally our Managing Director Lt Gen (Retd) Abdul Wadud, ndu, psc, FIEB, P.Eng, Phd, who joins us with most experience and wisdom. An engineer by education and a Phd holder in Management, Mr. Wadud's hard detailed work, intellectual vigor and highest standard of excellence will be an asset to Summit Power Limited. Our efficient management has raised revenue by 5 % against a very favorable cost of sales of 4.6 % and if we look at the key performance indicators (generation, revenue, cost of sales, gross and net income) it is evident that our efficiency has increased significantly.

As I mentioned in my last year's deliberations that the biggest challenge to growth of capital intensive power generation companies is capital itself. In this view your Companies have managed to secure extremely low-cost financing from multilaterals at a capital cost of less than 5 % per annum. This is going to allow SPL to take advantage of immense growth opportunity and potential in the energy sector. Part of these growth opportunities is to implement two power plants, one in Barisal and one in Madanganj up to an extent of 160 MW. This will further expand its plants and increase their generation capacities

Summit Power Limited is extremely socially and environmentally committed and has undertaken various humanitarian causes as a part of its corporate social responsibility. Our CSR activities include activities in favor of the underprivileged, handicapped children and youth, electrification to remote rural areas, education and sports.

We believe, your support, trust and confidence together with our expertise in operations, maintenance and finance will enable us to grow every year and add value for our shareholders. On this note I would like to state that this year, your Board has recommended a dividend of 15% as bonus shares, if

approved by you in the AGM.

I am very proud to be a member of our shareholder family, I am much honored and privileged to serve as the Chairman of this great institution which has been upholding the best corporate government practices ensuring ethical and transparent operations, while communicating truthfully to its shareholders. SPL believes that following best practices will help to achieve a goal of creating wealth for all its stakeholders and enriching long-term shareholder value.

Last year I concluded by thanking you for being with us in good days and bad, and would once again like to end in the same note of gratitude. I hope to see you next year and each year and to be able to announce greater achievements of your Company. Together we can own a company which is providing more and more much needed electricity to our beloved Bangladesh. Thus we are helping to strengthen its economy, create employment and materialize our dream to build a long cherished 'Golden Bengal'.

Thank-you,



Muhammed Aziz Khan
Chairman

Our Directors – **THE PIONEERS**



MUHAMMED AZIZ KHAN
Chairman



MD. LATIF KHAN
Vice-Chairman



LT GEN (RETD) ABDUL WADUD
Managing Director



ANJUMAN AZIZ KHAN
Director



MD. FARID KHAN
Director



AYESHA AZIZ KHAN
Director



JAFER UMMEED KHAN
Director



FAISAL KARIM KHAN
Director



SYED FAZLUL HAQUE FCA
Director



ABBAS UDDIN AHMED
Independent Director



ZIAUL HASAN SIDDIQUI
Independent Director



HELAL UDDIN AHMED
Director

Our Directors – The Pioneers

MUHAMMED AZIZ KHAN

Chairman

Mr. Muhammed Aziz Khan, a renowned and pioneering leading business personality in power sector of Bangladesh. After graduation Mr. Khan did his MBA in 1980 from the Institute of Business Administration (IBA), University of Dhaka. Mr. Khan has established himself as a dynamic and pro-active entrepreneur who has built Summit Group-recognized as the largest infrastructure Industrial organization of Bangladesh. He is also the Chairman of Khulna Power Co. Ltd., country's first Independent Power Producer (IPP). Mr. Khan has helped to formulate the Private Sector Power Generation Policy of Bangladesh. He has 37 years of business experience, setting up country's first Inland Container Depot (ICD)-"Ocean Container Ltd", First Tanks Terminal- "Summit United Tanks Terminal", now known as "South Eastern Tanks Terminal". Mr. Khan was the Founder President of Bangladesh Energy Companies Association (BECA), which is formed to represent and to promote the interests of private sector business organizations engaged in the energy sector.

Mr. Khan has set up "Siraj Khaleda Trust"- a social wing of Summit Group, which is setting up 200 beds for medical services on charitable basis in Dhaka Cantonment. He enthusiastically takes part & contributes to social activities such as to help acid burnt and drug victims to mention a few amongst host of other activities.

MD. LATIF KHAN

Vice-Chairman

Mr. Md. Latif Khan was born 1958 in Dhaka. He pursued BA in Public Administration at Dhaka University, and subsequently left for higher studies to the U.S. in 1981. There, he worked for over 15 years in the financial sector. He was 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 and thereof joined Summit Group as the Managing Director of Summit Shipping Limited. Mr. Khan has established himself as a sound and dynamic businessman of the country.

LT GEN (RETD) ABDUL WADUD

Managing Director

This is Lt Gen (Retd) Abdul Wadud is the Managing Director of Summit Power Limited. He is a B.Sc. Engineer from Bangladesh University of Engineering & Technology (BUET). Mr. Wadud obtained M.Sc in Resource Planning and Management from USA & also a PhD from USA. He has vast knowledge on Power and Energy sector of Bangladesh. Prior to retirement he was the Principal Staff Officer in the Armed Forces Division. During his illustrious career, among many assignments, he was the Chief Engineer, Managing Director of Bangladesh Machine Tools Factory and Engineer-in-Chief. Mr. Wadud had attended various training courses both at home and abroad.

ANJUMAN AZIZ KHAN

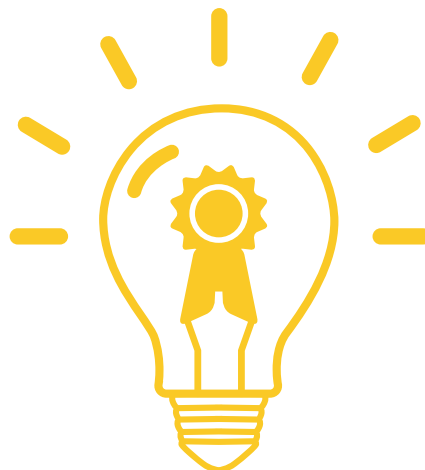
Director

Mrs. Anjuman Aziz Khan, wife of Mr. Muhammed Aziz Khan has 23 years of business experience in Summit. Mrs. Khan is a member of Siraj Khaleda Trust- a social wing of Summit Group, which is setting up 200 beds for medical services on charitable basis in Dhaka Cantonment. She enthusiastically takes part & contributes to social activities such as "Assistance of Blind Children" and "women's entrepreneurship development".

MD. FARID KHAN

Director

Mr. Md. Farid Khan was born in 1960. Mr. Khan is a business graduate from Dhaka University. He is 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. Mr. Farid Khan has proved to be an entrepreneur with special skills in the development of new projects. He was solely instrumental in setting up Liquefied Petroleum Gas (LPG) project and Tanks Terminal in Mongla.



AYESHA AZIZ KHAN**Director**

Ms. Ayesha Aziz Khan completed her graduation in Economics and Business from the University College of London (UCL) in 2002 and Masters in Business Administration (MBA) from the Columbia University, New York, USA. Ms. Khan holds the position of Director in several companies of Summit Group. Ms. Khan has extensive experience in the power sector of the country specifically in financial management for power generation companies, infrastructure finance and structured finance. In her career, she has spearheaded the financial close for multiple power projects, which includes - Summit Uttaranchal Power Company Limited (SUPCL) Summit Purbanchal Power Company Limited (SPPCL), Summit Narayanganj Power Limited and Summit Power Limited (SPL).

Her career as Director Finance has been enriched due to her expertise in building relationships and takes ownership of deal shaping and contract negotiations. Her responsibilities include reporting to the Board in the preparation of budgets and financial reports and reports for Government regulatory agencies. She works towards the Company objectives by providing advice and guidance on financial strategy and overseeing all accounting procedures and systems used by the Company. She meets with the Board of Directors regularly to keep them informed, reviewing reports and analyzing projections of sales and income against actual figures and suggesting methods of improving the planning processes.

She is a valuable member of SAARC Chamber of Commerce and Industry, Federation of Bangladesh Chamber of Commerce & Industry (FBCCI), Prime Minister's business delegation to India & United States of America.

JAFER UMMEED KHAN**Director**

Mr. Jafer Ummeed Khan was born on 10th May 1957. After completing his studies in the United Kingdom, he joined Summit Group in 1987. He spearheaded the development & expansion of Summit Group, particularly of Summit Industrial & Mercantile Corporation (Pvt.) Limited and later of Summit 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, which post Mr. Khan is holding till date.

FAISAL KARIM KHAN**Director**

Mr. Faisal Karim Khan, born on 29th July 1985 began his career with Summit Group with a training stint at Summit Power Limited and Summit Alliance Ports Limited. From February 2008, Mr. Khan has engaged himself with Summit Alliance Ports Limited as a member of the Board of Directors and as Deputy Managing Director.

Thereafter, Mr. Khan increased his responsibility by taking up directorship of Summit Industrial & Mercantile Corporation (Pvt.) Limited, Cosmopolitan Traders Limited, Summit Power Limited and Summit Communications Limited. Mr. Khan also represents Summit Group in the Board of Directors in National Housing Finance & Investment Limited.

Mr. Khan is currently responsible for the Group's interest in large infrastructure development business, specifically in the power sector. Mr. Khan is currently serving as the Convener for the standing committee on National Energy Strategy at Dhaka Chamber of Commerce and Industry (DCCI).

Mr. Khan completed his high school from United World College of the Atlantic, UK, in 2004, and thereafter completed Mechanical Engineering with Business Finance degree from University College London (UCL) and London School of Economics (LSE) in 2007.

SYED FAZLUL HAQUE FCA**Director**

A Chartered Accountant by profession, Syed Fazlul Haque, started his career as Partner of A Qasem & Co., Chartered Accountants in mid-1971. In April 1975 he moved to 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 organizations. Leaving Biman in May 1978, Fazlul went to Libya to serve in Ammonia Plant, Benghazi for a short span of two years. On return, Fazlul joined Burmah Eastern Limited (now Padma Oil Co. Ltd.) in January 1981 as Finance Manager & Company Secretary and was promoted as CEO of the Company in September 1991. Fazlul left Padma in January 1993 to join Glaxo Bangladesh as Finance Director where he was made Managing Director of the Company in August 1997. Fazlul served the Company (subsequently renamed as GlaxoSmithKline Bangladesh after merger with Smithkline Beecham in November 2000) until he retired on 31st December 2002.

During the tenure of his long career, Fazlul served as committee member of Metropolitan Chamber of Commerce & Industries, Foreign Chamber of Commerce & Industries and Bangladesh Employers Federation.

Our Directors – The Pioneers

ABBAS UDDIN AHMED

Independent Director

Mr. Abbas Uddin Ahmed, a leading light of the banking industry of Bangladesh carries with him 42 years of commercial banking experience of which almost 12 years as Managing Director & CEO of three very large and successful private sector Banks – The City Bank Limited and IFIC Bank Limited in Bangladesh and Nepal-Bangladesh Bank Limited in Kathmandu, Nepal. He is a Professional Member of the “Institute of Bankers, Bangladesh”. Starting his career in 1966 with the Habib Bank – the then top private sector bank of the country- he has worked his way through both public and private sector banks at home and abroad. He has successfully opened a new bank in Maldives as CEO. He is credited to have steered and consolidated the process of turnaround of the City Bank Limited and got it removed from the Bangladeshi banks list of the problem bank. He is a pioneer in computerizing the entire operation of a bank in Bangladesh. Mr. Ahmed also has rich experience of the ethos of both public and private sector banks of Bangladesh.



Maona Power plant



Madhabdi Power plant

ZIAUL HASAN SIDDIQUI

Independent Director

Mr. Ziaul Hasan Siddiqui accomplished professional excellence in the area of Central Banking exceeding 36 years of extensive and versatile experience. He served as Deputy Governor for more than 5 years with specialization in monetary policy, foreign exchange policy and reserve management. He also served as the Head of Financial Intelligence Unit (FIU) of Bangladesh to upgrade Anti Money Laundering (AML) and Combating Financing of Terrorism (CFT). He did his Masters in Public Administration (MPA) from Harvard University (USA) with outstanding skills of communication, management and leadership.

Mr. Siddiqui coordinated the entire arrangements for country's sovereign rating (Bangladesh achieved very good rating which is only next to India in South Asia and as good as Vietnam and Venezuela) by Moody's and S & P. He was involved in the negotiation of Industrial Sector Adjustment Credit and Railway Recovery Program with representatives of IMF, World Bank and Asian Development Bank. He contributed in drafting the current Guidelines for Foreign Exchange Transactions; initiated DIBOR, SWAP, Forward Contract, Hedging Product etc. He acted as the Managing Director of the Security Printing Corporation (Bangladesh) Ltd. and was a Member of the Board of directors of Karmashangthan Bank, Bangladesh Overseas Employment and Services Ltd. and Security Printing Corporation (Bangladesh) Ltd. Mr. Siddiqui also worked as a committee member of the “Third General Assembly” of APRACA in 1980.

Apart from his banking career, Mr. Siddiqui has teaching experience too. He taught microeconomics, macroeconomics, and managerial economics in different private universities in Bangladesh including University of Asia Pacific, Northern University, IUBAT, and National University. Currently he is engaged as Adviser of Prime Bank Limited and Adjunct Professor of BRAC University. He is also an Independent Director of Union Capital Ltd., a non-bank financial institution. He authored several research papers and articles on banking and finance.

HELAL UDDIN AHMED

Director

Mr. Helal Uddin Ahmed completed his Masters from Dhaka University in 1978. After completion his education he started his career as a businessman. Mr. Helal 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. Helal 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 Kabi Nazrul Islam University at Trishal, Mymensingh.

Our Directors – IN OTHER BOARDS

Companies >>	Summit Purbanchol Power Company Limited	Summit Uttaranchol Power Company Limited	Summit Narayanganj Power Limited	Summit Narayanganj Power Unit II Limited	Summit Barisal Power Limited	Summit Industrial & Mercantile Corp. (Pvt.) Ltd.	Cosmopolitan Traders (Pvt.) Ltd.	Summit Oil & Shipping Com. Limited.	Khulna Power Company Ltd.	Khulna Power Company Unit -II Ltd.	Khanjahan Ali Power Company Ltd.	Summit Alliance Port Ltd.	Summit Communications Limited	Cosmopolitan Finance Limited	Summit Bibiyana II Power Company Limited	Summit Meghnaghat Power Company Limited	Khulna Power Company Unit -II Ltd.
Name of Directors																	
Mr. Muhammed Aziz Khan	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Mrs. Anjuman Aziz Khan	√	√	√	√	√	√	√	√						√	√	√	√
Mr. Md. Farid Khan	√	√	√	√	√	√	√	√	√	√		√	√	√	√	√	√
Ms. Ayesha Aziz Khan	√	√	√	√	√	√	√	√	√	√	√	√		√	√	√	√
Mr. Jafer Ummeed Khan			√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Mr. Md. Latif Khan	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√	√
Mr. Faisal Karim Khan			√	√	√	√	√				√	√	√	√	√	√	√
Mr. Helal Uddin Ahmed																	
Mr. Abbas Uddin Ahmed	√																
Mr. Syed Fazlul Haque									√			√					
Mr. Ziaul Hasan Siddiqui	√	√	√														
Mr. Abdul Wadud	√	√	√	√													

Directors' Message to the Shareholders

Bismillahir Rahmanir Rahim

Dear Shareholders,
Assalamualaikum,

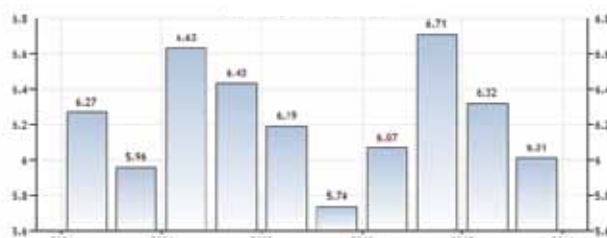
The Board of Directors of Summit Power Limited (SPL) welcomes you to the 17th Annual General Meeting of the Company. We are pleased to submit before you the operational activities and audited financial statements of the Company for the year, which ended on December 31, 2013.

The Directors' Report is prepared in compliance with Section 184 of the Companies Act 1994, Rules and Regulations of the Institute of Chartered Accountants of Bangladesh (ICAB), Listing Rules of Dhaka Stock Exchange (DSE) Ltd. and Bangladesh Securities & Exchange Commission's (BSEC) notification no- SEC/CMRRCD/2006-158/134/ Admin/44 dated 07th August 2012.

DOMESTIC ECONOMIC OUTLOOK

Bangladesh has achieved higher GDP (gross domestic product) growth rates in comparison to the global economy in recent years. Despite a fall in world output during the immediate aftermath of the financial crisis in 2009, Bangladesh has managed to consistently exceed growth rates of five per cent since 2009. The Gross Domestic Product (GDP) growth rate in Bangladesh was 6.01 percent in 2013. Bangladesh achieved 6.7 percent growth in the year 2011, which was the highest rate achieved since the year 1994 and this growth performance was possible due to strong rebound in exports and the expansion of the manufacturing sector. From the year 1994 to 2013, Bangladesh GDP Growth Rate averaged 5.60 percent.

BANGLADESH GDP GROWTH RATE Percent Change in Gross Domestic Product



Source : www.tradingeconomics.com | Bangladesh Bank

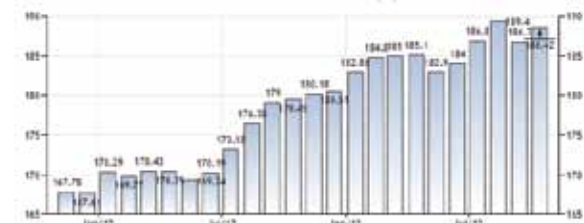
The year 2013 has been one of the most challenging years for the country's economy in recent times. However, against all odds, Bangladesh has been able to attain a GDP growth of 6.01% in the year 2013. Although this marks a drop in GDP growth rate compared to the last two years, growth of over 6% is quite respectable, especially since the projected growth of our neighboring developing countries has been around 5% in the fiscal year 2013.

In longer timeframe, the economy has grown at a rate of 5-6% per year since 1996 despite poor infrastructure, corruption, insufficient power supplies, and slow implementation of economic reforms. The economy has persevered so far in the face of global recession, but

the domestic challenges are manifold with respect to soaring inflation, import-export imbalances, increasing budget deficit and government borrowing.

Consumer Price Index (CPI) in Bangladesh increased to 188.42 Index Points in October 2013 from 186.70 Index Points in September of 2013. Consumer Price Index (CPI) in Bangladesh averaged 101.55 Index Points from 1993 until 2013, reaching an all time high of 189.40 Index Points in August of 2013 and a record low of 51.99 Index Points in July of 1993. In Bangladesh, the Consumer Price Index or CPI measures changes in the prices paid by consumers for a basket of goods and services.

BANGLADESH CONSUMER PRICE INDEX (CPI)



Source : www.tradingeconomics.com | Bangladesh Bank

Foreign Exchange Reserves in Bangladesh increased to 1,395.18 Billion BDT in December of 2013 from 1,323.14 Billion BDT in November of 2013. Foreign Exchange Reserves in Bangladesh averaged 277.22 Billion BDT from 1990 until 2013, reaching an all time high of 1,395.18 BDT Billion in December of 2013 and a record low of 13.75 BDT Billion in May of 1990. In Bangladesh, Foreign Exchange Reserves are the foreign assets held or controlled by the country's central bank. The reserves are made of gold or a specific currency. It can also be special drawing rights and marketable securities denominated in foreign currencies like treasury bills, government bonds, corporate bonds and equities and foreign currency loans.

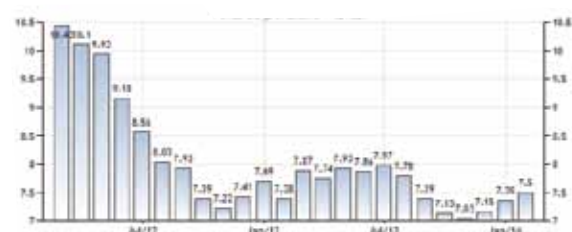
BANGLADESH FOREIGN EXCHANGE RESERVES



Source : www.tradingeconomics.com | Bangladesh Bank

The inflation rate in Bangladesh was recorded at 7.50 percent in January of 2014. Inflation Rate in Bangladesh averaged 6.63 Percent from 1994 until 2014, reaching an all time high of 12.71 Percent in December of 1998 and a record low of -0.02 Percent in December of 1996. In Bangladesh, the inflation rate measures a broad rise or fall in prices that consumers pay for a standard basket of goods.

BANGLADESH INFLATION RATE
Annual change on consumer price index



Source : www.tradingeconomics.com | Bangladesh Bank

To summarize about the economy of Bangladesh in recent times, the economy performed quite well in terms of GDP (gross domestic product), Consumer Price Index (CPI), Foreign Exchange Reserves and Inflation Rate.

ENERGY SECTOR OUTLOOK

Electricity is the major source of power for most of the country's economic activities. Bangladesh's installed electric generation capacity was 10,289 MW in January, 2014. About 62% of the population has access to electricity with a per capita availability of 321 kWh per annum. Obstacles, in the Bangladesh's electric power sector includes high system losses, delays in completion of new plants, low plant efficiencies, erratic power supply, electricity theft, blackouts, and shortages of funds for power plant maintenance. Overall, the country's

generation plants have been striving to meet system demand over the past decade. According to Power Sector Master Plan - 2010 Study, year-wise peak demand forecast is given below –

Till September 2013, 57 plants with a capacity of about 4,432 MW have been commissioned, 33 plants with a capacity of 6,569 MW are under construction. 19 projects with a capacity of about 3,974 MW are under tendering process and 9 plants with capacity of 3,542 MW are at initial stages.

Fiscal Year	Peak Demand (MW)
2014	9,268
2015	10,283
2016	11,405
2017	12,644
2018	14,014
2019	15,527
2020	17,304

Figure: A forecast of peak demand of electricity of Bangladesh till 2020

During this year, access to electricity has been raised from 47% to 62% (including Renewable Energy) and per capita electricity generation improved dramatically (from 220 kWh to 321 kWh). About 3.45 million people have newly been connected and System loss (distribution) reduced from 15.67% to 12.03%.

With proper load management, irrigation for agriculture has been given the fullest support which contributed to bumper harvests during the last crop seasons. Considering the country's future energy security and low-carbon emission strategy, programs have been undertaken to promote use of renewable energy. Government



Madhabdi Power plant



Maona Power plant (engine room)

Directors' Message to the Shareholders

has formulated pro-investment policy to encourage private sector investment in Renewable Energy (RE) Sector. Bangladesh has the fastest growing Solar Home System (SHS) in the world with over one million homes covered under the program being spear headed by a public infrastructure financing entity.

Other related projects include - 1 MW solar hybrid system along with 5 MW by diesel in Hatia island, 8 MW Solar PV plant in Kaptai, Solar Street lights in six City Corporation areas, replacement of diesel irrigation pump by Solar, 600 kW solar mini grid in a remote area Sullah, 11 KW solar power to the CHT area, nearly 230 W solar power in Angorpota and Dahagram Chitmahal Area. Solar PV with capacity of 21.2 KW at the Honorable Prime Minister's office has been installed as a demonstration project. Other line ministries have also undertaken projects on solar lighting.

Coal fire plants with capacity of 1,320 MW will be set up in Khulna. The Khulna plant will be set up in joint venture with BPDB of Bangladesh and NTPC of India. Besides, other coal fired plants will be set up in different locations of Khulna, Chittagong, Matarbari and Moheshkhali. Transmission and distribution system will be improved accordingly in line with generation increase.

The old plants are being rehabilitated phase-wise for energy efficiency and reduction of emissions. To explore the wind potentials in Bangladesh, a number of wind mapping programs has been initiated in coastal areas of the country. Along with wind mapping, wind power projects with capacity of 100 - 200 MW have been taken up for implementation in phases.

The old plants are considered to be rehabilitated phase-wise for energy efficiency and reduction of emissions. Extensive use of ICT will be made to improve the institutional capacity of the power sector and service delivery to the customers.

The Present Generation Capacity (in MW) Table as on November 2013 indicates that the public sector produced 58% (5,692 MW)

and private sector produced 42% (4,251 MW) of the total electricity produced in the country. It is to be mentioned that Summit contributes approximately 10% in its sector.

Particulars	Installed Generation Capacity (MW)
Public Sector	
BPDB	4,186
APSCL	777
EGCB	622
NWPGCL	300
RPCL	77
Subtotal (Public Sector)	5,962(58%)
Private Sector	
IPPs	1,330
SIPPs(BPDB)	99
SIPPs(REB)	226
15 YR. Rental	167
3/5 YR. Rental	1,929
Power Import	500
Subtotal (Private Sector)	4,251(42%)
TOTAL	10,213

Figure: Present Installed Generation Capacity (MW) as on November, 2013

As per the Generation Capacity by Plant Type we can see that the electricity generated by Reciprocating Engines was greater in 2012 than that of 2013. These engines generated 39.44% of electricity in 2012, where it has generated only 33.06% in 2013. Comparing the year 2012 and 2013, we can see that the contribution made by

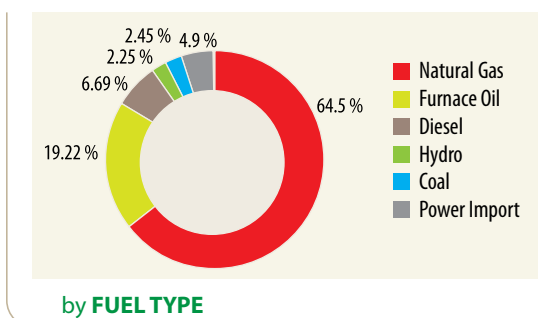
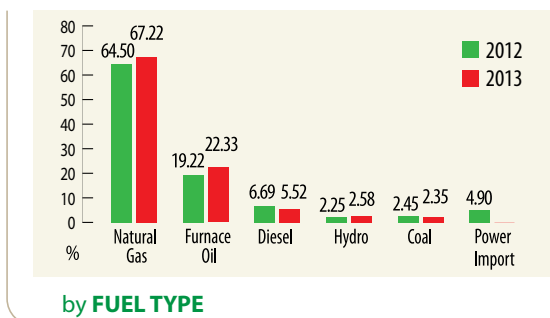
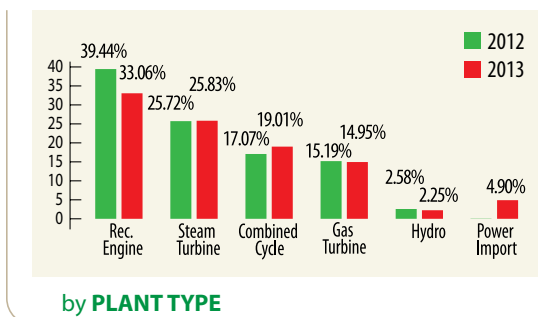
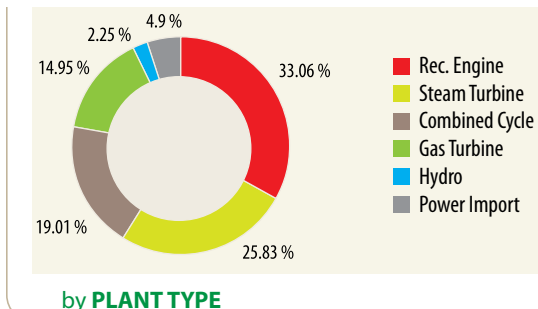


Steam Turbine was almost same in both years 25.72% and 25.83% respectively. The next major contribution was made by Combined Cycle 19.07% in the year 2013. Only 2.25% electricity was generated by Hydro type plants.

As per the comparison graph between Generation Capacity by plant type in 2012 versus that of 2013 we see that Steam Turbine Engines contributed 25.72% in 2012 and it was almost same in the next year 2013, about 25.83%. But the contribution made by Gas Turbines, Reciprocating Engines and Hydro Engines fell slightly in 2013. The generation by combined cycle engine was increased by about 2% during 2013.

As per the Generation Capacity by Fuel Type, we can see that the Natural Gas consumed engines had the lead in 2013. These engines generated 64.50% of electricity in 2012. The next major contribution was made by engines run by Furnace Oil followed by diesel.

As per the comparison graph between Generation Capacity in 2012 versus 2013, we can see some changes in the pattern of the type of fuel consumed by the plants. The contribution made by Natural Gas and Furnace Oil decreased by around 3% in 2013 and that of Diesel engines increased by approximately 1%. The rest of the type of



engines by fuel type contributed almost in the same proportion.

Business opportunities are available in power generation, distribution and in transmission. Some of such benefits for potential local and foreign investors are as follows -

Facilities and incentives for private power companies:

- Exemption from corporate income tax for a period of 15 years.
- Allowed to import plant and equipment and spare parts up to a maximum of ten percent (10%) of the original value of total plant and equipment within a period of twelve (12) years of commercial operation without payment of customs duties, VAT and any other surcharges as well as import permit fee except for indigenously produced equipment manufactured according to international standards.
- Repatriation of equity along with dividends allowed freely.
- Exemption from income tax for foreign lenders to such companies.
- The foreign investors will be free to enter into joint ventures but this is optional and not mandatory.

Facilities and incentives for foreign investors:

- Tax exemption on royalties, technical know-how and technical assistance fees, and facilities for their repatriation.
- Tax exemption on interest on foreign loans.
- Tax exemption on capital gains from transfer of shares by the investing company.
- Avoidance of double taxation case of foreign investors on the basis of bilateral agreements.
- Exemption of income tax for up to three years for the expatriate personnel employed under the approved industry.
- Remittance of up to 50% of salary of the foreigners employed in Bangladesh and facilities for repatriation of their savings and retirement benefits at the time of their return.
- No restrictions on issuance of work permits to project related foreign nationals and employees.
- Facilities for repatriation of invested capital, profits and dividends.

Directors' Message to the Shareholders

Business Activities including its Operating Performance

Summit Power Limited is the first mover in pioneering Bangladeshi private sector power generation companies. It started power generation from 2001 and has over the years gained experience in project implementation, operation and maintenance of power plants. This has given Summit Power Limited an edge over others in becoming the leading Bangladeshi Company with eleven operating plants of its own and two operating plants with co-ownership. Summit's portfolio at present power generation is 317 MW. In addition, Summit Power Limited has acquired 17.64% of Khulna Power Company Limited (KPCL) with capacity 265 MW. The total installed capacity under Summit Power Limited is 365 MW (Approximately).

Summit Power Limited is the only Company with the record of construction of HFO fired quick rental power plant within 270 days time. The Company received International Gold Award on September 28, 2011 as "The Best Fast Track" project in Asia. This is indeed a great recognition of the ability of the country

in general and Summit in particular, to construct in world standard, a medium size power plant. Summit Narayanganj Power Limited had achieved financial close by receiving a foreign currency term loan of USD 45 million from DEG - Deutsche Investitions - und Entwicklungsgesellschaft mbH and FMO - Nederlandse Financierings - Maatschappij Voor Ontwikkelingslanden N.V.

Summit Power Limited and its subsidiaries at present operate 11 power plants. The generation capacity of these power plants is 317 MW (approximately). In 2012, all these power plants were made available to the extent required as per the Power Purchase Agreement (PPA), indicating excellent operational performance of your Company. As a result, this year these plants could deliver electrical energy to the national grid totaling to 2,005 million Kwh, which is 11% higher than that of in 2012.

Summit Power Limited achieved the First position in Institute of Cost and Management Accountants of Bangladesh (ICMAB) Best Corporate Award - 2013 in the category of power sector Companies by the Institute of Cost and Management Accountants of Bangladesh (ICMAB) for its efforts to establish corporate governance.

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.

On 12 November 2013, 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 at Bangabandhu International Convention Centre. The award was handed over by the Honorable Prime Minister to the Chairman of Summit Group Mr. Muhammed Aziz Khan.

Summit Power Limited has always used brand new highly efficient engines 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 for Summit Power Limited to maintain its guaranteed contractual availability and Heat Rate (fuel consumption for generation of one unit of electricity)

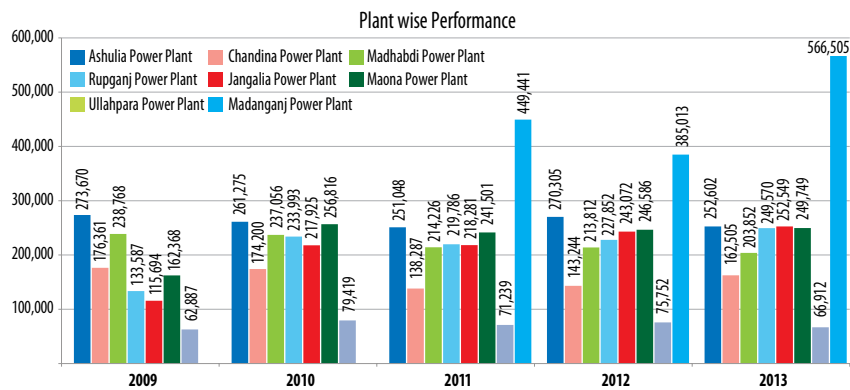
ensuring efficient use of fuel and gas. SPL maintains an integrated Management System (IMS) in all of its power plants, which includes - ISO 9001 : 2000 - Quality Management System (QMS), ISO 14001 : 2004 - Environmental Management System (EMS), ISO 18001 : 2007 - Occupational Health & Safety (OH&S). In implementing the Integrated Management System the Company has

adopted the Quality Policies, Environmental Policies and Occupational Health and Safety Policies which have been presented in [Annexure-6](#). After introduction of IMS, the company got its management system audited by Bureau Veritas (a global leader in Testing, Inspection and Certification (TIC) with innovative solutions that go beyond simple compliance with regulations and standards, reducing risk, improving performance and promoting sustainable development) and has successfully passed the inspections thus received the certificate of accreditation for all three standards e.g. ISO 9001:2000, ISO 14001:2004 & ISO 18001:2007.

Contribution to the National Exchequer & the 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 2,005 million Kwh of electricity to the national grid. This addition has contributed significantly 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. The Company is now set to increase and enhance its contribution to national economy in the years to come.

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 5 to 15 years from start of its commercial operation. Such exemption will expire in February 2016 for Summit Power Limited, June 2024 for Summit Purbanchol Power Company





Limited, and March 2024 for Summit Uttaranchol Power Company Limited. While Summit Narayanganj Power Limited is exempted from tax for a period of 5 years from the start of its commercial operation dated on 1 April 2011. Conversely, it has contributed a significant amount to the national exchequer in the form of other different duties, taxes and VAT, while importing spare parts for the power plant maintenance work and at investment in capital and money market. The estimated amount of contribution was of Taka 192 million in 2013.

Extra-ordinary gain or loss

As per BAS 1: Presentation of Financial Statements, no item of income and expenses are to be presented as extra-ordinary gain or loss in the financial statements. Accordingly, no extra-ordinary gain or loss has been recognized in the financial statements.

Related Party Transaction

The related party transactions carried out by the Company on a commercial basis during the year have been disclosed in the notes 45 to the financial statements.

Utilization of proceeds from public issues, rights issues and/or through any other instrument

Initial Public Offering (IPO) of Summit Power Limited was made in 2005 and the fund raised thereby has already been utilized as reported to the regulators. Fund raised through issuance of Rights Shares in 2008 has also been utilized and reported accordingly to the regulators. No further issue of any instrument was made during the year. Besides, these Summit Purbanchol Power Company Limited, a subsidiary of Summit Power Limited, had raised fund through IPO and has utilized them to acquire 20% holding of Summit Narayanganj Power Limited, which has already been notified to regulators.

Significant variance between Quarterly and Annual Financial Statements

No significant variations have occurred between quarterly and final financial results of the Company during the year under report.

Remuneration of Directors

Remuneration, performance and other related perquisites/benefits of Executive Directors are reviewed annually and approved by the Chairman as disclosed in notes 32.1 to the financial statements. Non-Executive Directors including Independent Directors are paid only attendance fee per meeting.

Corporate and Financial Reporting Framework

The law requires that the financial statements of your Company would follow International Financial Reporting Standards (IFRS) as adopted by ICAB as Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS). This has been completely followed to fairly present the financial position and performance of the Company. While preparing the financial statements, the following points were considered –

- I. Selection of suitable accounting policies and then applying them consistently,
- II. Making judgments and estimates that are reasonable and prudent,
- III. Ensuring that the financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRS) and Bangladesh Accounting Standards (BAS),
- IV. Preparing the financial statements in an ongoing concern basis unless it is appropriate to presume that the Company will not continue in business.

Proper accounting records have been kept so that at any given point the financial position of the Company is reflected with reasonable accuracy, which will enable them to ensure that its financial statements comply with Companies Act 1994 and other required regulatory authorities.

In compliance with the requirements of the SEC's Notification dated 07th August 2012, the Directors are also pleased to make the following declarations in their report:

- a. The financial statement prepared by the management of your Company fairly presents its state of affairs, the result of its operations, cash flows and changes in equity;
- b. Proper books of accounts of your Company have been maintained;
- c. 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;
- d. International Accounting Standards, as applicable in Bangladesh, have been followed in preparation of the financial statements and any discrepancies have been adequately disclosed;
- e. The system of internal control is well structured and has been effectively implemented and monitored;
- f. There are no significant doubts upon your Company's ability to

Directors' Message to the Shareholders



continue as an ongoing concern basis;

- g. Significant deviations from last year in operating results of the Company are highlighted and the reasons have been explained in financial results & profit appropriation;
- h. Key operating and financial data has been summarized for the preceding five years;
- i. Significant plans and decisions, such as corporate restructuring, business expansion and discontinuation of operations as appropriate, future prospects, risks and uncertainties surrounding the Company has been outlined under the related captions of this report;
- j. The number of Board meetings held during the year and attendance of each director has been disclosed;
- k. The pattern of shareholding has been reported in [Annexure-3](#) to disclose the aggregate number of shares.

Financial Results and Performance of the Company

Consolidated Financial Result compared with last year is detailed below:

Particulars	2012	2013
	(In Million Taka)	(In Million Taka)
Revenue	5,893	6,192
Cost of sales	(2,269)	(2,374)
Gross profit	3,624	3,818
Other income, net	12	87
General and administrative expenses	(507)	593
Operating profit	3,129	3,312
Finance costs, net	(642)	(482)
Net profit before income tax	2,487	2,830
Income tax	-	-
Net profit after income tax	2,487	2,830

During the year, the revenue of the company has raised by 5% against a very favorable raise of cost of sales of 4.6% due to better operational and maintenance management of plants and therefore, gross profit margin has also increased by 5.4%. Consequently, net profit margin has also increased by 13.8% over last year due to increase in operating profit and lessened financial costs.

Once again during the year 2013 your Company proved to be a very effective and efficient one. If we have a close look to the following performance indicators (*Generation, Revenue, Cost of Sales, Gross Income, & Net Income*) it would be quite visual that our Generation has been increased significantly.

Particulars	Unit in million Taka / Kwh	Consolidated Summit Power Limited			
		Actual 2013	Actual 2012	Variance on Budget	
		Generation	Total	Kwh	2,005
Revenue	Total	Taka	6,192	5,893	5.07%
	per Kwh	Tk/Kwh	3.09	3.28	-5.79%
Cost of Sales	Total	Tk.	2,374	2,269	4.63%
Gross Profit	Total	Tk	3,818	3,624	5.35%
Net Income	Total	Tk	2,830	2,487	13.79%

Profit Appropriation

During the year 2013, your Company's net profit amounted to Tk. 2,185 million as compared to Tk. 1,873 million in the year 2012. However, the Company needs availability of adequate funds for uninterrupted progress of the projects as well as for future growth. Keeping these in view, the Directors would like to report the Company's financial results for the year that ended on 31st December 2013 with the recommendations for appropriation as follows:

Particulars	Amount in Million Taka
Net profit for the year 2013	2,185
Profit brought forward	2,246
Profit available for appropriation	4,431
Appropriations:	
Proposed stock dividend	887
Transferred to retained earning	3,544

Dividend

Your Board recommends a final stock dividend of 15% for the year 2013 as Bonus Share i.e. 15 (fifteen) shares of Tk. 10 each for 100 (one hundred) shares held on the record date, subject to approval by the shareholders at the 17th Annual General Meeting.

Directors meeting & attendance

During the year ended December 31, 2013, the Board of Directors held 06 meetings. Directors who attended the Board meetings are shown below:

Sl. #	Name of Directors	Attended
1.	Mr. Muhammed Aziz Khan	06
2.	Mrs. Anjuman Aziz Khan	05
3.	Mr. Md. Farid Khan	05
4.	Mr. Md. Latif Khan	06
5.	Mr. Jafer Ummeed Khan	06
6.	Ms. Ayesha Aziz Khan	05
7.	Mr. Faisal Karim Khan	05
8.	Mr. Helal Uddin Ahmed	06
9.	Mr. Abbas Uddin Ahmed	06
10.	Mr. Syed Fazlul Haque FCA	05
11.	Mr. Ziaul Hasan Siddiqui	05
12.	Mr. Tauhidul Islam	04
13.	Lt Gen (Retd) Abdul Wadud	03

The Directors who could not attend the meetings were granted leave of absence.

Directors' Election & Re-appointment

As per Article 23(a) of the Articles of Association Mr. Muhammed Aziz Khan, Mr. Md. Farid Khan, Mr. Helal Uddin Ahmed, Mr. Syed Fazlul Haque, FCA shall retire in the 17th Annual General Meeting by rotation and being eligible, offer themselves for re-election.

Appointment of Managing Director

On relinquish of the position as Managing Director by Mr. Tauhidul Islam, the Board appointed Lt Gen (Retd) Abdul Wadud, as the Company's Managing Director from 01 July 2013. As per section 109 of the Company's Act 1994, the Directors recommend for ratification of the appointment of Mr. Wadud by the shareholders in the ensuing AGM for a term of three years from the date of his joining the Company as Managing Director.

Audit Committee

The Company has an audit committee with an established charter. The audit committee has met four times this year and the committee members' attendance record is disclosed below:

Name	Status	Attended
Mr. Abbas Uddin Ahmed	Chair	04
Tauhidul Islam	Member	02
Lt Gen (Retd) Abdul Wadud	Member	02
Mr. Syed Fazlul Haque FCA	Member	04

The Company's Finance Director was invited to audit committee meetings at the discretion of the Committee.

Auditors

Hoda Vasi Chowdhury & Co, Chartered Accountants was appointed as the auditors of the Company in the 16th Annual General Meeting. They have carried out the audit for the year 2013 and the auditors of the Company will retire in the 17th Annual General Meeting. Being eligible under section 212 of the Companies Act, 1994 they have expressed their willingness for reappointment for the year 2014. As recommended by the Board, the resolution to reappoint Hoda Vasi Chowdhury & Co as auditors will be placed at the forthcoming Annual General Meeting of the Company.

Business Risk & Uncertainties

Financial risk management:

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

- 1) Credit risk
- 2) Liquidity risk
- 3) 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 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.



Credit risk:

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivable from customers and investment securities. The group's sales are made to Government entity, Rural Electrification Board (REB) and Bangladesh Power Development Board (BPDB) under the conditions of the long

Directors' Message to the Shareholders

term Power Purchase Agreement (PPA). Sales made to the entity are fully secured by Letters of Credit issued by local scheduled banks, except for plants of all the subsidiaries.

Liquidity risk

Liquidity risk is the risk that the Company/group will not be able to meet its financial obligations as they fall due. The Company's/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 Company's/group's reputation. Typically, management 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 Company/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.

Financial liabilities are expected to be repaid in due time which are expected to be financed from operational cash flow.

Market risk

Market risk is the risk that changes in market forces such as foreign exchange rates and interest rates that will affect the Company's/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 optimizing the return.

Currency risk

The Company/group is exposed to currency risk on purchases of spare parts and plant and machinery that are denominated in a currency other than the functional currency primarily Euro and U. S. Dollars. The Company/group has not entered into any type of derivatives instrument in order to hedge foreign currency risk as at 31 December 2013.

Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Local loans are however not significantly affected by fluctuations in interest rates. Foreign loans and borrowings are affected by fluctuations in interest rates. Interest risk primarily arises regarding borrowing from DEG-FMO where the rate is of LIBOR plus 4%. The Company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

Capital risk management

The Company's/group's objectives when managing capital are to safeguard the Company's/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. The Board also monitors dividend trend to ordinary shareholders.

Going Concern

While approving the financial statements, the Directors have made appropriate enquires and analyzed significant operating and indicative financials which enabled them to understand the ability of the Company to continue its operations for a foreseeable future. The Directors are convinced and have a reasonable expectation that the company has adequate resources and legal instruments to continue its operations without interruptions. Therefore the Company adopted the going concern basis in preparing these financial statements.

Corporate Governance

Corporate Governance is the system through which companies are directed, guided and controlled by the Board while keeping in view its accountability to the shareholders. Your Company strives to maintain full compliance with the laws, rules and regulations that govern our business and to uphold the highest standards. The company has adopted "Code of Conduct & Ethics" and "Code of Corporate Governance" in 2011. Since corporate governance is not a static process, we will always continue to improve our practices. The formation of an Audit Committee, Executive Committee, Technical Committee, Purchase Committee, Operation & Maintenance Committee and Remuneration Committee, which may be seen in **Annexure-4** of the Annual Report, are steps in this process. From 2011 your Company started implementing Integrated Management System



(IMS) to make it compliant to ISO 9001 : 2000 – Quality Management System (QMS), ISO 14001 : 2004 – Environmental Management System (EMS), ISO 18001 : 2007 – Occupational Health & Safety (OH&S) and finally the Company has achieved it in this year end. A separate chapter on corporate governance has also been reported.

Corporate Social Responsibility

Summit Power Limited supports various Government, Non-Government Organizations (NGOs) and community capacity development institutions and contributes towards many social and humanitarian causes as part of its Corporate Social Responsibility. Such activities are in favor of education, sports, underprivileged and handicapped children & youth, electrification to the remote char dwellers and so on.

SEID Trust

SEID Trust is a non-governmental voluntary development organization that has been working for social inclusion and promoting the rights of underprivileged children with intellectual disabilities, autism etc. since 2003. To help facilitate such a noble cause your Company sponsored a significant amount of donation this year to support these deprived children.

Summit Professional and Amateur Cup Golf Tournament

Summit Group has been organizing Golf Tournaments every year for the past 12 years to promote professional golfers of Bangladesh. Through this tournament Summit Group provides a platform for the professional golfers to enhance their skills and expose their talents at national and international levels. You will be pleased to know that your company is one of the early supporters of Mr. Siddiqur Rahman who is now an international golfer with a global repute.

Shilpangan Trust

Summit Purbanchol Power Company Limited donates significant amount of its profits to the Shilpangan Trust to support the exhibits and activities of the Shilpangan Contemporary Art Gallery. Your Company takes great pleasure in promoting the flair and creativity of the artists of our country.

PROYASH

PROYASH is an institute run by Bangladesh Army dedicated to educate and train children and youths with special needs. The institute is also working to generate awareness about disability in Bangladesh, develop quality teachers, therapists and caregivers, and empower persons with disability to ensure equal opportunities and promote disability friendly right based society. You will be proud to know that your Company provides extensive financial help to encourage the workings of this institute further.

Friendship Summit Energy Project (FSEP)

Friendship is a value based organization founded in 1988, which

identifies and reaches out to the poor and the most marginalized communities. The FSEP intends to create char dwellers' access to solar electricity through providing Solar Home Systems (SHSs). Your Company funds this project to bring about positive changes among the livelihoods of these char dwellers and ensure improved access to their basic needs. These areas are completely off the grid from conventional electricity supply and such other essential utilities. Hence Summit Purbanchol Power Company Limited sponsored a significant amount to support such communities. Your Company also made a special donation to this organization along with best wishes for their 10 Year Anniversary.

Siraj Khaleda Memorial Hospital in Dhaka Cantonment

Siraj Khaleda Trust is a fund set up by Summit Group. This Trust has recently funded the construction of a 200 bed civil hospital at a cost of Tk 12 crore in two phases on the land provided by Cantonment board. The hospital was inaugurated on 13 May, 2012 and it provides high quality medical care and facilities to distressed and underprivileged people. The Trust also provides educational and rehabilitation support to the economically disadvantaged people of Bangladesh.



Muhammed Aziz Khan visiting Harbin Turbine Manufacturing in China

Directors' Message to the Shareholders

Others

Summit Purbanchol Power Company Limited is also involved with the Prothom Alo Trust Board which is involved in many social activities like sponsoring books to community schools and colleges and plantation programs for the people of the community.

We have also been continuing our financial support to meritorious students of the underprivileged community of Bangladesh. Your Company supports the development of higher studies by Bangladeshi students both at home and abroad. It also made donation to different mosques and many other community events and institutions as well.

Your Company also gives high priority to protecting the environment and our humble efforts in this regard include large number of sapling plantation in the Company's power plants and neighboring places. Each of the power plants goes through rigorous Environmental and Social Impact Assessments.

Our state-of-the-art power plants comply not only with Bangladesh's Department of Environment's standards but also with Multilateral and the World Bank's guidelines. Thus these plants emit relatively less pollutants to the environment. Summit Purbanchol Power Company Limited also contributed funds to the Directorate of Environment for their campaign of World Environment Day 2012. Furthermore, you will be very pleased to know that your Company, Summit Purbanchol Power Company Limited received ISO 14001:2004 – Environmental Management System (EMS) certification this year.

Human Resources Management

People are the one of the most important resources of a Company and key to the success of any organization. To develop and equip the employees with essential skills, the Company places great emphasis on the development of its people and hence the Company undertakes appropriate training and workshops to update their knowledge in their respective functional areas. Summit Power Limited has an implemented Training Needs Analysis (TNA) as part of its training system. The aspects of Training Needs analysis include determining what is required to complete the work activity, the existing skill levels of the staff completing the work and the training gap (if any).

We have an enriched Employment Policy/Employee Hand Book with proper job descriptions and responsibilities. A detailed succession planning is considered every year to ensure good working environment and enhancement of knowledge of the employees. A yearly performance appraisal is carried out to reward and encourage diligent employees and assess their training requirements. Accordingly, the Remuneration Committee awards the yearly increment and other remuneration related matters. Your Company also received ISO 18001: 2007 – Occupational Health & Safety (OH&S) certification from Bureau Veritas this year since all programs undertaken by the Company fosters a safe and healthy work environment.

Status of Compliance

In accordance with the requirement stipulated in condition no-7.00 of the Securities & Exchange Commission's notification no-SEC/CMRRCD/2006-158/Admin/44 dated 07 August 2012 issued under section 2CC of the Ordinance 1969 the Corporate Governance

Compliance Report is shown In **Annexure-1**. A Certificate from Podder & Associates confirming compliance of conditions of Corporate Governance Guidelines as stipulated under condition 7(i) is also annexed to this report as **Annexure -2**.

The Institute of Chartered Accountants of Bangladesh (ICAB) is the sole authority for adoption of International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS). While preparing the financial statements, Summit Power Limited complies all the applicable of IAS and IFRS as adopted by ICAB. The detail disclosure is shown in **Annexure-5**.

Acknowledgement

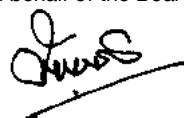
The Directors would like to give special thanks to the members of the public who have placed their confidence on the Company by purchasing shares and supporting the activities of the Company. Without the support of its shareholders, the Company could not have attained what it has achieved today.

Your Directors would like to put on record its deep appreciation of the efforts made by the employees of the Company. Their commitment and passion, both individually and through teamwork has helped SPL achieve the success that it has today. The Board also recognizes and appreciates the critical support provided by the families of the employees, which enables them to focus on their daily work in SPL.

The trust and confidence that our valued customers, BPDB, REB and its members in Palli Bidyut Samitees have placed upon SPL are our main driving forces. We accept this trust in all humility and shall continue to strive to live up to the expectations. The Board expresses its heartfelt appreciation and gratitude to BPDB, the Power Division, MPEMR, Government of Bangladesh as well as Bangladesh Petroleum Corporation (BPC), Jamuna Oil Company Limited, Padma Oil Company Limited, Chittagong Port Authority, National Board of Revenue, Board of Investment (BoI), Department of Environment, the Deputy Commissioner, the Superintendent of Police, the local administration of Narayanganj and the people of the locality for extending their support towards the Company. The Board also extends its best wishes to the contractors and consultants who helped us running power plants and achieve this growth.

The Board would also like to express their humble gratitude to all the stakeholders including the investors, suppliers, banks & financial institutions, insurance companies, service providers, the Bangladesh Securities & Exchange Commission, Registrar of Joint Stock Companies & Firms, Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, The Central Depository Bangladesh Limited, various Government Authorities and lastly the individuals and agencies who have helped us accomplish what we are today.

On behalf of the Board



Lt Gen (Retd) Abdul Wadud
Managing Director
Dhaka, 29 April 2014

Shareholding Information

The Pattern of Shareholding as on December 31, 2013.

Categories of Shareholder	No of Shareholder	No of shares held
Sponsors:		
Summit Industrial & Mercantile Corporation (Pvt.) Ltd.	1	273,429,829
Euro Hub Investments Limited	1	30,423,163
Dr. Mirza Khairuzzaman	1	750
Advocate Imtiaz Mahmood	1	4,113
Mr. Mainul Abedin	1	8,551
Mr. A.N.M. Tariqur Rashid	1	4,604
Mr. Azharul Haque	1	4,113
Directors, CEO, Company Secretary, CFO	Nil	Nil
Head of Internal Audit and their spouses	Nil	Nil
Executives (Top 05 persons other than CEO,CFO,CS,HIA)	Nil	Nil
Shareholders holding 10% or more voting rights :		
Summit Industrial & Mercantile Corporation (Pvt.) Ltd.	1	273,429,829



Madanganj Power plant



Madanganj Power plant

Communications with Shareholders

Cooperation and communication between all stakeholders and the Company is the aspect of Corporate Governance, which is a vital issue for your Company as it is related to the sustainability of the Company as well. First of all the schedule and timely communication/reporting is enforced by the related regulators of the country and summit never fail to comply those time bound reporting to the regulators. Besides the Company has an effective policy in ensuring proper information disclosure and communication. In compliance with continuous disclosure requirements, the Company regularly communicates information regarding any development that has major impact on the operations of the business to its shareholders.

Information Disclosure

The Company follows these main forms of information disclosure:

- Continuous Disclosure – which is its core disclosure and primary method of informing the market and shareholders.
- Periodic Disclosure – in the form of quarterly and yearly reporting of financial results and other issues.
- Event based disclosure – as per requirement of administrative and corporate developments, usually in the form of press releases

All information, that are disclosed to the Bangladesh Securities and Exchange Commission (BSEC) and the Stock Exchanges, are simultaneously made available to the Shareholders of the Company in the Investor's Relations section of the Company's website. <http://www.summitpower.org>

Direct Communication

The Company sends hardcopies of Annual and Half Yearly Reports to the shareholders by post so that they access to all of the information to make their valuable decisions. These reports are also kept available at the head office of the Company to offer it to any stakeholder upon requirement. In addition, the detail annual reports provide them the opportunity to make their critical analysis about the Company and the investment.

General Meeting

The Company recognizes the rights of the shareholders and accordingly makes sure that their right to express the opinion is guaranteed through the Annual General Meeting (AGM). The Company requires the whole Board of Directors to attend the AGM so that they can answer the shareholders' queries regarding the financial and nonfinancial 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.

Website

All financial results, key performance indicators, compliance reports, other important financial and non-financial data, shareholding information, etc are posted on website of the company. Important events and announcements of the Company are also posted. Furthermore pieces of information such as the record date, notice of Annual General Meeting etc are reported to the stock exchanges, so the updated information can be found on their website.

Shareholders' Queries

If shareholders have any queries relating to their shareholding, they may contact the Financial Controller & Company Secretary of the Company, Mr. Mahmud Hasan by calling at + (880) 2 – 9137485-6 or mail to mahmud.hasan@summitpowerltd.com

Honorable Customers

As per Private Sector Power Generation Policy of Bangladesh the Power Cell as the GOB (Government of Bangladesh) agent indicates which organization to be the power purchaser from the power producer at the time of issuance of Request for Proposal. Later an agreement (PPA – Power Purchase Agreement) with the bid winner is signed to ensure different issues along with the information regarding buyer and seller of the produced electricity. In the case of Summit, our buyers or off takers are either Bangladesh Power Development Board (BPDB) or Bangladesh Rural Electrification Board (BREB) according to the PPA.



Our Benchmarks and Milestones

1997- 2000

March 30, 1997

Incorporation of the company

February 10, 2000

Signing of Project Agreements with REB & GOB

2001

February 08, 2001

Commercial operation at Savar

April 01, 2001

Commercial operation at Narshingdi

June 02, 2001

Commercial operation at Comilla

2004

June 07, 2004

Conversion from private to public limited company

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 & GOB

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

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

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

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 billion for setting up 110 MWh Power Plants of Summit's Subsidiaries.

2009

March 02, 2009

Commercial operation at Ullapara, Sirajgonj

May 11, 2009

Commercial operation at Maona, Gazipur

June 09, 2009

Commercial operation at Ruppangj, Narayanganj

June 24, 2009

Commercial operation at Jangalia, Comilla

2010

May 04, 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.

2011

April 01, 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 04, 2011

11th ICAB National Awards for Best Published Accounts and Reports 2010 (Manufacturing): 2nd Position

November 29, 2011

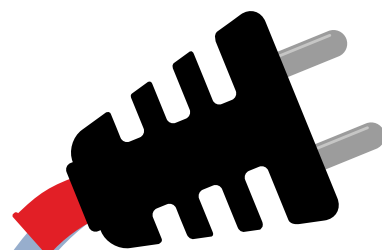
Best Presented Accounts and Corporate Governance Disclosures Awards 2010 by South Asian Federation of Accounts (SAFA): Merit

September 13, 2011

SNPL has achieved financial close by receiving a foreign currency term loan of USD 45 million from DEG - Deutsche Investitions- und Entwicklungsgesellschaft mbH and FMO - Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.

December 28, 2011

Acquisition of 18.7%, i.e. - 53,955,326 numbers of ordinary shares of Khulna Power Company Limited (KPCL).



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 08, 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 at Bangabandhu International Convention Centre. The award was handed over by the Honorable Prime Minister to the Chairman of Summit Group Mr. Muhammed Aziz Khan.

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

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).

- CDBL** Central Depository Bangladesh Limited
- CRISL** Credit Rating Information & Services Limited
- GOB** Government of Bangladesh
- REB** Rural Electrification Board
- BSEC** Bangladesh Securities & Exchange Commission
- DSE** Dhaka Stock Exchange Limited
- CSE** Chittagong Stock Exchange Limited
- IPO** Initial Public Offering
- SPL** Summit Power Limited
- SNPL** Summit Narayanganj Power Limited

Summit's Attachment to the Power Sector

Summit Power Limited (SPL) being the first private sector power generation company always urges to contribute the nation by providing more electricity to the national grid. Even today SPL does not hesitate to make another drive for a new power plant with its knowledge pool, skilled resources and ever-growing abilities. This perception of SPL is guided by its vision (To provide quality & uninterrupted electricity to the vast majority of rural Bangladesh for their personal, social & economic development) to accomplish the company mission - Empowering Bangladesh; To expand the Company into a power generation capacity to the tune about 20% of the electricity requirement of Bangladesh and maintain that level. Following are the portfolio companies of Summit in power sector of Bangladesh -

Sl. #	Company	Status	Capacity (in MW)	Ownership
1.	SUMMIT POWER LIMITED	Commissioning	105	Group Company
2.	SUMMIT PURBANCHOL POWER COMPANY LIMITED	Commissioning	66	Group Company
3.	SUMMIT UTTARANCHOL POWER COMPANY LIMITED	Commissioning	44	Group Company
4.	SUMMIT NARAYANGANJ POWER LIMITED	Commissioning	102	Group Company
5.	SUMMIT NARAYANGANJ POWER UNIT II LIMITED	Construction Phase	52	Group Company
6.	SUMMIT BARISAL POWER LIMITED	Construction Phase	104	Group Company
7.	KHULNA POWER COMPANY LIMITED	Commissioning	110	Group Company
8.	KHULNA POWER COMPANY UNIT -II LTD.	Commissioning	115	Group Company
9.	KHANJAHAN ALI POWER COMPANY LTD.	Commissioning	40	Group Company
TOTAL			738 MW	



Management Team





From left:

- Mr. Md. Nazmul Hasan**, Deputy General Manager (Store & Training)
- Mr. A.K.M Asadul Alam Siddique**, General Manager (O&M)
- Mr. Md. Anisur Rahman**, General Manager (SCT & Dev.)
- Mr. Abdus Sobhan**, Senior General Manager (O&M)
- Lt Gen (Retd) Abdul Wadud**, Managing Director
- Mr. Muhammed Aziz Khan**, Chairman
- Mr. Md. Latif Khan**, Vice-Chairman
- Ms. Ayesha Aziz Khan**, Director (Finance)
- Mr. Md. Mozammel Hossain**, Deputy Managing Director
- Mr. Mahmud Hasan, FCMA**, Financial Controller & Company Secretary
- Mr. Solaiman Patwary**, Senior General Manager (O&M)
- Mr. Swapon Kumar Pal ACA**, Deputy Financial Controller
- Mr. Md. Nazrul Islam Khan**, Deputy General Manager (E&I)
- Mr. Abdul Hakim**, Manager (Development)
- Mr. Tauhidul Islam**, Managing Director (Summit Barisal Power Limited)

Introduction of the **SENIOR EXECUTIVES**



MD. MOZAMMEL HOSSAIN
Deputy Managing Director (SPL) &
Managing Director (SPPCL)



MD. SOLAIMAN PATWARY
Senior General Manager
(Operation & Maintenance)



MD. ABDUS SOBHAN
Senior General Manager
(Operation & Maintenance)



MAHMUD HASAN FCMA
Financial Controller &
Company Secretary



A.K.M. ASADUL ALAM SIDDIQUE
General Manager
(Operation & Maintenance)



ENGR. MD. ANISUR RAHMAN
General Manager
(SCT & Development)



MD. NAZMUL HASAN
Deputy General Manager
(Stores & Training)



MD. NAZRUL ISLAM KHAN
Deputy General Manager
(Electrical & Instrumentation)



SWAPON KUMAR PAL ACA
Deputy Financial
Controller

MD. MOZAMMEL HOSSAIN

Deputy Managing Director (SPL) & Managing Director (SPPCL)

Md. Mozammel Hossain is the Deputy Managing Director of Summit Power Limited and also Managing Director of Summit Purbanchol Power Company Limited, has about 35 (thirty five) years of experience in the power sector. He had obtained degree in Electrical Engineering from Rajshahi Engineering College now named as Rajshahi University of Engineering & Technology (RUET). Mr. Hossain started his professional career in Bangladesh Power Development Board in 1976 and worked mostly in Power Generation and Transmission Projects holding different position. He left BPDB in 2011 and joined Power Grid Company of Bangladesh Ltd. (PGCB) as Deputy General Manager and elevated upto the position of Director, Technical. He took voluntary retirement from PGCB in August 2011 and joined the group to continue his professional career. Mr. Hossain has 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 of 1982 and obtained an Annual Performance Recognition Award of Asian Development Bank in 2008.

MD. SOLAIMAN PATWARY

Senior General Manager (Operation & Maintenance)

Mr. Patwary started his career as Junior Engineer in a foreign Ship. Prior to joining Summit in the year 2000 Mr. Patwary has got 21 years professional experience as 5th Engineer, 4th Engineer, 3rd Engineer, 2nd Engineer and as Chief Engineer (12 years) in foreign flag vessel since 1979. He obtained certificate of competency of Class-1(motor), Marine Engineer (U.K). Mr. Patwary did his class-2 Marine Engineering from Singapore and class 1 Marine Engineering degree from England. He attended various training, workshops and seminars at both home and abroad.

MD. ABDUS SOBHAN

Senior General Manager (Operation & Maintenance)

Mr. Sobhan is an Electrical Engineer, graduated from BUET in 1977 and secured 1st Class. He did his MBA in Finance & Banking as well. He is a member of The Institution of Engineers, Bangladesh. Before joining Summit in 2000 Mr. Sobhan accumulated 22 years of experience in different Govt., Semi Govt. and Private Organizations at home & 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 450MW Steam, Gas Turbine Power Plants and Seawater Desalination Plants in the Secretariat of Electricity under the Govt. of Libya. He received on job training from both home & abroad. During last 12 years of service in SPL Mr. Sobhan has actively participated in different areas of power sector such as operation and maintenance of power plants and power plant project planning and development works.

MAHMUD HASAN FCMA

Financial Controller & Company Secretary

Mr. Mahmud is the Financial Controller & Company Secretary and joined Summit in June 2007. Mr. Mahmud is a qualified Cost & Management Accountant and obtained his Masters of Commerce in Accounting under National University and secured First Class. He is a fellow member of the Institute of Cost & Management Accountants of Bangladesh (ICMAB). He has 21 years of professional experience. Prior to joining Summit, Mr. Mahmud held various important positions in various organizations namely BRAC, ActionAid Bangladesh, Intertek Testing Service (Bangladesh) Limited, West Zone Power Distribution Company Ltd. etc.

A.K.M. ASADUL ALAM SIDDIQUE

General Manager (Operation & Maintenance)

Mr. A.K.M Asadul Alam Siddique did his graduation in Naval Architecture & Marine Engineering from BUET in 1987. He is a life fellow of the Institution of Engineers, Bangladesh. He did 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 organizations at home & 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

ENGR. MD. ANISUR RAHMAN

General Manager (SCT & Development)

Engr. Md. Anisur Rahman is the General Manager (O&M) of Summit Narayanganj Power Limited (SNPL). He obtained B.Sc. Engineering degree in 1981 and he is the fellow of the Institution of Engineers, Bangladesh. After completing graduation, he joined in Rural Electrification Board (REB). He served 07 years as Assistant General Manager, 05 years as Deputy General Manager and 14 years as General Manager in various electric utilities under Rural Electrification Board with the duties and responsibilities of maintenance & operation of distribution system, construction of distribution lines, supply of power to the consumers, all kinds of financial and administrative activities and keeping liaison with the Govt., Semi-Govt., Local Govt. authorities, autonomous bodies and developing agencies. After emergence of power generation in private sector, he switched over his career and joined in Energis Power Corporation Limited (a private power generation company) as General Manager (O&M) and served 2 years 06 months in 55 MW heavy fuel oil based power plant at Sikalbaha, Chittagong. He joined in Summit Narayanganj Power Limited on November, 2011 as General Manager (O&M). He attended various on job training, workshop and seminar at home and abroad (USA).

MD. NAZMUL HASAN

Deputy General Manager (Stores & Training)

A Marine Engineer Mr. Md. Nazmul Hasan started his career in Bangladesh Shipping Corporation (BSC) in 1992. Prior joining to Summit in January 2008, Mr. Hasan has 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 obtained his Class I Marine Engineering Certificate of Competency from Singapore. He also received an MBA Degree in Operations Management.

MD. NAZRUL ISLAM KHAN

Deputy General Manager (Electrical & Instrumentation)

Mr. Md. Nazrul Islam Khan is an Electrical Engineer graduated from BUET in the year 1975. He is a life fellow of Institute of Engineers, Bangladesh. Prior to joining Summit in the 2007 Mr. Md. Nazrul Islam Khan accumulated 34 years of professional experience in different Govt., Semi Govt. and Private Organization in home and abroad. He participated in various training and seminar in home and abroad.

SWAPON KUMAR PAL ACA

Deputy Financial Controller

Mr. Swapon Kumar Pal is the Deputy Financial Controller and joined Summit in September 2009. Mr. Swapon is a qualified Chartered Accountant under the Institute of Chartered Accountants of Bangladesh (ICAB) and obtained his MBA and BBA degrees in Accounting & Information Systems (AIS) from business faculty of University of Dhaka. He has 9 years of professional experience. Prior to joining Summit, Mr. Swapon completed his article-ship on Chartered Accountancy from Rahman Rahman Huq (the only member firm of KPMG International in Bangladesh). Before promoting to the current position, Mr. Swapon initially worked as Manager, Internal Audit and then Assistant General Manager, Internal Audit in Summit Power Limited and its subsidiaries.

Plant Managers & In-charges



From left:

**Mr. Md. Faridul Islam, MADANGANJ POWER PLANT; Mr. Md. Anisur Rahman, JANGALIA POWER PLANT; Mr. Md. Abu Hanif, ASHULIA POWER PLANT
Mr. Santosh Barai, ULLAPARA POWER PLANT; Mr. Bishwajit Shaha, MADHABDI POWER PLANT; Mr. Moahmed Shameem, CHANDINA POWER PLANT
Mr. Hafiz Al Atick, NARAYANGANJ POWER PLANT UNIT II; Mr. Md. Anwarul Iqbal Sheikh, RUPGANJ POWER PLANT
Mr. Md. Anisur Rahman, MAONA POWER PLANT; Mr. S. M. Ali Ahsan, BARISAL POWER PLANT**

Management Review and Responsibilities

The Management of Summit Power Limited (Summit) formulates and implements operational and 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, 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; 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.

Various Committees

Audit Committee

Mr. Abbas Uddin Ahmed, Independent Director	-Chairman
Mr. Lt Gen (Retd) Abdul Wadud, Managing Director	-Member
Mr. Syed Fazlul Haque FCA, Director	-Member
Mr. Mahmud Hasan FCMA, Financial Controller	-Secretary

Executive Committee

Mr. Lt Gen (Retd) Abdul Wadud, Managing Director	-Chairman
Mr. Md. Latif Khan, Vice Chairman	-Member
Ms. Ayesha Aziz Khan, Director (Finance)	-Member
Mr. Faisal Karim Khan, Director (Operation)	-Member
Mr. Md. Mozammel Hossain, Deputy Managing Director	-Member
Mr. Mahmud Hasan FCMA, Financial Controller	-Member

Purchase Committee

Mr. Md. Latif Khan, Vice Chairman	-Chairman
Mr. Lt Gen (Retd) Abdul Wadud, Managing Director	-Member
Mr. Faisal Karim Khan, Director (Operation)	-Member
Mr. Md. Mozammel Hossain, Deputy Managing Director	-Member
Mr. Mahmud Hasan FCMA, Financial Controller	-Member

Technical Committee

Mr. Md. Mozammel Hossain, Deputy Managing Director	-Chairman
Mr. Solaiman Patwary, Senior General Manager (O&M)	-Member
Mr. Abdus Sobhan, Senior General Manager (O&M)	-Member
Mr. A.K.M. Asadul Alam Siddique, General Manager (O&M) -	-Member
Mr. Md. Nazmul Hasan, Deputy General Manager (S&T)	-Member

Operation & Maintenance Committee

Mr. Faisal Karim Khan, Director (Operation)	-Chairman
Mr. Md. Mozammel Hossain, Deputy Managing Director	-Member
Mr. Solaiman Patwary, Senior General Manager (O&M)	-Member
Mr. Abdus Sobhan, Senior General Manager (O&M)	-Member
Mr. Md. Nazmul Hasan, Deputy General Manager (S&T)	-Member
Plant In-charges	-Member

Remuneration Committee

Mr. Lt Gen (Retd) Abdul Wadud, Managing Director	-Chairman
Mr. Md. Mozammel Hossain, Deputy Managing Director	-Member
Mr. Solaiman Patwary, Senior General Manager (O&M)	-Member
Mr. Abdus Sobhan, Senior General Manager (O&M)	-Member

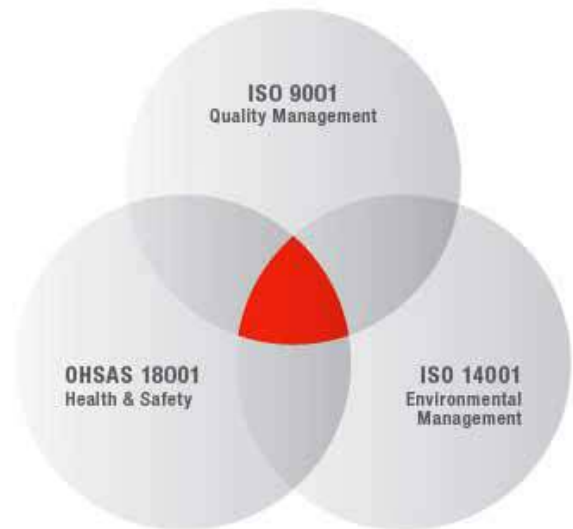
Note:

1. S&T - Standard Training
2. O&M – Operation and Maintenance

Our Management System

As an extension of corporate objectives, SUMMIT POWER LIMITED (SPL) has incorporated and established an Integrated Management System. Integrated Management System (IMS) requires the compliance of the requirements of ISO 9001: 2008 - Quality Management System, ISO 14001: 2004 - Environmental Management System and OSHAS 18001: 2007 - Occupational Health and Safety Management System. The purpose of SPL's integrated Quality Management System, Environmental Management System and Occupational Health and Safety Management System is to ensure SPL's products and process are carried out in an environmentally responsible and protective manner and safe and healthy work environment.

Intgrated Management System (IMS)



SPL generates power and supplies to meet only the local requirements of Bangladesh Power Development Board (BPDB) and Bangladesh Rural Electrification Board (BREB). For the purposes of the IMS, the requirements of ISO 9001: 2008, ISO 14001: 2004 and OHSAS 18001: 2007 applies to all operations at SPL's locations at Rupganj (Narayanganj), Maona (Sripur, Gazipur), Madhabdi (Narsingdi), Ullapara (Sirajganj), Ashulia (Ashulia, Savar), Chandina (Comilla), Jangalia (Comilla) and Madanganj, Narayanganj. These operations include sales, procurement, generation of power and related services.

Business Review of the Year

Summit Power Limited and its subsidiaries at present operate 11 power plants. The Generation Capacity of these power plants is 317 MW (approximately). In 2013, 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, these plants could deliver electrical energy to the national grid approximately to 2,005 million Kwh, which is a bit higher than that in 2012.

Summit Power Limited has always used brand new highly efficient engines 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 for Summit Power Limited to maintain its guaranteed contractual availability and Heat Rate (fuel consumption for generation of one unit of electricity) ensuring efficient use of fuel and gas. A typical review of the performance is given below –

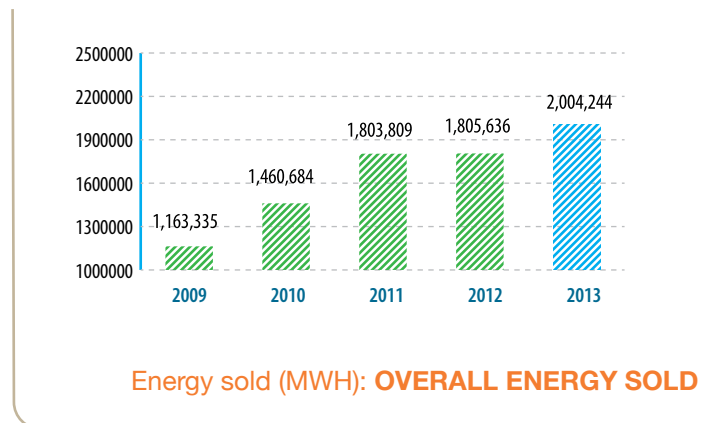
- Total Energy Exported increased from 1,805 million KWh in 2012 to 2,005 million KWh in 2013.
- Jangalia, Chandina, Rugganj and Madanganj Power Plants performed quite better in terms of Energy Export in 2013
- Most of the plants achieved the targeted availability factor, notably – Maona, Rugganj and Jangalia Power Plants.
- Most of the plants achieved the targeted Energy Export Level, specifically – Maona, Rugganj and Jangalia Power Plants.
- Most of the plants achieved the targeted Hear Rate, Mainly – Maona, Rugganj, Jangalia, Ullapara and Madanganj Power Plants.

During the year, the percentage of cost of sales has improved and reached to 38.06% from 38.50% over last year of 2012 due to better operational and maintenance management of plants therefore. Gross profit margin has also increased by 5.8%. Net profit margin has increased over last year due to decrease in financial costs arising out of the interest payment of local/foreign better gross profit margin.

Product Segmentation/Review of our Power Plants

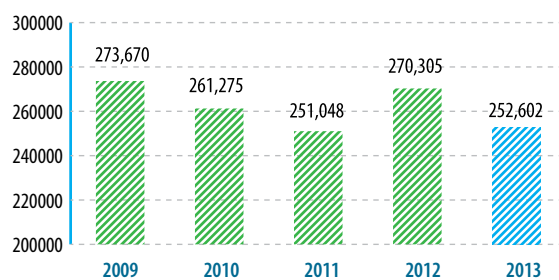


Overall Plant wise Performance



Summit Power Limited along with its subsidiaries –
Made an investment of **BDT 22 billion** up to 2013 and
earned a revenue of **BDT 6.19 billion** by
generating 2,005 million KWH of Electricity for the year 2013

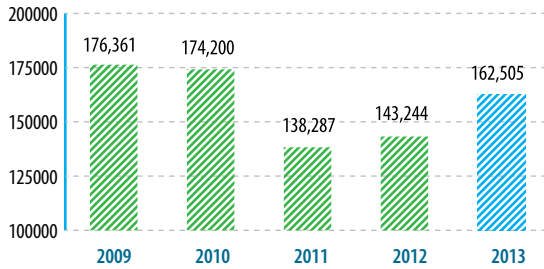
Ashulia Power Plant



Energy sold (MWH): Ashulia Power Plant

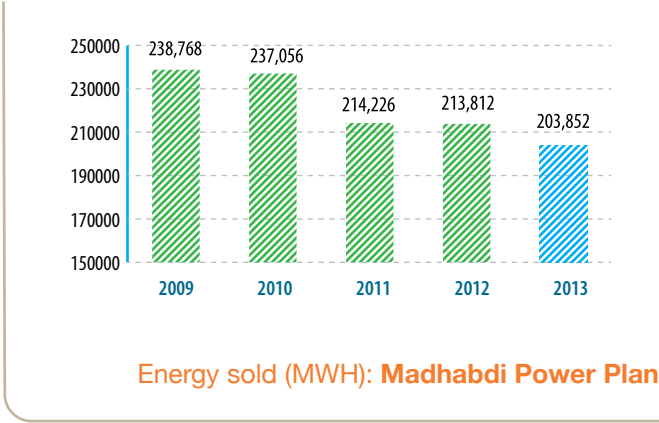
Product Segmentation/Review of our Power Plants

Chandina Power Plant



Energy sold (MWH) : Chandina Power Plant

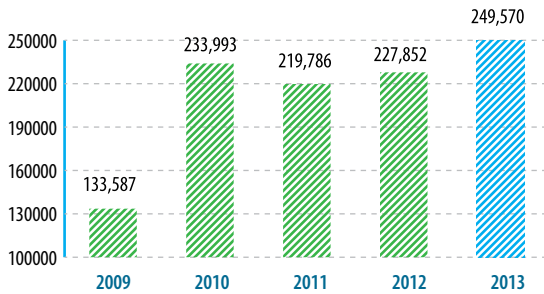
Madhabdi Power Plant



Energy sold (MWH): Madhabdi Power Plant

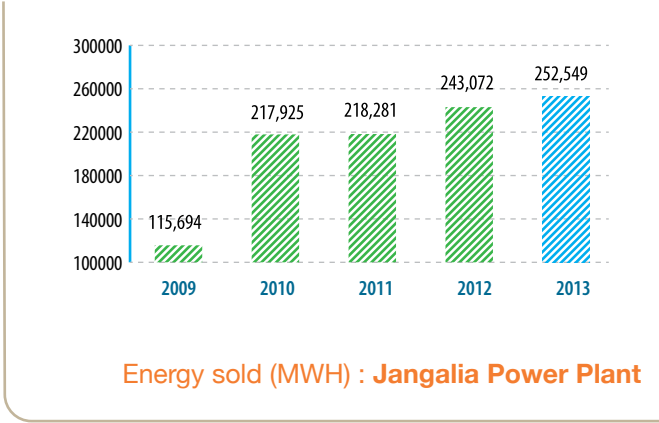
Product Segmentation/Review of our Power Plants

Rupganj Power Plant



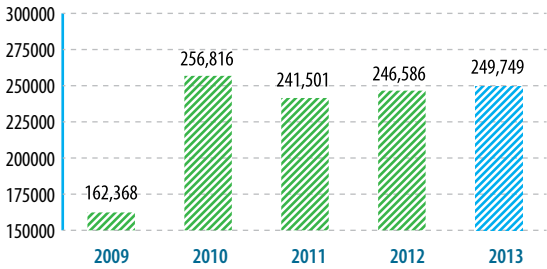
Energy sold (MWH) : Rupganj Power Plant

Jangalia Power Plant



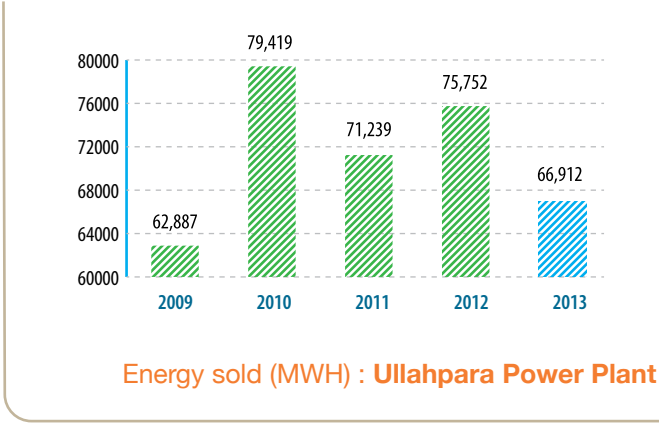
Product Segmentation/Review of our Power Plants

Maona Power Plant



Energy sold (MWH) : Maona Power Plant

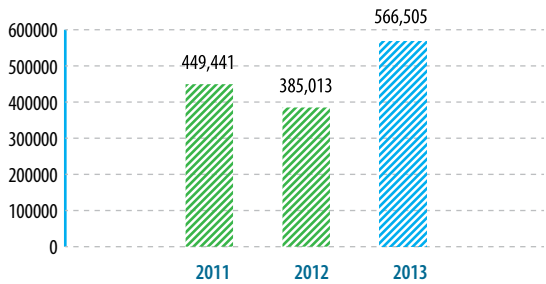
Ullahpara Power Plant



Energy sold (MWH) : Ullahpara Power Plant

Product Segmentation/Review of our Power Plants

Madanganj Power Plant



Energy sold (MWH) : Madanganj Power Plant

Financial Highlights of the year

	2013	2012	2011	2010	2009
OPERATING DATA					
(Taka in million)					
Turnover	6,191.92	5,892.63	4,757.21	3,601.67	2,849.87
Cost of Sales	2,373.94	2,268.69	1,929.60	1,678.83	1,339.84
Gross Profit	3,817.98	3,623.94	2,827.61	1,922.84	1,510.03
General & Admin Expenses	592.57	506.81	366.46	267.88	258.41
Operating Profit	3,311.93	3,128.71	3,295.09	1,663.73	1,146.96
Interest & Financial Charges	529.83	698.93	407.85	642.98	558.91
Net Profit Attributable to Owners	2,184.86	1,873.47	2,511.15	1,087.52	698.52

Balance Sheet data					
(Taka in million)					
Paid up Capital	5,915.40	4,929.50	3,943.60	3,033.54	2,223.94
Shareholders' Equity	13,875.26	11,390.11	10,235.33	8,304.02	4,352.97
Total Debt (NCL)	2,887.27	4,128.89	5,988.61	2,370.16	4,430.00
Current Assets	5,151.77	5,045.02	2,939.69	2,285.23	1,174.00
Current Liabilities	2,028.68	2,326.09	2,235.02	3,832.15	1,326.00
Total Assets	22,035.18	21,230.61	20,031.29	14,566.61	10,121.06
Total Liabilities	4,915.95	6,454.98	8,223.63	6,202.31	5,756.00

Financial ratios					
Gross profit ratio (%)	61.66%	61.50%	59.44%	53.39%	52.99%
Net profit ratio (%) attributable to owners	35.29%	31.79%	52.79%	30.19%	24.51%
Return on total assets (%)	12.84%	11.71%	12.54%	7.47%	6.90%
Debt Equity ratio	22:78	30:70	41 : 59	42 : 58	56 : 44
Return on Equity (%)	16.53	16.83	27.28	17.78	12.67
Price Earnings Ratio (Times)	9.91	16.81	14.62	45.49	48.04
Current Ratio	2.54	2.17	1.32	0.60	0.89

Other data					
Earnings per share (Taka)	3.69	3.8	5.09	3.96	3.14
Stock dividend (%)	15	20	25	30	25
Total no of shares outstanding	591,540,246	492,950,205	394,360,164	303,353,973	222,393,600
Weighted average no of shares outstanding	591,540,246	492,950,205	394,360,164	286,445,991	222,393,600
Total no of sponsors shares under lock in	303,875,129	253,229,274	202,583,419	155,833,400	124,666,720
Total no of free float shares	287,665,117	239,720,931	191,776,745	147,520,573	97,726,880
ROCE (%)	14.14	13.55	15.59	11.65	9.7
EBITDA (Million Taka)	3,899.79	3,655.95	3,761.78	1,994.01	846.48

Financial Review of the Year

Summit Power Limited managed to maintain its profitability despite the various macroeconomic challenges the economy underwent in 2013. As can be seen from the review below, the Company managed to exhibit increased revenue performance and net profit.

Revenue

- Turnover increased by 5.08% (Tk. 299.29 million) in 2013 relative to the revenue generated in the previous year.
- Increase in the units of electricity generated and achievement of greater operational efficiency accounted for the rise in revenue.

Cost of Sales

- Cost of sales in 2013 went up by 4.64% which is even lower than the rate by which the revenue increased.
- The increase in gas consumption, spare parts consumption and fuel consumption in the power plants accounted for increase in the cost of sales by almost Tk. 105.25 million. However, excess fuel and spare parts consumptions were required to smoothly run the power plants.

Gross profit

- The gross profit went up by 5.35% compared to that of 2012.
- The rise was due to the significant growth in the revenue of the Company.

Net Profit

- Net profit margin increased by 13.8% over last year on account of operational and cost efficiency and lower financial charges.
- The net profit generated was even higher than the Company's target and resulted in EPS of Tk 3.69 in 2013.

Total Assets

- Total assets base of the Company increased by almost 3.79%, despite the rise in depreciation expenses.
- The increase in total assets base by Tk. 804.57 million was attributed mainly to the goodwill that arose as a result of Summit Purbanchol Power Company Limited's acquiring 20% holding of Summit Narayananj Power Limited, increase in inventory keeping for plant maintenance and fair value increase of investment in Khulna Power Company Limited (KPCL).

Total Liabilities

- Total Liabilities declined by 23.84% during the year due to timely repayment of both the foreign and local bank and other borrowings.

Total Equity

- Total Equity increased by 15.86% during 2013 by an amount of Tk. 2343.6 million.
- There was also 19.20% increase in the Company's retained earnings on account of better operating result during the year.
- There was also an increase in fair value reserve on account of better investment revaluation in Khulna Power Company Limited

(KPCL).

- The increase was also due to an increase in share premium on account of Summit Purbanchol Power Company Limited's Initial Public Offering (IPO) issue.

Operating Profit

- The operating profit increased by 5.86% this year despite increase in general and administrative expenses of the Company.
- The rise in operating profit was achieved due to the operational cost efficiency and dividend income from Khulna Power Company Limited (KPCL).

Earnings per share (EPS)

- The EPS figure has increased by Tk 0.53 per share over last year's re-stated EPS.
- The increase was due to revenue growth, operational cost efficiency and lesser financial charges.

Property, Plant and Equipment

- The property, plant and equipment declined slightly relative to 2012, by about 1.5% on account of depreciation charge.

Net Current Assets

- The net current assets went up by 14.86% in 2013 compared to previous year.
- This increase occurred as there was significant decrease in sundry creditors on account of repayment of foreign technical fees and liquidity damage accompanied by an increase of inventory and trade receivable balances.

Long term liabilities:

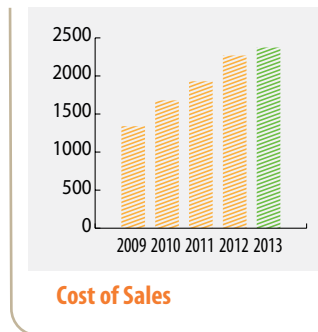
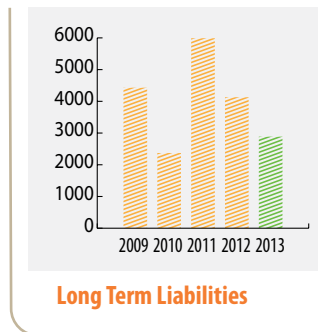
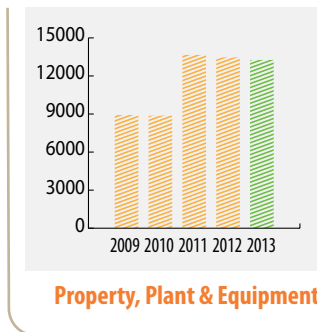
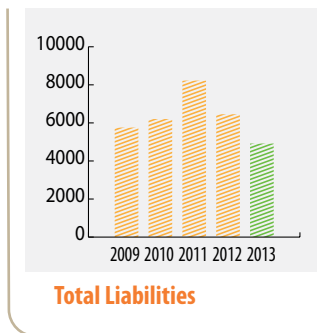
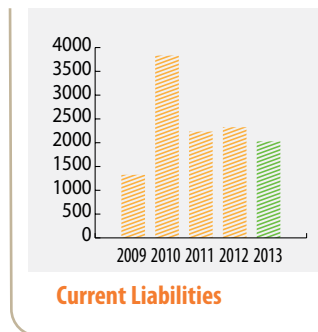
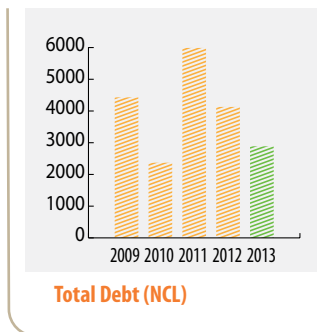
- The long term liabilities decreased by 30% this year.
- This significant decrease was attainable due to timely repayment of project loan, finance leases and redeemable preference shares.

Return on Total Assets:

- The return on total assets increased by 9.65% in 2013 as there was considerable increase in both the total assets and net income of the Company during this year.

Return on Equity:

- The return on equity fell slightly relative to the previous year, by about 1.78%.
- Although both net income and shareholders' equity went up during the year, the increase in shareholders' equity was proportionately higher, thus resulting in the fall in the ratio.



All figures are in Million BDT, except for Return on Total Assets, Return on Equity and Earnings per Share.

Accolades and Memorable Events

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 at Bangabandhu International Convention Centre. The award was handed over by the Honorable Prime Minister to the Chairman of Summit Group Mr. Muhammed Aziz Khan.

13th ICAB National Award: Certificate of Merit



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

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).

Opening Ceremony of the Prestigious 4th Summit Open for Professional and the 18th Summit Cup Golf Tournament 2014 for Amateurs.



Major General Mizanur Rahman Khan ndc, afwc, psc, Area Commander, Logistics Area & Vice President, Kurmitola Golf Club (Centre holding festoon) was the honorable chief guest at the ceremony also attended by Summit Group of Companies Chairman Mr. Muhammed Aziz Khan (to the right of Chief Guest) and Director Md. Farid Khan (to the left of the Chief Guest). Directors and senior management of Summit and Kurmitola Golf Club were among others present at the ceremony.

Prize Giving Ceremony of the Prestigious 4th Summit Open for Professional and the 18th Summit Cup Golf Tournament 2014 for Amateurs.



Major General Mizanur Rahman Khan ndc, afwc, psc, Area Commander, Logistics Area & Vice President, Kurmitola Golf Club (fifth from the left) was the honorable chief guest at the ceremony also attended by Summit Group of Companies Chairman Mr. Muhammed Aziz Khan (fifth from the right) and Director Md. Farid Khan (to the left of the Chief Guest). All the winners of the golf tournament and senior management of Kurmitola Golf Club were among others present at the ceremony.

Compliance Report under BSEC's Notification under 2CC

Status of compliance with the conditions imposed by the Bangladesh Securities and Exchange Commission's Notification No. SEC/CMR-RCD/2006-158/134/admin/44 dated August 07, 2012 issued under section 2CC of the Securities and Exchange Ordinance 1969 is presented below:

(Report under Condition No. 7)

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1	BOARD OF DIRECTORS			
1.1	Board's Size (number of Board members – minimum 5 and maximum 20)	✓		
1.2	Independent Directors			
1.2 (i)	At least one fifth (1/5) of the total number of directors in the company's board shall be independent directors.	✓		
1.2 (ii)	For the purpose of this clause "independent director" means a director	✓		
1.2 (ii)(a)	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 (ii) (b)	Who is not a sponsor of the company and is not connected with the company's any sponsor or director or shareholder who holds one percent (1%) or more shares of the total paid-up shares of the company on the basis of family relationship. His/her family members also should not hold above mentioned shares in the company;	✓		
1.2 (ii) (c)	Who does not have any other relationship, whether pecuniary or otherwise, with the company or its subsidiary/ associated companies;	✓		
1.2 (ii) (d)	Who is not a member, director or officer of any stock exchange;	✓		
1.2 (ii) (e)	Who is not a shareholder, director or officer of any member of stock exchange or an intermediary of the capital market;	✓		
1.2 (ii) (f)	Who is 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;	✓		
1.2 (ii) (g)	Who shall not be an independent director in more than 3 (three) listed companies;	✓		
1.2 (ii) (h)	Who has not been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a bank or a Non-Bank Financial Institution (NBF);	✓		
1.2 (ii) (i)	Who has not been convicted for a criminal offence involving moral turpitude.	✓		
1.2 (iii)	The independent director(s) shall be appointed by the board of directors and approved by the shareholders in the Annual General Meeting (AGM).	✓		
1.2 (iv)	The post of independent director(s) cannot remain vacant for more than 90(ninety) days.	✓		
1.2 (v)	The Board shall lay down a code of conduct of all Board members and annual compliance of the code to be recorded.	✓		
1.2 (vi)	The tenure of office of an independent director shall be for a period of 3 (three) years, which may be extended for 1(one) term only.	✓		
1.3	Qualification of Independent Director (ID)			
1.3 (i)	Independent director shall be a knowledgeable individual with integrity who is able to ensure compliance with financial, regulatory and corporate laws and can make meaningful contribution to business.	✓		
1.3 (ii)	The person should be a Business Leader/Corporate Leader/ Bureaucrat/University Teacher with Economics or Business Studies or Law background/Professionals like Chartered Accountants, Cost & Management Accountants, Chartered Secretaries. The independent director must have a least 12(twelve) years of corporate management /professional experiences.	✓		
1.3 (iii)	In special cases the above qualifications may be relaxed subject to prior approval of the Commission.	✓		No such incidence arose
1.4	Chairman of the Board and Chief Executive Officer			
	The positions of the Chairman of the Board and the Chief executive Officer of the companies shall be filled by different individuals. The Chairman of the company shall be elected from among the directors of the company. The Board of Directors shall clearly define respective roles and responsibilities of the Chairman and the Chief Executive Officer.	✓		
1.5	The Director's Report to shareholders			
1.5 (i)	Industry outlook and possible future developments in the industry.	✓		
1.5 (ii)	Segment-wise or product-wise performance.	✓		
1.5 (iii)	Risks and concerns.	✓		
1.5 (iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin.	✓		
1.5 (v)	Discussion on continuity of any Extra-Ordinary gain or loss.	✓		
1.5 (vi)	Basis for related party transactions-a statement of all related party transactions should be disclosed in the annual report.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
1.5 (vii)	Utilization of proceeds from public issues, rights issues and/or through any others instruments.	✓		
1.5 (viii)	An explanation if the financial results deteriorate after the company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Offer, Direct Listing, etc.	✓		No such incidence arose
1.5 (ix)	If significant variance occurs between Quarterly Financial Performance and Annual Financial Statements the management shall explain about the variance on their Annual Report.	✓		
1.5 (x)	Remuneration to directors including independent directors.	✓		
1.5 (xi)	The financial statements prepared by the management of the issuer company present fairly its state of affairs, the result of its operations, cash flows and changes in equity.	✓		
1.5 (xii)	Proper books of account of the issuer company have been maintained.	✓		
1.5 (xiii)	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)	International Accounting Standards (IAS)/Bangladesh Accounting Standards (BAS)/International Financial Reporting Standard (IFRS)/Bangladesh Financial Reporting Standards (BFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed.	✓		
1.5 (xv)	The system of internal control is sound in design and has been effectively implemented and monitored.	✓		
1.5 (xvi)	There are no significant doubts 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 should be disclosed.	✓		
1.5 (xvii)	Significant deviations from the last year's operating results of the issuer company shall be highlighted and the reasons thereof should be explained.	✓		No such incidence arose
1.5 (xviii)	Key operating and financial data of at least preceding 5 (five) years shall be summarized.	✓		
1.5 (xix)	If the issuer company has not declared dividend (cash or stock) for the year, the reasons thereof shall be given.	✓		NA
1.5 (xx)	The number of Board meetings held during the year and attendance by each director shall be disclosed.	✓		
1.5 (xxi)	The pattern of shareholding shall be reported to disclose the aggregate number of shares (along with name wise details where stated below) held by :	✓		
1.5 (xxi) (a)	Parent/Subsidiary/Associated Companies and other related parties (name wise details);	✓		
1.5 (xxi) (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 (xxi) (c)	(Executives;	✓		
1.5 (xxi) (d)	Shareholders holding ten percent (10%) or more voting interest in the company (name wise details). Explanation : For the purpose of this clause, the expression "Executive" means top 5 (five) salaried employees of the company, other than the Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer and Head of Internal Audit.	✓		
1.5 (xxii)	In case of the appointment/re-appointment of a director the company shall disclose the following information to the shareholders :	✓		
1.5 (xxii) (a)	a brief resume of the director;	✓		
1.5 (xxii) (b)	nature of his/her expertise in specific functional areas;	✓		
1.5 (xxii) (c)	names of companies in which the person also holds the directorship and the membership of committees of the board.	✓		
2	CHIEF FINANCIAL OFFICER (CFO), HEAD OF INTERNAL AUDIT AND COMPANY SECRETARY (CS)			
2.1	Appointment of CFO, Head of Internal Audit and Company Secretary and defining their respective roles, responsibilities and duties	✓		
2.2	The CFO and the CS shall attend the Board Meetings	✓		
3	AUDIT COMMITTEE			
3 (i)	The company shall have an Audit Committee as a sub-committee of the Board of Directors.	✓		
3 (ii)	The Audit Committee shall assist the Board of Directors 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.	✓		
3 (iii)	The Audit Committee shall be responsible to the Board of Directors. The duties of the Audit Committee shall be clearly set forth in writing.	✓		

Compliance Report Under BSEC's Notification under 2CC

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
3.1	Constitution of the Audit Committee			
3.1 (i)	The Audit Committee shall be composed of at least 3 (three) members.	✓		
3.1 (ii)	The Board of Directors shall appoint members of the Audit Committee who shall be directors of the company and shall include at least 1 (one) independent director.	✓		
3.1 (iii)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management experience.	✓		
3.1 (iv)	Expiration of the term of service of the Audit Committee members making the number lower than 3 (three) and fill up the vacancy (ies) by the Board not later than 1 (one) month from the date of vacancy(ies) immediately or not later than 1 (one) month from the date of vacancy (ies).	✓		No such incidence arose
3.1 (v)	The company secretary shall act as the secretary of the Committee.	✓		
3.1 (vi)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	✓		
3.2	Chairman of the Audit Committee			
3.2 (i)	The Board of Directors shall select 1 (one) member of the Audit Committee to be Chairman of the Audit Committee, who shall be an independent director.	✓		
3.2 (ii)	Chairman of the Audit Committee shall remain present in the Annual General Meeting (AGM).	✓		
3.3	Role of the Audit Committee			
	Role of audit committee shall include the following :			
3.3 (i)	Oversee the financial reporting process.	✓		
3.3 (ii)	Monitor choice of accounting policies and principles.	✓		
3.3 (iii)	Monitor Internal Control Risk management process.	✓		
3.3 (iv)	Oversee hiring and performance of external auditors.	✓		
3.3 (v)	Review along with the management, the annual financial statements before submission to the board for approval.	✓		
3.3 (vi)	Review along with the management, the quarterly and half yearly financial statements before submission to the board for approval.	✓		
3.3 (vii)	Review the adequacy of internal audit function.	✓		
3.3 (viii)	Review statement of significant related party transactions submitted by the management.	✓		
3.3 (ix)	Review Management Letters/Letter of Internal Control weakness issued by statutory auditors.	✓		
3.3 (x)	Disclose to the Audit Committee about the uses/applications of funds by major category (capital expenditure, sales and marketing expenses, working capital, etc), on a quarterly basis, as a part of their quarterly declaration of financial results. Further, on an annual basis, the company shall prepare a statement of funds utilized for the purposes other than those stated in the offer document/prospectus.	✓		No such incidence arose
3.4	Reporting of the Audit Committee			
3.4.1	Reporting to the Board of Directors	✓		
3.4.1 (i)	The Audit Committee shall report on its activities to the Board of Directors.	✓		
3.4.1 (ii)	The Audit Committee shall immediately report to the Board of Directors on the following findings, if any :	✓		No such incidence arose
3.4.1 (ii) (a)	report on conflicts of interests;	✓		No such incidence arose
3.4.1 (ii) (b)	suspected or presumed fraud or irregularity or material defect in the internal control system;	✓		No such incidence arose
3.4.1 (ii) (c)	suspected infringement of laws, including securities related laws, rules and regulations;	✓		No such incidence arose
3.4.1 (ii) (d)	any other matter which shall be disclosed to the Board of Directors immediately.	✓		No such incidence arose
3.4.2	Reporting to the Authorities (if any material impact on the financial condition and results of operation, unreasonably ignored by the management	✓		No such reportable incidence arose
3.5	Reporting to the Shareholders and General Investors	✓		
4	EXTERNAL/STATUTORY AUDITORS			
4 (i)	Non-engagement in appraisal or valuation services or fairness opinions.	✓		
4 (ii)	Non-engagement in financial information systems design and implementation.	✓		
4 (iii)	Non-engagement in book-keeping or other services related to the accounting records or financial statements.	✓		
4 (iv)	Non-engagement in broker-dealer services.	✓		
4 (v)	Non-engagement in actuarial services.	✓		
4 (vi)	Non-engagement in internal audit services.	✓		
4 (vii)	Non-engagement in any other service that the Audit Committee determines.	✓		

Condition No.	Title	Compliance Status (Put ✓ in the appropriate column)		Remarks (if any)
		Complied	Not complied	
4 (viii)	No partner or employees of the external audit firms shall possess any share of the company they audit at least during the tenure of their audit assignment of that company.	✓		
4 (ix)	Audit/certification services on compliance of corporate governance as required under clause (i) of condition No. 7	✓		
5	SUBSIDIARY COMPANY			
5 (i)	Provisions relating to the composition of the Board of Directors of the holding company shall be made applicable to the composition of the Board of Directors of the subsidiary company.	✓		
5 (ii)	At least 1 (one) independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of the subsidiary company.	✓		
5 (iii)	The minutes of the Board meeting of the subsidiary company shall be placed for review at the following Board meeting of the holding company.	✓		
5 (iv)	The minutes of the respective Board meeting of the holding company shall state that they have reviewed the affairs of the subsidiary company also.	✓		
5 (v)	The Audit Committee of the holding company shall also review the financial statements, in particular the investments made by the subsidiary company.	✓		
6	DUTIES OF CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)			
	The CEO and CFO shall certify to the Board that			
6 (i)	They have reviewed financial statements for the year and that to the best of their knowledge and belief these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;	✓		
6 (i) (a)	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.	✓		
6 (i) (b)	There are, to the best of knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violation of the company's code of conduct.	✓		
6 (ii)		✓		
7	REPORTING AND COMPLIANCE OF CORPORATE GOVERNANCE			
7 (i)	The company shall obtain a certificate from a practicing Professional Accountant/Secretary regarding compliance of conditions of Corporate Governance Guidelines of the Commission and include in the Annual Report.	✓		
7 (ii)	The directors of the company shall state in the directors' report whether the company has complied with these conditions.	✓		

Certificate on Compliance of Corporate Governance



PODDER & ASSOCIATES
Cost and Management Accountants

Compliance Certificate

On

Corporate Governance

To the Shareholders of

Summit Power Limited

"Podder & Associates", being one of the firm of "Professional Accountants" in Bangladesh, takes the gratification to study and opine in attainment of Compliance on Corporate Governance by **Summit Power Limited** for the period ended 31st December 2013. This study is completed in accordance with the guideline set by **Bangladesh Securities and Exchange Commission (BSEC)** through the notification SEC/CMRRCD/2006-158/134/Admin/44, dated 07 August, 2012.

Accomplishment of compliance on corporate governance is the conscientiousness of the management of the Company. Our study is imperfect to the measures and execution of such as per guideline set by BSEC. It is neither an audit nor expression of opinion on the financial affairs of the Company.

As per our study and observation on the best of information & explanations provided, **Summit Power Limited** has complied with the conditions of Corporate Governance set by Bangladesh Securities & Exchange Commission.

On the above note, we would also like to state that such compliance is neither an assurance as to the future capability of the Company nor the efficiency or effectiveness by which management has conducted the affairs of the Company.

For Podder & Associates



Jayanta Kumer Podder
Chief Executive Officer

Date: 29 APR 2014
Place: Dhaka, Bangladesh

As per SEC rules (letter SEC/CMRRCD/2006-158/134/Admin/44, dated 07 August, 2012), all the companies listed with any stock exchange in Bangladesh shall comply with some conditions in accordance with condition no. 7. The condition requires that the directors of the company shall state, in accordance with the Annexure attached, in the directors' report whether the company has complied with these conditions and prerequisite set by SEC in their letter.

333/1 (New B/1) Segun Bagicha (2nd & 3rd Floor), Dhaka-1000. Phone : 8331289, 9353529, E-mail : info@thepodders.com, Web : www.thepodders.com

Compliance Report on BAS and BFRS

Sl. No.	BAS Title	BAS Effective Date	Remarks
BAS-01	Presentation of Financial Statements	Adopted, on or after 1st January 2007	Applied
BAS-02	Inventories	Adopted, on or after 1st January 2007	Applied
BAS-07	Statement of Cash Flows	Adopted, on or after 1st January 1999	Applied
BAS-08	Accounting Policies, Changes in Accounting Estimates and Errors	Adopted, on or after 1st January 2007	Applied
BAS-10	Events after the Reporting Period	Adopted, on or after 1st January 2007	Applied
BAS-11	Construction Contracts	Adopted, on or after 1st January 1999	N/A
BAS-12	Income Taxes	Adopted, on or after 1st January 1999	Applied
BAS-16	Property, Plant & Equipment	Adopted, on or after 1st January 2007	Applied
BAS-17	Leases	Adopted, on or after 1st January 2007	Applied
BAS-18	Revenue	Adopted, on or after 1st January 2007	Applied
BAS-19	Employee Benefits	Adopted, on or after 1st January 2004	Applied
BAS-20	Accounting of Government Grants and Disclosure of Government Assistance	Adopted, on or after 1st January 1999	N/A
BAS-21	The Effects of Changes in Foreign Exchange Rates	Adopted, on or after 1st January 2007	Applied
BAS-23	Borrowing Costs	Adopted, on or after 1st January 2010	Applied
BAS-24	Related Party Disclosures	Adopted, on or after 1st January 2007	Applied
BAS-26	Accounting and Reporting by Retirement Benefit Plans	Adopted, on or after 1st January 2007	N/A
BAS-27	Separate Financial Statements	Adopted, on or after 1st January 2010	Applied
BAS-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
BAS-32	Financial Instruments: Presentation	Adopted, on or after 1st January 2010	Applied
BAS-33	Earnings per Share	Adopted, on or after 1st January 2007	Applied
BAS-34	Interim Financial Reporting	Adopted, on or after 1st January 1999	Applied
BAS-36	Impairment of Assets	Adopted, on or after 1st January 2005	Applied
BAS-37	Provisions, Contingent Liabilities and Contingent Assets	Adopted, on or after 1st January 2007	Applied
BAS-38	Intangible Assets	Adopted, on or after 1st January 2005	Applied
BAS-39	Financial Instruments: Recognition and Measurement	Adopted, on or after 1st January 2010	Applied
BAS-40	Investment Property	Adopted, on or after 1st January 2007	N/A
BAS-41	Agriculture	Adopted, on or after 1st January 2007	N/A

Sl. No.	BFRS Title	Adoption Status of ICAB	Remarks
BFRS 1	First-time adoption of International financial Reporting Standards	Adopted as BFRS 1, effective on or after 1 January 2009	N/A
BFRS 2	Share-based Payment	Adopted as BFRS 2, effective on or after 1 January 2007	N/A
BFRS 3	Business Combinations	Adopted as BFRS 3, effective on or after 1 January 2010	Applied
BFRS 4	Insurance Contracts	Adopted as BFRS 4, effective on or after 1 January 2010	N/A
BFRS 5	Non-current Assets Held for Sale and Discontinued Operations	Adopted as BFRS 5, effective on or after 1 January 2007	N/A
BFRS 6	Exploration for and Evaluation of Mineral Resources	Adopted as BFRS 6, effective on or after 1 January 2007	N/A
BFRS 7	Financial Instruments: Disclosures	Adopted as BFRS 7, effective on or after 1 January 2010	Applied
BFRS 8	Operating Segments	Adopted as BFRS 8, effective on or after 1 January 2010	N/A
BFRS 9	Financial Instruments	Adopted as BFRS 9, effective on or after 1 January 2013	Applied
BFRS 10	Consolidated Financial Statements	Adopted as BFRS 10, effective on or after 1 January 2013	Applied
BFRS 11	Joint Arrangements	Adopted as BFRS 11, effective on or after 1 January 2013	N/A
BFRS 12	Disclosure of Interests in other Entities	Adopted as BFRS 12, effective on or after 1 January 2013	Applied
BFRS 13	Fair Value Measurement	Adopted as BFRS 13, effective on or after 1 January 2013	Applied

CEO and CFO's Declaration to the Board

Dated: April 29, 2014

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

Subject: **CEO and CFO's Declaration to the Board**

Dear Sirs,

Compliance with the condition no. 6 imposed by Bangladesh Securities & Exchange Commission's Notification No. SEC/CMRRCD/2006-158/134/ Admin/44 dated 07 August 2012 issued under section 2CC of the Securities and Exchange Ordinance, 1969.

We do hereby certify to the Board that:

- i) We have reviewed financial statements for the year ended 31st December, 2013 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 together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii) There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the Company's code of conduct.

Sincerely yours,



Ayesha Aziz Khan
Director (Finance)



Lt Gen (Retd) Abdul Wadud
Managing Director



Sustainability Report

By the term Sustainability, we recognize – “Meeting the needs of the current generation without compromising the ability of future generations to meet their needs (Brundtland commission, 1987)”

Sustainability has always been an integral part of the operations of Summit Power Limited. We have always undertaken projects those were sustainable - environmentally, ecologically, and socially. So, it is our pleasure to present the Sustainability Report of the year.

We ensure that our projects and initiatives align with superior sustainability management hence our sustainability goals focus on – generating and providing uninterrupted reasonably priced electricity, efficient utilization of our capital and human resources and continuous improvement of customer satisfaction and resource management.



At Summit, we believe that strong corporate governance is essential for the achievement of sustainable value for all our stakeholders. Consequently, Summit is committed to exhibiting the highest levels of corporate governance and continues to make significant progress in implementing structures, policies and procedures aimed at strengthening governance within the Group.

As Summit always believes in win-win approach, we believe a sustainable development with all our stakeholders. This year has been another year whence we have continued our efforts to integrate sustainable practices into each and every aspect of our business, thus creating greater value for all our stakeholders including our consumers, employees, shareholders and the community.

Our Consumers

We strive to continuously increase the generation capacity of our power plants so that our consumers can enjoy uninterrupted electricity supply. We have been working rigorously to generate and provide uninterrupted supply of electricity to our customers as per their demand by meeting all the requirements of Power Purchase Agreements signed between the company and the valued Customer. We integrate the philosophy of “Pioneering Spirit” with “Continuous Improvement” by efficient utilization of Capital, Machines, Materials and Human Resources.

Our Innovations

SPL regularly invests in maintaining its plants and equipments and acquires technical knowhow, expertise and equipments from world known brands such as Wartsila, Caterpillar and GE Jenbacher. Its ongoing investment in achieving superior innovation by knowledge sharing and development of knowledge pool among the employees helps in sustaining its operational excellence and efficiency.

Our people

The HR policy of SPL advocates geographical, cultural and gender diversity in the workplace and promotes co-operation among the employees by providing them with an amicable atmosphere.

The Triple-Bottom Line

Summit believes that Sustainable Development is simply the development, which does not deplete over time. Rather, it is increasing and sustainable. So, whenever we think about sustainability we believe that it has to be in favor of economy, society and environment as well. It is not just spoiling the potentials of these three elements of surrounding.

Summit is fully committed to effective corporate governance thus emphasizes the following issues of days to day business -

- Code of Business Conduct and Ethics
- Gift and Benefits
- Insider Trading
- Dividend Distribution
- Related Party Transaction
- Board Appointment Process
- Proper Communication with Customer
- Employee and Director Remuneration and Benefit
- Records Management
- Information Disclosure
- Environmental, Health, Safety & Security

Our Social Responsibility Goals

While pursuing any business activity at SPL, it is obligatory for all to be as socially responsible as possible. As per our social responsibility goals, it is our pleasure to invest in supporting the less fortunate of our community and in protecting the environment that provides us with the precious air that we breathe in. For preservation of valuable natural resources, the Company takes measures to reduce electricity and water consumption at the power plants,

Forward looking strategic priorities

To further instigate our sustainability management we have vowed to focus on the following goals:

- Build a Company that is stable financially, economically and implements efficient risk and asset management policies.
- Continue to deliver superior customer service that dictates reliability and quality as excellence in the minds of all end consumers.
- Promote a collaborative team work spirit among the employees so that they think of their fellow workers as family rather than mere associates.
- Make sure the Board of Directors take Corporate Governance issues seriously and all financial decisions are not only ethical and in accordance with the concerned rules and legislations but also environmentally and socially sound.
- Maintaining the implemented Integrated Management System (IMS), which includes - ISO 9001 : 2000 – Quality Management System (QMS), ISO 14001 : 2004 – Environmental Management System (EMS), BS 18001 : 2007 – Occupational Health & Safety (OH&S).

We understand that communication that is balanced and accurate generates trust; hence, we aim to develop an approach to stakeholder engagement, which supports our sustainability aspirations. In light of this, we are committed to measure, audit and publicize report to our stakeholder engagement activities and performance.

By virtue of the nature of our operations, we build and maintain strategic, ongoing relationships with our Stakeholders.



Investment Approach to Sustainability

Summit considers sustainability as investment, which gives return in future. To be specific –

- Investment in Country RESULTS More Investment potential
- Investment in Economy RESULTS Bigger economy ton venture
- Investment in Community RESULTS Capacity Development
- Investment in Environment RESULTS Better Living

Conservation of Environment for Sustainability

Biodiversity entails protecting plant and animal species and ecosystems. This is an essential component of our health, safety and environmental commitments.

We address biodiversity conservation during the planning and development of major projects by conducting environmental impact assessments, collecting key environmental data and implementing mitigation and monitoring programs to reduce impacts. We also consider the issues like - Waste Management, Water Management, Oil Spillage, Emission to Air and Discharge into Water etc

We would like to have the privilege to convey our gratitude to all, who trust and rely upon the lead of this management. Specifically, we would like to thank those talents and intellectuals of SPL who put in immense efforts to take the Company to the position it is in today and also thank our customers for the trust they had vested upon us. Finally, we would like to thank you all, our shareholders, and promise to augment the investment you have made in your Company so that you can be as proud of your Company as we are of it.

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 stake holder. 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 question 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, economical 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 (Summit) 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 over-

- see 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 non-shareholder 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 31 December 2013 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 (Summit) 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.

Statement of Corporate Governance

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 committee, similar like other committees. The roles and the responsibilities of the audit committee are as follows -

- a) Discuss about the quality and adequacy of the organization's internal controls system and risk management process, and their effectiveness and outcomes with management, internal and external auditors and major stakeholders.
- b) 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.
- c) 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.
- d) 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.
- e) Manage complaints concerning accounting, internal accounting controls or auditing matters.
- f) 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.
- g) 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.

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.

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 three 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 effectively.

Community Awareness and Obligations

Community awareness programs are undertaken to make the community more informed, alert and self-reliant in close collaboration with government and non-governmental organizations. Community awareness is the key to community participation. The community will become more self-reliant in the long run and less dependent on the government or any other external agency. The most important benefit of community awareness is that it allows the community to judge its own strengths and weaknesses and identify the areas in which it needs outside assistance.

SPL works together with various other organizations to enhance community awareness.

- Faria Lara Foundation – This foundation has been founded by famous Bengali novelist Selina Hossain, with the aim to improve the lives of impoverished people of Bangladesh. SPL assists this organization in promoting gender equality and empowering women.
- SEID TRUST - SEID Trust is a non-governmental voluntary development organization that has been working for social inclusion and promoting the rights of underprivileged children with intellectual disabilities, autism etc. since 2003. SPL assists SEID Trust to improve the condition and position of children with intellectual & multiple disabilities as well as autism. From 2010, Summit is also providing support to run the SEID Trust Community Therapy Centre at Kamrangir Char. 80 underprivileged children with intellectual and multiple disabilities are getting support in terms of pre-primary and special education, education materials, physiotherapy and speech therapy, counseling and medical services, sports and cultural activities and lastly food and transport facilities. The parents of disabled children belong to different professions such as rickshaw hauling, day labor, domestic worker or housemaid etc.
- Siraj Khaleda Memorial Hospital - Siraj Khaleda Trust is a fund set up by Summit Group. This Trust has recently funded the construction of a 200 bed civil hospital at a cost of Tk 12 crore in two phases on the land provided by Cantonment board. The hospital was inaugurated on 13 May, 2012 and it provides high quality medical care and facilities to distressed and underprivileged people. The Trust also provides educational and rehabilitation support to the economically disadvantaged people of Bangladesh.
- Prothom Alo Bondhushava - Prothom Alo Bondhushava began its journey on 11 November 1998. Now it has about 70,000 volunteers who are engaged with numerous types of philanthropic, cultural, and social activities across the country. They are always ready to: provide relief to victims of munga, cyclone, flood, drought, and other natural disasters, bring warmth to afflicted ones, protest against acid violence, raise their hands against the use of drugs, create mass awareness on various social issues including HIV/AIDS, work with dedication for any humanitarian cause etc. SPL supports Bondhushava to carry out these above mentioned endeavors.
- Prothom Alo Trust - Prothom Alo proactively involves itself in various philanthropic activities through Prothom Alo Trust. The initiatives of Prothom Alo Trust include : combat against acid violence and rehabilitation of female acid survivors, anti-drug awareness campaign, fund for disadvantaged meritorious students – Adamy Medhabi, Relief Fund, standing by persecuted journalists etc. SPL proudly aids this Trust in carrying out its philanthropic activities.
- Proyash - Proyash is an institute run by Bangladesh Army dedicated to educate and train children and youths with special needs. The institute is also working to generate awareness about disability in Bangladesh, develop quality teachers, therapists and caregivers, and empower persons with disability to ensure equal opportunities and promote disability friendly right based society. You will be proud to know that your Company provides extensive financial help to encourage the workings of this institute further.
- Various educational institutions – SPL donates to various educational institutions such as BUET, University of Dhaka, Ahsanullah University etc to facilitate the education system of our community further and attain social development.

Various Policies

In Implementing the Integrated Management System Summit Power Limited (SPL) has Adopted the Following Policies:

Quality Policies:

1. Establishing a Quality Management System (QMS) as per ISO 9001:2008 and maintain it with commitment for continual improvement of the QMS.
2. Consider quality as an integral part of any activity, not being dissociated or delegated.
3. Apply quality management as a dynamic, evolutionary practice, with permanent feedback and improve the performance in the areas of Energy Exported, Fuel Consumption per MWH of Energy Exported, 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),
4. Commit the whole Company, suppliers and business partners to the highest quality standards of services provided to the customer, while complying fully with the legal requirement to the generation and supply of electricity.
5. Keep education and training programs for the employees in issues related to quality, extensible to suppliers and business partners.
6. Evaluate and recognize the quality of the work performed by the employees, individually or collectively, as well as by suppliers or business partners.
7. This policy is communicated to all the employees within all relevant levels of the organization, and made them understand
8. Is reviewed from time to time for its continuing suitability.

Environmental Policies:

Summit Power Limited (SPL), is very much aware of its social responsibility, is 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 –

1. Practice environmental management as a dynamic, evolutionary process, and with permanent feedback.
2. Seek full compliance with legislation, applicable standards, and other requirements, resulting from agreements signed by the organization, and wherever possible, overcome them.
3. Minimize any significant adverse environmental impacts of new developments using integrated environmental management procedures and planning

4. Provide the sites with adequate facilities, aiming at the environmental protection, associated with adequate employee-workplace environment integration.
5. Implement generation techniques and use of resources that judiciously minimize the generation of waste that is hazardous to the environment.
6. Encourage the adoption of these principles by suppliers, partners and service providers.
7. 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 Occupational Health and Safety Policy -

1. 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.
2. 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.
3. Incorporate occupational health and safety considerations in the planning stage of product and process design.
4. Continually strive to eliminate any foreseeable hazards, which may result in property damage, accidents, or personal injury/illness.
5. Continually improve in OH&S management and OH&S performance
6. Be prepared for emergencies and act promptly to eliminate their resulting incidents/accidents.

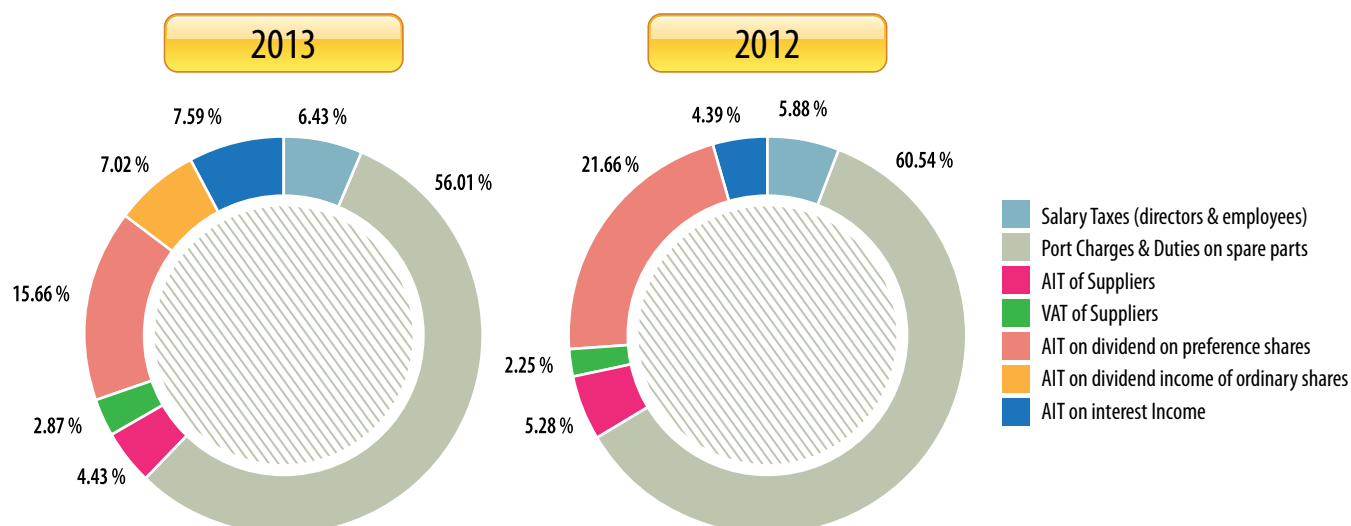
Aiming at ensuring the implementation of the actions related to meet the system requirements, organizational issues are dealt with by Management Representative supported by the Deputy Management Representatives of Quality Management, Environmental Management and Occupational Health and Safety Management.

Contribution to the National Exchequer

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 2,005 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. The Company is now set to increase and enhance its contribution to national economy in the years to come.

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. Such exemption will expire in February 2016 for Summit Power Limited, June 2024 for Summit Purbanchol Power Company Limited, and March 2024 for Summit Uttaranchol Power Company Limited. While Summit Narayanganj Power Limited is exempted from tax for a period of 5 years from the start of its commercial operation dated on 1 April 2011. Conversely, it 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 investment in capital and money market. The estimated amount of contribution was of Taka 192 million in 2012. The details of such contribution to the Nation Exchequer and the Economy is as follows –

Forms of Contribution	Amount	
	2013	2012
Salary Taxes (directors & employees)	12,368,750	12,095,277
Port Charges & Duties on Spare Parts	107,689,123	124,532,701
AIT of Suppliers	8,509,546	10,864,556
VAT of Suppliers	5,513,967	4,628,020
AIT on Dividend on Preference Shares	30,117,600	44,563,185
AIT on Dividend Income of Ordinary Shares	13,488,831	-
AIT on Interest Income	14,593,903	9,026,687
Total	192,281,720	205,710,426



Economic Value Added (EVA) Statement

For the year ended 31 December 2013

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:

$$\text{EVA} = \text{Net Operating Profit After Taxes (NOPAT)} - (\text{Capital} \times \text{Cost of Capital})$$

	Amount in Taka	
	2012	2013
Net operating profit after tax	1,873,474,068	2,184,858,467
Average shareholders' equity	10,611,046,069	12,632,681,922
Cost of capital*	13.50%	13.50%
Cost of average shareholders' equity	1,432,491,219	1,705,412,059
Economic Value Added (EVA)	440,982,849	479,446,408

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



Value Added Statement

Value Added Statement (consolidated)

	Amount in Taka	
	Year-2012	Year-2013
Value added:		
Revenue	5,892,627,264	6,191,915,486
Other income including interest income	68,458,150	134,248,344
Cost of sales, excluding depreciation	(1,767,891,022)	(1,821,070,954)
Other operating expenses	(277,075,620)	(282,873,738)
Total value added	3,916,118,772	4,222,219,138
Distribution of added value:		
To employees as salaries and allowances	159,270,439	217,808,304
To directors as salaries and allowances	43,918,826	56,883,910
To banks and other lenders	698,933,728	529,831,782
To shareholders	985,900,410	887,310,369
	1,888,023,403	1,691,834,365
Retained for reinvestment & future growth:		
Depreciation and amortisation	527,342,555	587,867,456
Retained profit	1,500,752,814	1,942,517,317
	2,028,095,369	2,530,384,773
	3,916,118,772	4,222,219,138

Report of Audit Committee

The Audit Committee of Summit Power Limited (SPL) was established and its Charter was approved by the Company's Board in its meeting held on July 26, 2009. The Committee, a sub-committee of the Board, supports the Board in fulfilling its oversight responsibilities.

The Audit Committee of SPL comprises of the following Board members:

Mr. Abbas Uddin Ahmed, Independent Director	Chairman
Mr. Syed Fazlul Haque FCA, Director	Member
Lt Gen (Retd) Abdul Wadud, Managing Director	Member

A total of 4 (four) meetings were held since the last Annual General Meeting of SPL, the last being on 26th April 2014. Besides, Company Secretary who supports the committee as its secretary as well, permanent invitees to the meetings were the CFO and Head of Internal Audit. Relevant heads of other functions and representative(s) of External Audit are also invited as required.

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:

- Reviewing the quarterly, half-yearly and annual financial statements and 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 the appointment, re-appointment or removal of external auditors.
- Reviewing and monitoring the Company's ethical standards and procedures to ensure compliance with the regulatory and financial reporting requirements.

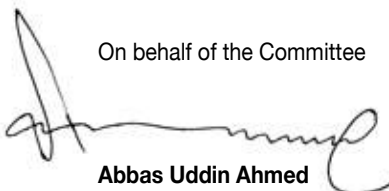
Activities of the Committee On Company's affairs for the period under report

The Committee during the period under report met four times and its activities include:

- Reviewed, among other issues, 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 & Exchange Commission.
- Also reviewed the audited financial statements of the Company together with consolidated statements with its subsidiaries for the year ended 31st December 2013 and being satisfied that the critical accounting policies, significant judgments and practices used by the Company are compliant with the required laws and regulations, also confirmed by the external auditor in their independent report, recommended to Board for adoption.
- Committee recommended Hoda Vasi Chowdhury & Co, Chartered Accountants, for re-appointment as the external auditors of the Company for the year ending on 31st December 2014.
- Reviewed the external auditors' findings arising from audit, particularly comments and responses given by the management.
- Reviewed the matters as per requirement from the Bangladesh Securities and Exchange Commission (BSEC).

The committee is of the opinion that reasonable 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



Abbas Uddin Ahmed
Chairman



Financials



Hoda Vasi Chowdhury & Co

Chartered Accountants

INDEPENDENT CORRESPONDENT FIRM TO DELOITTE TOUCHE TOHMATSU

AUDITORS' REPORT

to the Shareholders of Summit Power Limited

Introduction

We have audited the accompanying financial statements of Summit Power Limited (the Company), which comprise the statement of financial position as at 31 December 2013, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes and all related consolidated financial statements of Summit Power Limited and its subsidiaries (together referred to as "the Group").

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), the Companies Act (#18) 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

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

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

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

Basis of Qualified Opinion

The Bangladesh Labour (Amendments) Act 2013 has been enacted in July 2013 which requires 5% of the Company's profits to be distributed each year to a Workers' Profit Participation Fund (WPPF). The subsidiaries of the Company have not made WPPF provisions as per said Labour Act requirements. Management disclosure on the issue is given in Note-48 to the financial statements. Had this provision been made in the accounts, the net profit for the year ended 31 December 2013 would have been decreased by Tk. 17,983,009 for Summit Uttaranchol Power Company Limited, by Tk. 29,953,151 for Summit Purbanchol Power Company Limited and by Tk. 42,759,363 for Summit Narayanganj Power Limited. Like the subsidiaries the Company also has not made any provision in this regard, otherwise profit of the Company (SPL) would decrease by Tk. 50,795,862.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis of Qualified Opinion paragraph, the financial statements including consolidated financial statements, prepared in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), give a true and fair view of the state of the Company's/group's affairs as at 31 December 2013 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act (#18) 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- 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;
- in our opinion, proper books of account as required by law have been kept by the Company/Group so far as it appeared from our examination of these books;
- the statement of financial position (balance sheet) and statement of comprehensive income (profit and loss account) dealt with by the report are in agreement with the books of account; and
- the expenditures incurred were for the purposes of the Company and its subsidiaries.

Dhaka, 29 April 2014



Chartered Accountants

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STATEMENT OF FINANCIAL POSITION


as at 31 December 2013

	Notes	AS AT 31 DECEMBER 2013		AS AT 31 DECEMBER 2012	
		CONSOLIDATED	SEPARATE	CONSOLIDATED	SEPARATE
		Taka	Taka	Taka	Taka
Assets					
<i>Non current assets:</i>					
Property, plant and equipment, net	5	13,261,427,574	3,778,789,411	13,462,427,251	3,784,237,986
Intangible assets, net	6	8,596,040	8,466,874	9,276,170	9,047,004
Goodwill arising on consolidation	7	518,284,044	-	-	-
Investment in subsidiaries	8	-	1,639,789,350	-	1,639,789,350
Investment in associates	9	100,000,000	100,000,000	10,000,000	10,000,000
Available-for-sale financial assets	10	2,995,100,662	2,995,100,662	2,703,890,148	2,703,890,148
		16,883,408,320	8,522,146,297	16,185,593,569	8,146,964,488
<i>Current assets:</i>					
Inventories	11	1,334,837,627	515,893,928	902,905,660	485,158,526
Trade receivables	12	2,008,611,219	1,186,146,876	1,412,763,265	527,327,440
Sundry receivables	13	77,893,846	72,813,258	101,755,052	98,190,565
Inter company receivables	14	-	346,853,661	-	258,061,298
Due from associates	15	2,127,684	2,127,684	2,746,795	2,746,795
Advances, deposits and prepayments	16	171,323,647	70,176,711	225,685,809	61,425,828
Cash and cash equivalents	17	1,556,977,673	676,973,085	2,399,159,338	440,947,202
		5,151,771,696	2,870,985,203	5,045,015,919	1,873,857,654
Total assets		22,035,180,016	11,393,131,500	21,230,609,488	10,020,822,142
Equity and Liabilities					
<i>Shareholders' equity:</i>					
Share capital	18	5,915,402,460	5,915,402,460	4,929,502,050	4,929,502,050
Share premium	19	3,501,083,574	2,900,697,657	2,900,697,657	2,900,697,657
Revaluation reserve		688,025,459	489,521,353	794,231,503	586,659,003
Fair value reserve		(660,695,722)	(660,695,722)	(951,906,236)	(951,906,236)
Retained earnings		4,431,439,702	1,133,492,572	3,717,583,396	1,006,338,094
		13,875,255,472	9,778,418,320	11,390,108,370	8,471,290,568
<i>Non controlling interest</i>	20	3,243,977,518	-	3,385,516,375	-
		17,119,232,991	9,778,418,320	14,775,624,745	8,471,290,568
<i>Non-current liabilities:</i>					
Project loan - non-current portion	21	1,071,465,349	-	2,013,738,524	-
Redeemable preference shares - non-current portion	22	778,368,580	-	1,241,998,725	-
Payable to SIMCL - non-current portion	23	954,799,154	954,799,154	849,062,168	849,062,168
Finance lease - non-current portion	24	216,673	-	1,472,558	790,631
Deferred liabilities	25	82,421,960	47,110,836	22,620,528	22,620,528
		2,887,271,716	1,001,909,990	4,128,892,503	872,473,327
<i>Current liabilities:</i>					
Dividend payable on ordinary shares	26	6,047,388	6,047,388	6,047,388	6,047,388
Trade creditors	27	90,118,542	42,337,655	135,865,829	39,065,835
Sundry creditors and accruals	28	94,591,599	63,834,970	237,990,960	65,481,422
Project loan - current portion	21	868,500,000	-	973,693,938	63,006,438
Redeemable preference shares - current portion	22	468,368,900	-	468,368,900	-
Payable to SIMCL - current portion	23	500,000,000	500,000,000	500,000,000	500,000,000
Finance lease - current portion	24	1,048,880	583,177	4,125,225	3,457,164
		2,028,675,309	612,803,190	2,326,092,240	677,058,247
Total liabilities		4,915,947,025	1,614,713,180	6,454,984,743	1,549,531,574
Total equity and liabilities		22,035,180,016	11,393,131,500	21,230,609,488	10,020,822,142

The annexed notes 1 to 49 form an integral part of these financial statements.



Managing Director



Director



Company Secretary

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2013

	Notes	2013		2012	
		CONSOLIDATED	SEPARATE	CONSOLIDATED	SEPARATE
		Taka	Taka	Taka	Taka
Revenue	29	6,191,915,486	2,329,514,069	5,892,627,264	2,102,821,595
Cost of sales	30	(2,373,939,738)	(953,123,118)	(2,268,685,312)	(959,526,054)
Gross profit		3,817,975,748	1,376,390,951	3,623,941,952	1,143,295,541
Other income, net	31	86,514,242	71,908,941	11,577,936	4,304,730
Operating expenses					
General and administrative expenses	32	(592,564,624)	(250,324,302)	(506,813,150)	(237,738,623)
Operating profit		3,311,925,366	1,197,975,590	3,128,706,738	909,861,648
Finance income, net	33	(482,097,680)	(182,058,352)	(642,053,514)	(221,730,685)
Profit before income tax		2,829,827,686	1,015,917,238	2,486,653,224	688,130,963
Income tax expenses		-	-	-	-
Profit after income tax		2,829,827,686	1,015,917,238	2,486,653,224	688,130,963
Other comprehensive income					
Net change in fair value of available-for-sale financial assets		291,210,514	291,210,514	(718,694,729)	(718,694,729)
Total comprehensive income for the year		3,121,038,200	1,307,127,752	1,767,958,495	(30,563,766)
Profit attributable to:					
Owners of the company		2,184,858,468	-	1,873,474,068	-
Non controlling interest		644,969,218	-	613,179,156	-
Profit for the year		2,829,827,686	-	2,486,653,224	-
Total comprehensive income attributable to:					
Owners of the company		2,476,068,983	-	1,154,779,339	-
Non controlling interest		644,969,218	-	613,179,156	-
Total comprehensive income for the year		3,121,038,200	-	1,767,958,495	-
Earnings per share	34	3.69	1.72	3.80	1.40
Re-stated earnings per share		-	-	3.17	1.16

The annexed notes 1 to 49 form an integral part of these financial statements.



Managing Director



Director



Company Secretary

Dhaka, 29 April, 2014



Chartered Accountants

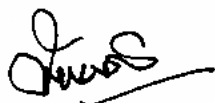
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2013

	Equity attributable to owners of the company						Non controlling interest	Total equity
	Share capital	Share premium	Reserve			Sub-total		
			Revaluation reserve	Fair value reserve	Retained earnings			
Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	
Balance as at 1 January 2012	3,943,601,640	2,900,697,657	794,231,503	(233,211,507)	2,830,009,738	10,235,329,031	1,572,337,219	11,807,666,250
Issue of bonus shares to shareholders	985,900,410	-	-	-	(985,900,410)	-	-	-
Share money deposit on account of SPPCL	-	-	-	-	-	-	1,200,000,000	1,200,000,000
Total comprehensive income for the year	-	-	-	-	1,873,474,068	1,873,474,068	613,179,156	2,486,653,224
Net change in fair value of available-for-sale financial assets	-	-	-	(718,694,729)	-	(718,694,729)	-	(718,694,729)
Balance as at 31 December 2012	4,929,502,050	2,900,697,657	794,231,503	(951,906,236)	3,717,583,396	11,390,108,370	3,385,516,375	14,775,624,745
Additional liquidity damage charge adjusted against retained earnings	-	-	-	-	(43,534,644)	(43,534,644)	-	(43,534,644)
Payment for transaction costs	-	-	-	-	-	-	(55,014,416)	(55,014,416)
Transfer from reserve to retained earnings	-	-	(97,137,650)	-	97,137,650	-	-	-
Dilution of ownership in SPPCL, retained earnings adjustments	-	-	-	-	(294,895,228)	(294,895,228)	294,895,228	-
Gain on dilution of SPL's ownership in SPPCL	-	600,385,917	-	-	-	600,385,917	(600,385,917)	-
Sale of SIMCL's 20% share in SNPL to SPPCL	-	-	-	-	(243,809,530)	(243,809,530)	(527,831,425)	(771,640,955)
Issue of bonus shares to shareholders	985,900,410	-	-	-	(985,900,410)	-	-	-
Revaluation of land and land development in SNPL	-	-	51,018,033	-	-	51,018,033	41,742,028	92,760,061
Minority's share of revaluation of land in SPPCL	-	-	(60,086,427)	-	-	(60,086,427)	60,086,427	-
Total comprehensive income for the year	-	-	-	-	2,184,858,468	2,184,858,468	644,969,218	2,829,827,686
Net change in fair value of available-for-sale financial assets	-	-	-	291,210,514	-	291,210,514	-	291,210,514
Balance as at 31 December 2013	5,915,402,460	3,501,083,574	688,025,459	(660,695,722)	4,431,439,702	13,875,255,473	3,243,977,518	17,119,232,991

Revaluation reserve of the Company (SPL) Tk. 97,137,650 (difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost) had been transferred directly to retained earnings of which Tk. 78,283,772 relates to the period upto 31 December 2012.

Provision was made during the year for liquidated damage on account of plant non-availability in 2012 relating to Summit Narayananj Power Limited. But, provision could not be made earlier for want of appropriate estimation of the liquidated damage because of complexity of the issue and the actual payment was significantly higher than the provision made this year.



Managing Director



Director



Company Secretary

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2013

	Share capital	Share premium	Revaluation reserve	Fair value reserve	Retained earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 1 January 2012	3,943,601,640	2,900,697,657	586,659,003	(233,211,507)	1,304,107,541	8,501,854,334
Issue of bonus shares to shareholders	985,900,410	-	-	-	(985,900,410)	-
Net change in fair value of available-for-sale financial assets	-	-	-	(718,694,729)	-	(718,694,729)
Total comprehensive income for the year	-	-	-	-	688,130,963	688,130,963
Balance as at 31 December 2012	4,929,502,050	2,900,697,657	586,659,003	(951,906,236)	1,006,338,094	8,471,290,568
Transfer from revaluation reserve to retained earnings	-	-	(97,137,650)	-	97,137,650	-
Issue of bonus shares to shareholders	985,900,410	-	-	-	(985,900,410)	-
Net change in fair value of available-for-sale financial assets	-	-	-	291,210,514	-	291,210,514
Total comprehensive income for the year	-	-	-	-	1,015,917,238	1,015,917,238
Balance as at 31 December 2013	5,915,402,460	2,900,697,657	489,521,353	(660,695,722)	1,133,492,572	9,778,418,320

Revaluation reserve Tk. 97,137,650 (difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost) had been transferred directly to retained earnings of which Tk. 78,283,772 relates to the period upto 31 December 2012.



Managing Director



Director



Company Secretary

STATEMENT OF CASH FLOWS

for the year ended 31 December 2013

	2013		2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka
Cash flow from operating activities:				
Cash receipts from customers	5,596,067,532	1,670,694,633	5,459,432,164	1,782,927,857
Cash paid to suppliers and employees	(2,930,522,085)	(998,841,775)	(2,512,906,214)	(1,053,789,970)
Receipts from other sources	152,895,213	131,543,034	105,284,505	89,017,689
Interest and other charges paid	(396,546,350)	(110,578,152)	(664,062,836)	(269,617,289)
Net cash flow from operating activities	2,421,894,310	692,817,740	2,387,747,619	548,538,287
Cash flow from investing activities:				
Property, plant and equipment	(422,735,603)	(211,947,549)	(367,177,736)	(229,536,672)
Capital work in progress	-	-	(57,761,959)	-
Investments in subsidiary and associates	(1,379,925,000)	(90,000,000)	(8,482,038)	(8,482,038)
Net cash used in investing activities	(1,802,660,603)	(301,947,549)	(433,421,733)	(238,018,710)
Cash flow from financing activities:				
Payments towards project loan	(934,318,938)	(63,006,438)	(804,722,794)	(117,657,169)
Payments towards redeemable preference shares	(468,368,900)	-	(468,368,900)	-
Payments for lease finance	(4,332,230)	(3,664,618)	(6,516,777)	(5,201,212)
Payments for transaction costs	(55,014,416)	-	-	-
Payments to SIMCL	-	-	(556,464,174)	(556,464,174)
Proceeds from share money deposit on Summit Purbanchol	-	-	1,200,000,000	-
Financing from/(to) inter company	619,112	(88,173,252)	-	268,377,390
(Payment for)/sale of fractional shares, net	-	-	(132,340)	(132,340)
Net cash flow (used)/from financing activities	(1,461,415,372)	(154,844,308)	(636,204,985)	(411,077,505)
Net changes in cash and cash equivalents	(842,181,665)	236,025,883	1,318,120,901	(100,557,928)
Cash and cash equivalents at 1 January	2,399,159,338	440,947,202	1,081,038,437	541,505,130
Cash and cash equivalents at 31 December	1,556,977,673	676,973,085	2,399,159,338	440,947,202



Managing Director



Director



Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

1. Reporting entity

1.1 Company profile

Summit Power Limited (hereinafter referred to as “the Company”/“the parent company”) is a Public Limited Company incorporated in Bangladesh on 7 June 2004 under the Companies Act (# 18) 1994 under registration no: C 32630 (1751)/97 dated 30 March 1997 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215. The Company was initially registered as a Private Limited on 30 March 1997 Company and subsequently converted into a Public Limited. During October-November 2005, the Company listed its shares with both Dhaka and Chittagong Stock Exchanges. The consolidated financial statements of the Company as at and for the year ended 31 December 2013 comprise the Company and its subsidiaries. Profile of subsidiaries is as under:

Summit Purbanchol Power Company Limited was incorporated in Bangladesh on 15 August 2007 as a Private Limited Company under Companies Act (#18) 1994 under registration no: C 68123 (674)/07 dated 15 August 2007 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh.

Summit Uttaranchol Power Company Limited was incorporated in Bangladesh on 15 August 2007 as a Private Limited Company under Companies Act (#18) 1994 under registration no: C 68122(673)/07 dated 15 August 2007 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh.

Summit Narayanganj Power Limited was incorporated in Bangladesh on 4 May 2010 as a Private Limited Company under Companies Act (#18) 1994 under registration no: C 84422/10 dated 4 May 2010 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh.

1.2 Nature of business

The principal activity of the Company/group is to generate and supply of electricity. Operational details of the Company including its subsidiaries are as under.

Name of plant	Location	Plant capacity MW	Operation starting date	Period of PPA Year
Ashulia Power Plant (Unit-1)	Savar, Dhaka	11.00	8 Feb 2001	15
Ashulia Power Plant (Unit-2)	Savar, Dhaka	33.75	4 Dec 2007	15
Madhabdi Power Plant (Unit-1)	Narsingdi	11.00	1 Apr 2001	15
Madhabdi Power Plant (Unit-2)	Narsingdi	24.30	16 Dec 2006	15
Chandina Power Plant (Unit-1)	Comilla	11.00	2 Jun 2001	15
Chandina Power Plant (Unit-2)	Comilla	13.50	15 Nov 2006	15
Rupganj Power Plant	Narayanganj	33.00	9 Jun 2009	15
Jangalia Power Plant	Comilla	33.00	25 Jun 2009	15
Maona Power Plant	Gazipur	33.00	12 May 2009	15
Ullapara Power Plant	Sirajganj	11.00	3 Mar 2009	15
Madanganj Power Plant	Narayanganj	102.00	1 Apr 2011	5

All the above power plants are natural gas based, except Madanganj power plant which is based on furnace oil (HFO).

2. Basis of preparation

2.1 Statement of compliance

These financial statements (including consolidated and separate financial statements) have been prepared in accordance with Bangladesh Accounting Standards (BAS), Bangladesh Financial Reporting Standards (BFRS), Companies Act (#18) 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

The financial statements were authorised for issue by the Board of Directors on 29 April 2014

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

The following Bangladesh Financial Reporting Standards (BFRS) have been newly adopted while preparing these financial statements to ensure compliance with standards which are effective from 2013:

Title of relevant BFRS	Effective date
a. BFRS 7: Offsetting Financial Assets and Financial Liabilities (Amendments to BFRS 7)	1 January 2013
b. BFRS 9: Financial Instruments	1 January 2013
c. BFRS 10: Consolidated Financial Statements	1 January 2013
d. BFRS 12: Disclosure of Interests in Other Entities	1 January 2013
e. BFRS 13: Fair Value Measurement	1 January 2013
f. BAS 27: Separate Financial Statements	1 January 2013
g. Presentation of items of Other Comprehensive Income (Amendments to BAS 1)	1 January 2013
h. Disclosures of recoverable amount for non-financial assets (Amendments to BAS 36)	1 January 2013

2.2 Basis of measurement

Financial statements have been prepared on historical cost basis except for civil works and other constructions, plant and machinery and land and land development which are stated at revaluation amount, while available for sale financial assets are measured at fair value.

2.3 Functional and presentational currency and level of precision

These financial statements are presented in Bangladeshi Taka (Taka/Tk./BDT) which is both functional currency and presentation currency of the group/Company. The amounts in these financial statements have been rounded off to the nearest Taka.

2.4 Use of estimates and judgement

The preparation of financial statements in conformity with BAS/BFRS 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. 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.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in the following notes:

Lease classification	Note: 24
Other creditors and accruals	Note: 28
Depreciation	Note: 5.1
Amortisation	Note: 6

2.5 Reporting period

These financial statements cover the period from 1 January to 31 December 2013.

2.6 Preparation and presentation of Financial Statements

The management of the Company is responsible for the preparation and presentation of Financial Statements of Summit Power Limited and the consolidated accounts of the Group for the year ended 31 December 2013.

3. Significant accounting policies

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

3.1 Basis of consolidated and separate financial statements

(a) 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 Purbanchol Power Company Limited	71.05	28.95
Summit Uttaranchol Power Company Limited	51.48	48.52
Summit Narayangonj Power Company Limited	69.21	30.79

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

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. However, in the year 2013, the subsidiaries have no such loss to take any action in this regard.

(b) *Transactions eliminated on consolidation*

The financial statements of the subsidiaries have been consolidated with those of Summit Power Limited in accordance with BFRS 10 Consolidated and Separate 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 31 December 2013, the Company has no such investments.

(c) *Basis of preparation of separate financial statements (note 2.1.f)*

The group has presented separate financial statements in addition to consolidated financial statements.

(d) *Disclosure of interests in other entities (note 2.1.d)*

As a result of BFRS 12, the group has extended its disclosures about its interests in subsidiaries and equity-accounted investees in note 38.

3.2 Property, plant and equipment

(a) *Recognition and measurement*

Items of property, plant and equipment 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.

(b) *Capitalisation of borrowing cost*

Finance costs that are directly attributable to the construction of plants are included in the cost of those plants in compliance with BAS 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.

(c) *Subsequent costs*

The cost of replacing 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 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 comprehensive income as incurred. Spare parts whose estimated useful life is more than one year are capitalised and depreciated using the straight-line method over the estimated useful life of between 2 to 10 years when used in major repair and maintenance processes. The spare parts which are replaced by a major overhaul will be removed from the cost of property, plant and equipment.

(d) *Revaluation of land and plant and machinery*

S. F. Ahmed & Co., Chartered Accountants has revalued the plant and machinery and civil works of the Company as at 31 December 2008 following the current cost accounting method. The revaluation resulted in a revaluation surplus aggregating to Tk 794,231,503 as at 31 December 2008 for the group. After this, no further revaluation work has been done.

(e) *Depreciation*

Depreciation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful lives of each item of property, plant and equipment including leased assets. Land is 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. According to the Power Purchase Agreement independent engineers' report confirms the availability of plants for use. 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.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

Depreciation of power plant has been charged considering 30 years useful life and residual value of 15% 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 the management can apply for extension of the agreement two years before the expiry of the agreement and management has decided to exercise this option unless it would clearly be not in the interest of the Company at that stage except Madanganj power plant under Summit Narayananj Power Limited.

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

	2013 Year	2012 Year
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:	2 to 30	2 to 30

(f) *Retirements and disposals*

An asset is derecognised upon disposal or when no future economic benefits are expected from its use and subsequent disposal. Gains or losses arising from the retirement or disposal of an asset 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 the statement of comprehensive income.

(g) *Asset retirement obligations (ARO)*

Asset retirement obligations (ARO) are recognized 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 recognized 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 profit or loss as a finance cost as it occurs.

Management commenced recognising ARO provision from 30 June 2013. This is a change in accounting policy. However, as the amount of ARO provision is not material, prior period's figures have not been restated.

(h) *Capital work in progress*

Capital work in progress consists of acquisition costs of plant and machinery, capital components and related installation cost until the date placed in service. 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, i.e. at the time shipment is confirmed by the supplier.

3.3 Intangible assets

(a) *Recognition and measurement*

Intangible assets that are acquired by the group 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 BAS 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.

(b) *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 profit or loss as incurred.

(c) *Amortisation*

IT software and brand are amortised over 5 and 30 years respectively from the year of first utilisation. The brand represents a payment made by the Summit Power Limited in 2008 to Summit Industrial & Mercantile Corporation (Pvt.) Limited for the former to use name and other intellectual properties of Summit Industrial & Mercantile Corporation (Pvt.) Limited.

Amortisation of intangible assets is charged from the year of acquisition and are amortised under straight line method.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

3.4 Leased assets

3.4.1 Finance lease

Leases in terms of which the entity assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Each lease payment is allocated to the principal amount and to the finance charges in a such a way to achieve a constant rate on the finance balance outstanding.

(a) Recognition and measurement

Finance leases have been recognised as assets and liabilities in the statement of financial position at amounts equal at the inception of lease to the lower of fair value of leased property and present value of minimum lease payments. The interest implicit in the lease has been spreaded equally over the lease term.

(b) Depreciation

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

3.4.2 Operating lease

All leases other than those which meet the definition of finance lease are treated as operating lease and are not recognised in the statement of financial position. Payments made under operating leases are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

3.5 Inventories

Inventories consisting of maintenance spare parts, lube oil, and fuel. These are for use in the operation and maintenance of power plants. Inventories are measured and stated at cost less allowance for obsolescence. Cost is calculated on First In First Out (FIFO) basis.

3.6 Provisions

A provision is recognised in the statement of financial position when the company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provision is ordinarily measured at the best estimate of the expenditure required to settle the present obligation at the date of statement of financial position. Where the effect of time value of money is material, the amount of provision is measured at the present value of the expenditures expected to be required to settle the obligation.

3.7 Contingencies

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

3.8 Employee benefits

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

(a) Defined benefit plan (gratuity)

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company operates an unfunded gratuity scheme which is a defined benefit scheme. A provision in respect of this is made periodically covering all permanent employees by applying period of employment to latest basic salary. Although no actuarial valuation was done to quantify actuarial liabilities as per BAS 19 Employment Benefits, such valuation is not likely to yield a result significantly different from the current provision as the number of permanent employee who fall under this plan is only two hundred and eighty nine. Gratuity scheme is not recognised by the National Board of Revenue.

(b) Defined contribution plan (CPF)

The Company/group 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 Company @ 10% of the basic pay. These contributions are invested separately from the Company's/group's business. This fund is recognised by National Board of Revenue.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

(c) *Defined benefit plan (leave encashment)*

The 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 15 days accrual per year per employee.

3.9 Revenue

Revenue is recognised in the statement of 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) comprises capacity payments and energy payments. Capacity payments are recognised according to the terms set out in the PPA. Energy payments are calculated based on electricity delivered.

3.10 Taxation

No provision is required for income tax on the Company's/group's profits as the 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. Such exemption will expire in February 2016 for Summit Power Limited, June 2024 for Summit Purbanchol Power Company Limited and March 2024 for Summit Uttaranchol Power Company Limited. While Summit Narayanganj Power Limited is exempted from tax for a period of 5 years from start of its commercial operation dated 1 April 2011.

3.11 Deferred tax

As there is considerable uncertainty with regard to the taxation of such companies after the expiry of the tax exemption period, the management feels it is not possible to make a reasonable estimate of deferred tax and make its provision at this stage.

3.12 Foreign currency translation

Foreign currency transactions are translated into Bangladeshi taka at the rates ruling on the transaction date. All monetary assets and liabilities at the statement of financial position date are retranslated using rates prevailing on that day. In accordance with Schedule XI of the Companies Act (#18) 1994 all differences arising on outstanding foreign currency loans are adjusted against the fixed assets for which such foreign currency borrowing took place. This treatment is not in accordance with BAS 21 The Effects of Changes in Foreign Exchange Rates, which requires all differences arising from foreign exchange transactions to be recognised in the statement of comprehensive income. However management feel the impact on profits due to the difference in treatment is immaterial and does not impact in the current year. All other differences are taken to the statement of comprehensive income.

3.13 Finance income and expenses

Finance income comprises interest income and dividend income on funds invested. Interest income is recognised on accrual basis while dividend income is recognised on receipts.

Finance expenses comprise interest expense on loan, overdraft, finance lease and bank charges. All borrowing costs are recognised in the statement of comprehensive income using effective interest method except to the extent that they are capitalised during construction period of the plants in accordance with BAS 23 Borrowing cost.

3.14 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.

3.14.1 *Financial assets*

The group initially recognises receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the date at which the group becomes a party to the contractual provisions of the transaction.

The group derecognises a financial asset when the contractual rights or probabilities of receiving the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets carried in the statement of financial position include cash and cash equivalents, trade and other receivables, other long term receivables and deposits.

(a) *Cash and cash equivalents*

Cash and cash equivalents include cash in hand and cash at banks which are held and available for use by the company without any restriction. For the purposes of the cash flow statement, 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 Company's/group's cash management are included as a

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

component of cash and cash equivalents for the purpose of the statement of cash flows. Cash flows from operating activities have been presented under direct method.

(b) *Trade receivables*

Trade receivables consists of unpaid bills receivable from Rural Electrification Board (REB) 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 period end.

(c) *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale by management. Subsequent to initial recognition, they are measured at fair value and changes therein, other than 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 reclassified to profit or loss.

3.14.2 *Financial liabilities*

The group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the transaction date at which the group becomes a party to the contractual provisions of the liability.

Financial liabilities include loans and borrowings, finance lease obligation, accounts payable and other payables.

(a) *Finance lease obligation*

Leases in terms of which the entity assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

(b) *Loans and borrowings*

Principal amounts of the 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.

(c) *Trade payables*

The Company/group recognises a financial liability 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.

(d) *Redeemable preference shares*

Summit Purbanchol Power Company Limited and Summit Uttaranchol Power Company Limited had issued redeemable preference shares during 2010. As per BAS 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.

3.15 *Impairment*

(a) *Financial assets*

Trade receivable is assessed at each date of statement of financial position to determine whether there is objective evidence that it is impaired. Trade receivable is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the assets, and that the loss had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

(b) *Disclosures of recoverable amount for non-financial assets (note 2.1.h)*

At each reporting date indications of impairment are reviewed. For this review, the group is considered as a single cash generating unit and both tangible and intangible assets are reviewed. If any indication exists, the assets' recoverable amount will need to be estimated. As at 31 December 2013, the assessment of indicators of impairment reveals that impairment testing is not required for the group.

(c) *Inventories*

Inventories are measured and stated at cost less allowance for obsolescence. These are for use in the operation and maintenance of power plants. As inventories are for internal use, the value is unlikely to diminish.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

3.16 Earnings per share (EPS)

The Company/group 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 Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by the 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. However, dilution of EPS is not applicable for these financial statements as there was no potential dilutive ordinary shares during the year 2013.

3.17 BFRS 13: Fair Value Measurement

BFRS 13 (effective from 1 January 2013) establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other BFRSs. It unifies the definition of fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It replaces and expands the disclosure requirements about fair value measurements in other BFRSs, including BFRS 7. As result the Company has included additional disclosures in this regard (See Note 38). The requirements of this BFRS has no significant impact on the measurement of the Company's assets and liabilities.

3.18 Disclosures- Offsetting Financial Assets and Financial Liabilities (Amendments to BFRS 7) (note 2.1.a)

The Company has adopted this amendments to BFRS 7. However, this has no impact on the financial statements.

3.19 Presentation of items of Other Comprehensive Income (Amendments to BAS 1) (note 2.1.g)

As a result of the amendments to BAS 1, the Company adopted the policy to separately present items that would be reclassified to profit or loss from those that would never be. However this requirements do not have any material impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

5. Property, plant and equipment, net

As at 31 December 2013 (Consolidated)

a) Own assets

i) Cost

PARTICULARS	COST/REVALUATION				Rate %	DEPRECIATION				Written down value as at 31 December 2013
	Balance as at 1 January 2013	Addition	Disposal	Balance as at 31 December 2013		Balance as at 1 January 2013	Charged	Disposal	Balance as at 31 December 2013	
		during the year				during the year				
	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka	
Land and land development	338,541,151	2,310,000	-	340,851,151	-	-	-	-	340,851,151	
Furniture and fixtures	10,277,905	4,803,187	-	15,081,092	10	3,043,538	1,183,533	-	10,854,021	
Office and electrical equipment	22,669,970	4,874,012	-	27,543,982	20	13,688,510	3,435,011	-	10,420,461	
Office decoration	25,883,404	529,184	-	26,412,588	20	16,493,403	3,720,167	-	6,199,018	
Motor vehicles	53,873,711	8,084,454	1,306,441	60,651,724	20	36,212,719	6,695,376	(1,241,133)	16,502,496	
Maintenance equipment	11,141,445	4,608,662	-	15,750,107	20	2,006,197	2,554,407	-	11,189,503	
Civil works and others	51,200,803	76,332,882	-	127,533,685	20	37,735,113	11,059,899	-	78,738,673	
Plant and machinery:										
Ashulia Power Plant (Unit-1)	378,264,915	68,980,224	30,094,670	417,150,469	3.33 - 50	144,827,252	17,696,830	30,094,670	284,721,057	
Ashulia Power Plant (Unit-2)	1,396,026,271	3,873,745	-	1,399,900,016	3.33 - 50	232,036,682	39,669,396	-	1,128,193,938	
Madhabdi Power Plant (Unit-1)	399,835,460	1,262,554	-	401,098,014	3.33 - 50	120,891,386	31,728,880	-	248,477,748	
Madhabdi Power Plant (Unit-2)	961,987,457	33,462,130	23,851,413	971,598,174	3.33 - 50	176,728,642	39,797,393	23,851,413	778,923,552	
Chandina Power Plant (Unit-1)	396,093,046	78,414,479	30,094,670	444,412,855	3.33 - 50	150,060,260	24,705,369	30,094,670	299,741,896	
Chandina Power Plant (Unit-2)	598,679,389	9,696,698	7,950,471	600,425,616	3.33 - 50	96,559,627	28,373,708	7,950,471	483,442,752	
Jangalia Power Plant	1,463,825,887	65,000	-	1,463,890,887	3.33 - 50	161,130,792	50,360,395	-	1,252,399,700	
Rupganj Power Plant	1,411,312,387	25,900	-	1,411,338,287	3.33 - 50	152,732,697	55,804,237	-	1,202,801,353	
Maona Power Plant	1,350,244,599	26,189,321	15,259,438	1,361,174,482	3.33 - 50	154,010,761	50,071,090	15,259,438	1,172,352,069	
Ullapara Power Plant	492,340,289	50,149,570	35,430,840	507,059,019	3.33 - 50	80,922,356	20,654,581	35,430,840	440,912,922	
Madanganj Power Plant	5,209,642,095	57,308,601	164,527,460	5,102,423,236	3.33 - 50	255,200,761	177,753,453	30,230,585	4,699,699,607	
Total (i)	14,571,840,184	430,970,603	308,515,403	14,694,295,384		1,834,280,696	565,263,725	171,670,954	2,227,873,467	12,466,421,917

ii) Revaluation

Land and land development	207,572,500	92,760,062	-	300,332,562		-	-	-	300,332,562	
Civil works and others	13,002,138	-	-	13,002,138	20	10,401,712	2,600,426	-	13,002,138	
Plant and machinery :										
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33	19,670,107	4,709,744	-	141,848,052	
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33	391,734	93,796	-	2,824,892	
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33	19,129,972	4,580,416	-	137,952,953	
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33	9,437,338	2,259,644	-	68,056,009	
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33	17,322,027	4,147,528	-	124,915,187	
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33	1,930,882	462,324	-	13,924,260	
Total (ii)	794,231,503	92,760,062	-	886,991,565		78,283,772	18,853,878	-	97,137,650	789,853,915
Total assets (i+ii)	15,366,071,687	523,730,665	308,515,403	15,581,286,949		1,912,564,468	584,117,603	171,670,954	2,325,011,117	13,256,275,832

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as at and for the year ended 31 December 2013

Property, plant and equipment (contd.....)

b) Leased assets

Motor vehicles	28,116,450	-	3,235,000	24,881,450	20	19,196,418	3,069,723	2,536,433	19,729,708	5,151,742
Total (a+b)	15,394,188,137	523,730,665	311,750,403	15,606,168,399		1,931,760,886	587,187,326	174,207,387	2,344,740,825	13,261,427,574

Addition to the plant and machinery had resulted from major overhauling completed in Ashulia Power Plant (Unit 1) and Chandina Power Plant (Unit 1) at 80,000 running hours, in Madhabdi Power Plant (Unit 2) and Chandina Power Plant (Unit 2) at 48,000 running hours, in Ullapara Power Plant at 30,000 running hours, in Maona Power Plant at 32,000 running hours and finally in Madanganj Power Plant at 12,000 running hours. Addition to the plant and machinery had also included an amount to Taka 17,000,000 relating to provision for Assets Retirement Obligation (ARO) for all plants of Summit Power Limited (separate) and Ullapara Power Plant and Maona Power Plant in line with Land Leased Agreement (LLA).

As at 31 December 2013 (Separate)

a) Own assets

i) Cost

PARTICULARS	COST				Rate %	DEPRECIATION				Written down value as at 31 December 2013
	Balance as at 1 January 2013	Addition	Disposal	Balance as at 31 December 2013		Balance as at 1 January 2013	Charged	Disposal	Balance as at 31 December 2013	
	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka	
Land and land development	19,826,850	1,810,000	-	21,636,850	-	-	-	-	-	21,636,850
Furniture and fixtures	5,175,178	1,607,616	-	6,782,794	10	2,065,666	529,379	-	2,595,045	4,187,749
Office and electrical equipment	14,844,755	2,893,023	-	17,737,778	20	10,033,538	1,763,160	-	11,796,698	5,941,080
Office decoration	25,641,952	529,184	-	26,171,136	20	16,357,257	2,595,810	-	18,953,067	7,218,069
Motor vehicles	34,221,729	3,049,182	-	37,270,911	20	20,577,304	5,784,984	-	26,362,288	10,908,623
Maintenance equipment	3,210,989	4,608,662	-	7,819,651	20	1,560,989	1,001,561	-	2,562,550	5,257,101
Civil works and others	42,408,136	1,760,052	-	44,168,188	20	35,745,044	2,156,743	-	37,901,787	6,266,401
Plant and machinery :										
Ashulia Power Plant (Unit-1)	378,264,915	68,980,224	30,094,670	417,150,469	3.33 - 50	144,827,252	17,696,830	30,094,670	132,429,412	284,721,057
Ashulia Power Plant (Unit-2)	1,396,026,271	3,873,745	-	1,399,900,016	3.33 - 50	232,036,682	39,669,396	-	271,706,078	1,128,193,938
Madhabdi Power Plant (Unit-1)	399,835,459	1,262,554	-	401,098,013	3.33 - 50	120,891,386	31,728,880	-	152,620,266	248,477,747
Madhabdi Power Plant (Unit-2)	961,987,457	33,462,130	23,851,413	971,598,174	3.33 - 50	176,728,642	39,797,393	23,851,413	192,674,622	778,923,552
Chandina Power Plant (Unit-1)	396,093,047	78,414,479	30,094,670	444,412,856	3.33 - 50	150,060,260	24,705,369	30,094,670	144,670,959	299,741,897
Chandina Power Plant (Unit-2)	598,679,389	9,696,698	7,950,471	600,425,616	3.33 - 50	96,559,627	28,373,708	7,950,471	116,982,864	483,442,752
Total (i)	4,276,216,127	211,947,549	91,991,224	4,396,172,452		1,007,443,647	195,803,213	91,991,224	1,111,255,636	3,284,916,816

ii) Revaluation

Civil works and others	13,002,138	-	-	13,002,138	20	10,401,712	2,600,426	-	13,002,138	-
Plant and machinery :										
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33	19,670,107	4,709,744	-	24,379,851	141,848,052
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33	391,734	93,796	-	485,530	2,824,892
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33	19,129,972	4,580,416	-	23,710,388	137,952,953
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33	9,437,338	2,259,644	-	11,696,982	68,056,009
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33	17,322,027	4,147,528	-	21,469,555	124,915,187
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33	1,930,882	462,324	-	2,393,206	13,924,260
Total (ii)	586,659,003	-	-	586,659,003		78,283,772	18,853,878	-	97,137,650	489,521,353
Total assets (i+ii)	4,862,875,130	211,947,549	91,991,224	4,982,831,455		1,085,727,419	214,657,091	91,991,224	1,208,393,286	3,774,438,169

b) Leased assets

Motor vehicles	23,225,000	-	-	23,225,000	20	16,134,725	2,739,033	-	18,873,758	4,351,242
Total (a+b)	4,886,100,130	211,947,549	91,991,224	5,006,056,455		1,101,862,144	217,396,124	91,991,224	1,227,267,044	3,778,789,411

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

As at 31 December 2012 (Consolidated)
a) Own assets
i) Cost

PARTICULARS	COST/REVALUATION				Rate %	DEPRECIATION				Written down value as at 31 December 2012
	Balance as at 1 January 2012	Addition	Disposal	Balance as at 31 December 2012		Balance as at 1 January 2012	Charged	Disposal	Balance as at 31 December 2012	
		during the year				during the year				
	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka	
Land and land development	315,235,990	23,305,161	-	338,541,151	-	-	-	-	-	338,541,151
Furniture and fixtures	8,559,697	1,963,837	245,629	10,277,905	10	2,432,892	854,845	244,199	3,043,538	7,234,367
Office and electrical equipment	20,346,875	3,516,941	1,193,846	22,669,970	20	12,047,656	2,829,100	1,188,246	13,688,510	8,981,460
Office decoration	25,229,280	654,124	-	25,883,404	20	12,961,949	3,531,454	-	16,493,403	9,390,001
Motor vehicles	50,071,711	3,802,000	-	53,873,711	20	28,255,678	7,957,041	-	36,212,719	17,660,992
Maintenance equipment	2,164,597	8,976,848	-	11,141,445	20	1,815,132	191,065	-	2,006,197	9,135,248
Civil works and others	42,952,024	8,248,779	-	51,200,803	20	34,802,553	2,932,560	-	37,735,113	13,465,690
Plant and machinery:										
Ashulia Power Plant (Unit-1)	378,264,915	-	-	378,264,915	3.33 - 50	127,694,736	17,132,516	-	144,827,252	233,437,663
Ashulia Power Plant (Unit-2)	1,396,026,271	-	-	1,396,026,271	3.33 - 50	192,367,286	39,669,396	-	232,036,682	1,163,989,589
Madhabdi Power Plant (Unit-1)	316,637,788	128,339,677	45,142,005	399,835,460	3.33 - 50	143,925,187	22,108,204	45,142,005	120,891,386	278,944,074
Madhabdi Power Plant (Unit-2)	961,987,457	-	-	961,987,457	3.33 - 50	139,492,930	37,235,712	-	176,728,642	785,258,815
Chandina Power Plant (Unit-1)	396,093,046	-	-	396,093,046	3.33 - 50	127,292,988	22,767,272	-	150,060,260	246,032,786
Chandina Power Plant (Unit-2)	568,737,355	71,262,871	41,320,837	598,679,389	3.33 - 50	78,673,351	24,910,748	7,024,472	96,559,627	502,119,762
Jangalia Power Plant	1,458,443,799	22,351,499	16,969,411	1,463,825,887	3.33 - 50	127,576,348	49,197,219	15,642,775	161,130,792	1,302,695,095
Rupganj Power Plant	1,403,599,356	22,295,674	14,582,643	1,411,312,387	3.33 - 50	114,544,422	52,770,918	14,582,643	152,732,697	1,258,579,690
Maona Power Plant	1,349,402,444	5,052,930	4,210,775	1,350,244,599	3.33 - 50	107,356,802	50,864,734	4,210,775	154,010,761	1,196,233,838
Ullapara Power Plant	492,340,289	-	-	492,340,289	3.33 - 50	58,665,493	22,256,863	-	80,922,356	411,417,933
Madanganj Power Plant	5,142,234,700	67,407,395	-	5,209,642,095	3.33 - 50	109,573,505	145,627,256	-	255,200,761	4,954,441,334
Total (i)	14,328,327,594	367,177,736	123,665,146	14,571,840,184		1,419,478,908	502,836,903	88,035,115	1,834,280,696	12,737,559,488

ii) Revaluation

Land and land development	207,572,500	-	-	207,572,500		-	-	-	-	207,572,500
Civil works and others	13,002,138	-	-	13,002,138	20	7,801,284	2,600,428	-	10,401,712	2,600,428
Plant and machinery :										
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33	14,960,363	4,709,744	-	19,670,107	146,557,796
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33	297,938	93,796	-	391,734	2,918,688
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33	14,549,556	4,580,416	-	19,129,972	142,533,369
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33	7,177,694	2,259,644	-	9,437,338	70,315,653
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33	13,174,499	4,147,528	-	17,322,027	129,062,715
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33	1,468,558	462,324	-	1,930,882	14,386,584
Total (ii)	794,231,503	-	-	794,231,503		59,429,892	18,853,880	-	78,283,772	715,947,731
Total own assets (i+ii)	15,122,559,097	367,177,736	123,665,146	15,366,071,687		1,478,908,800	521,690,783	88,035,115	1,912,564,468	13,453,507,219

Leased assets:

Motor vehicles	28,116,450	-	-	28,116,450	20	14,224,776	4,971,642	-	19,196,418	8,920,032
Total (a+b)	15,150,675,547	367,177,736	123,665,146	15,394,188,137		1,493,133,576	526,662,425	88,035,115	1,931,760,886	13,462,427,251

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

As at 31 December 2012 (Separate)

a) Own assets

i) Cost

PARTICULARS	COST/ REVALUATION				Rate %	DEPRECIATION				Written down value as at 31 December 2012	
	Balance as at 1 January 2012	Addition	Disposal	Balance as at 31 December 2012		Balance as at 1 January 2012	Charged	Disposal	Balance as at 31 December 2012		
		during the year					during the year				
	Taka	Taka	Taka	Taka		Taka	Taka	Taka	Taka		Taka
Land and land development	-	19,826,850	-	19,826,850	10	-	-	-	-	19,826,850	
Furniture and fixtures	5,340,177	80,630	245,629	5,175,178	20	1,858,604	451,261	244,199	2,065,666	3,109,512	
Office and electrical equipment	14,169,981	1,868,620	1,193,846	14,844,755	20	9,731,835	1,489,949	1,188,246	10,033,538	4,811,217	
Office decoration	24,987,828	654,124	-	25,641,952	20	12,874,095	3,483,162	-	16,357,257	9,284,695	
Motor vehicles	32,320,729	1,901,000	-	34,221,729	20	16,423,926	4,153,378	-	20,577,304	13,644,425	
Maintenance equipment*	1,560,989	1,650,000	-	3,210,989	20	1,481,655	79,334	-	1,560,989	1,650,000	
Civil works and others	38,455,236	3,952,900	-	42,408,136	20	33,970,978	1,774,066	-	35,745,044	6,663,092	
Plant and machinery :											
Ashulia Power Plant (Unit-1)	378,264,915	-	-	378,264,915	3.33-50	127,694,736	17,132,516	-	144,827,252	233,437,663	
Ashulia Power Plant (Unit-2)	1,396,026,271	-	-	1,396,026,271	3.33-50	192,367,286	39,669,396	-	232,036,682	1,163,989,589	
Madhabdi Power Plant (Unit-1)	316,637,787	128,339,677	45,142,005	399,835,459	3.33-50	143,925,187	22,108,204	45,142,005	120,891,386	278,944,073	
Madhabdi Power Plant (Unit-2)	961,987,457	-	-	961,987,457	3.33-50	139,492,930	37,235,712	-	176,728,642	785,258,815	
Chandina Power Plant (Unit-1)	396,093,047	-	-	396,093,047	3.33-50	127,292,988	22,767,272	-	150,060,260	246,032,787	
Chandina Power Plant (Unit-2)	568,737,355	71,262,871	41,320,837	598,679,389	3.33-50	78,673,351	24,910,748	7,024,472	96,559,627	502,119,762	
Total (i)	4,134,581,772	229,536,672	87,902,317	4,276,216,127		885,787,571	175,254,998	53,598,922	1,007,443,647	3,268,772,480	

ii) Revaluation

Civil works and others	13,002,138	-	-	13,002,138	20	7,801,284	2,600,428	-	10,401,712	2,600,426
Plant and machinery :										
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33	14,960,363	4,709,744	-	19,670,107	146,557,796
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33	297,938	93,796	-	391,734	2,918,688
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33	14,549,556	4,580,416	-	19,129,972	142,533,369
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33	7,177,694	2,259,644	-	9,437,338	70,315,653
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33	13,174,499	4,147,528	-	17,322,027	129,062,715
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33	1,468,558	462,324	-	1,930,882	14,386,584
Total (ii)	586,659,003	-	-	586,659,003		59,429,892	18,853,880	-	78,283,772	508,375,231
Total own assets (i+ii)	4,721,240,775	229,536,672	87,902,317	4,862,875,130		945,217,463	194,108,878	53,598,922	1,085,727,419	3,777,147,711

b) Leased assets

Motor vehicles	23,225,000	-	-	23,225,000	20	12,141,375	3,993,350	-	16,134,725	7,090,275
Total (a+b)	4,744,465,775	229,536,672	87,902,317	4,886,100,130		957,358,838	198,102,228	53,598,922	1,101,862,144	3,784,237,986

*Opening cost of maintenance equipment includes Tk 748,689 which is fully depreciated and therefore, no depreciation has been charged during the year.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

	2013		2012	
	Taka Consolidated	Taka Separate	Taka Consolidated	Taka Separate
5.1 Allocation of depreciation (consolidation)				
Cost of sales (note 30)	552,868,784	198,225,028	500,794,290	180,077,300
General and administrative expenses(note 32)				
Own assets	31,248,819	16,432,063	20,896,493	14,031,578
Leased assets	3,069,723	2,739,033	4,971,642	3,993,350
	34,318,542	19,171,096	25,868,135	18,024,928
	587,187,326	217,396,124	526,662,425	198,102,228

6. Intangible assets, net

As at 31 December 2013 (Consolidated)

Particulars	Cost			Amortisation			Written down value as at 31 December 2013
	Balance as at 1 January 2013	Addition during the year 2013	Balance as at 31 December 2013	Balance as at 1 January 2013	Charged during the year 2013	Balance as at 31 December 2013	
	Taka	Taka	Taka	Taka	Taka	Taka	
IT software	2,004,238	-	2,004,238	1,394,742	346,798	1,741,540	262,698
Brand	10,000,000	-	10,000,000	1,333,326	333,332	1,666,658	8,333,342
	12,004,238	-	12,004,238	2,728,068	680,130	3,408,198	8,596,040

As at 31 December 2013 (Separate)

Particulars	Cost			Amortisation			Written down value as at 31 December 2013
	Balance as at 1 January 2013	Addition during the year 2013	Balance as at 31 December 2013	Balance as at 1 January 2013	Charged during the year 2013	Balance as at 31 December 2013	
	Taka	Taka	Taka	Taka	Taka	Taka	
IT software	1,504,238	-	1,504,238	1,123,908	246,798	1,370,706	133,532
Brand	10,000,000	-	10,000,000	1,333,326	333,332	1,666,658	8,333,342
	11,504,238	-	11,504,238	2,457,234	580,130	3,037,364	8,466,874

Opening cost of IT software includes Tk 256,250 which is fully depreciated as on 1 January 2011 and therefore, no depreciation has been charged during the year 2013.

As at 31 December 2012 (Consolidated)

Particulars	Cost			Amortisation			Written down value as at 31 December 2012
	Balance as at 1 January 2012	Addition during the year 2012	Balance as at 31 December 2012	Balance as at 1 January 2012	Charged during the year 2012	Balance as at 31 December 2012	
	Taka	Taka	Taka	Taka	Taka	Taka	
IT software	2,004,238	-	2,004,238	1,047,944	346,798	1,394,742	609,496
Brand	10,000,000	-	10,000,000	999,994	333,332	1,333,326	8,666,674
	12,004,238	-	12,004,238	2,047,938	680,130	2,728,068	9,276,170

As at 31 December 2012 (Separate)

Particulars	Cost			Amortisation			Written down value as at 31 December 2012
	Balance as at 1 January 2012	Addition during the year 2012	Balance as at 31 December 2012	Balance as at 1 January 2012	Charged during the year 2012	Balance as at 31 December 2012	
	Taka	Taka	Taka	Taka	Taka	Taka	
IT software	1,504,238	-	1,504,238	877,110	246,798	1,123,908	380,330
Brand	10,000,000	-	10,000,000	999,994	333,332	1,333,326	8,666,674
	11,504,238	-	11,504,238	1,877,104	580,130	2,457,234	9,047,004

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

	As at 31 December 2013		As at 31 December 2012	
	Taka	% of holdings	Taka	% of holdings

7. Goodwill arising on consolidation

As at 31 December 2013 (Consolidated)

Investment made in Summit Narayanganj Power Limited	518,284,044	20	-	
	518,284,044		-	

During the year Summit Purbanchol Power Company Limited, a subsidiary of Summit Power Limited, had acquired 20% holding of Summit Narayanganj Power Limited at fair value of Taka 1,289,925,000. Such ownership transfer had resulted in a goodwill arising on acquisition at a value of Taka 518,284,044. While determining goodwill valuation, 20% of Net Assets Value (NAV) of Summit Narayanganj Power Limited was determined as on 31 March 2013 as Taka 771,640,956.

8. Investment in subsidiaries

Subsidiaries:

Summit Purbanchol Power Company Limited (SPPCL)	571,020,100	71.05%	571,020,100	99.00%
Summit Uttaranchol Power Company Limited (SUPCL)	202,519,250	51.48%	202,519,250	51.48%
Summit Narayanganj Power Limited (SNPL)	866,250,000	69.21%	866,250,000	55.00%
	1,639,789,350		1,639,789,350	

Summit Power Limited's holding in SPPCL had decreased by 27.95% during the year as SPPCL had freshly issued 30,000,000 ordinary shares through Initial Public Offerings (IPO). On the other hand, Summit Power Limited's holding in SNPL had increased by 14.21% (through cross-holding) as SPPCL had acquired 20% holding in SNPL from Summit Industrial and Mercantile Corporation (Pvt.) Ltd.

9. Investment in associates

	As at 31 December 2013		As at 31 December 2012	
	Taka	Taka	Taka	Taka
	Consolidated	Separate	Consolidated	Separate

Associates:

Summit Barishal Power Limited	60,000,000	60,000,000	5,000,000	5,000,000
Summit Narayanganj Power Unit II Limited	40,000,000	40,000,000	5,000,000	5,000,000
	100,000,000	100,000,000	10,000,000	10,000,000

In 2013, the name of Summit Saidpur Power Limited had been renamed as Summit Barishal Power Limited as the project had been re-located in Barishal and the name of Summit Shantahar Power Limited had been renamed as Summit Narayanganj Power Unit II Limited as the project had also been relocated in Narayanganj. The projects, are, however in development in progress.

10. Available-for-sale financial assets

	No. of shares	Market value as at 31 Dec 2013	Market value as at 31 Dec 2012	Cost price	Change in fair value at 31 Dec 2013
Khulna Power Company Limited	60,699,741	2,980,357,283	2,686,975,235	3,625,296,384	293,382,048
People's Leasing and Financial Services	337,323	8,601,737	9,714,913	20,500,000	(1,113,176)
Popular Life First Mutual Fund	1,023,607	6,141,642	7,200,000	10,000,000	(1,058,358)
	62,060,671	2,995,100,662	2,703,890,148	3,655,796,384	291,210,514

On 28 December 2011, Summit Power Limited (SPL) had acquired 53,955,326 shares of Khulna Power Company Limited (KPCL) @ Taka 67 each from Summit Industrial and Mercantile Corporation (Pvt.) Ltd. (SIMCL) amounting to Taka 3,625,296,384 including other transaction costs. Now the SPL's ownership in KPCL 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 Available for Sale (AFS).

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

11. Inventories

As at 31 December 2013 (Consolidated)

Stock in hand

Particulars	Balance as at 1 January 2013	Purchase/transfer during the year	Inter-company transfer-in during the year	Consumption/ transfer during the year	Inter-company transfer-out during the year	Balance as at 31 December 2013
	Taka	Taka	Taka	Taka	Taka	Taka
Spare parts	788,717,892	1,106,392,248	31,287,497	635,578,471	31,287,508	1,259,531,658
Fuel	59,404,317	238,936,744	58,000	268,049,494	58,000	30,291,567
	848,122,209	1,345,328,992	31,345,497	903,627,965	31,345,508	1,289,823,225
Stock in transit						
Caterpillar	449,573	6,828,174	-	6,828,174	-	449,573
Wartsila	38,963,735	825,100,918	-	830,471,303	-	33,593,350
GE Janbacher	535,174	58,759,668	-	59,252,553	-	42,289
Others	14,834,969	198,885,822	-	202,791,601	-	10,929,190
	54,783,451	1,089,574,582	-	1,099,343,631	-	45,014,402
	902,905,660	-	-	-	-	1,334,837,627

In consolidated financial statements, during the year out of Taka 635,578,471 an amount of Taka 323,450,249 had been consumed and charged to cost of sales (after making some other adjustments) and an amount of Taka 312,128,222 had been adjusted as addition to property, plant and equipment.

As at 31 December 2013 (Separate)

Stock in hand

Particulars	Balance as at 1 January 2013	Purchase/transfer during the year	Inter-company transfer-in during the year	Consumption/ transfer during the year	Inter-company transfer-out during the year	Balance as at 31 December 2013
	Taka	Taka	Taka	Taka	Taka	Taka
Spare parts	463,490,159	372,051,127	9,906,014	357,355,723	16,360,120	471,731,457
Fuel	10,837,439	59,358,507	-	62,797,776	11,500	7,386,670
	474,327,598	431,409,634	9,906,014	420,153,499	16,371,620	479,118,127
Stock in transit						
Caterpillar	449,573	-	-	-	-	449,573
CAT	-	6,828,174	-	6,828,174.0	-	-
Wartsila	10,381,355	250,057,046	-	227,441,338.0	-	32,997,063
Others	-	144,073,072	-	140,743,907.0	-	3,329,165
	10,830,928	400,958,292	-	375,013,419	-	36,775,801
	485,158,526	-	-	-	-	515,893,928

In separate financial statements, during the year out of Taka 357,355,723 an amount of Taka 173,875,893 had been consumed and charged to cost of sales (after making some other adjustments) and an amount of Taka 183,479,830 had been adjusted as addition to property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

	As at 31 December 2013		As at 31 December 2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka

12. Trade receivables

Rural Electrification Board (REB):				
Dhaka Palli Bidyut Samity - 1	14,718,085	14,718,085	9,432,725	9,432,725
Dhaka Palli Bidyut Samity - 1 (Expansion)	515,227,427	515,227,427	231,511,915	231,511,915
Narsingdi Palli Bidyut Samity - 1	13,998,251	13,998,251	14,200,208	14,200,208
Narsingdi Palli Bidyut Samity - 1 (Expansion)	416,873,778	416,873,778	175,802,027	175,802,027
Comilla Palli Bidyut Samity - 1	16,717,347	16,717,347	15,622,555	15,622,555
Comilla Palli Bidyut Samity - 1 (Expansion)	208,611,988	208,611,988	80,758,010	80,758,010
Narayanganj Palli Bidyut Samity (REB)	121,125,771	-	113,430,921	-
Mymensingh Palli Bidyut Samity (PBS) - 2	124,424,392	-	116,772,708	-
Sirajganj Palli Bidyut Samity	32,699,463	-	34,568,471	-
Bangladesh Power Development Board (BPDB):				
Jangalia Power Plant	124,164,240	-	107,319,241	-
Madanganj Power Plant	424,135,405	-	517,429,412	-
	2,012,696,147	1,186,146,876	1,416,848,193	527,327,440
Less: provision for doubtful debt	4,084,928	-	4,084,928	-
	2,008,611,219	1,186,146,876	1,412,763,265	527,327,440

Out of amount of Taka 1,464,396,502 receivable from REB on 31 December 2013 by the Company, Taka 1,034,675,120 on account of three Expansion Power Plants bills raised has not yet been accepted by REB. As per contracts for supply of electricity and Govt. Gazette Notification from all the three Expansion Power Plants because of rise in BST (Bulk Supply Tariff), the Company has been raising bills 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 and from September 2012 to onward at the rate of Taka 4.2316 per kWh, but REB has been paying at the rate 2.8386 per kWh. The Company kept close contact with REB and negotiation for collection is under process.

13. Sundry receivables

Insurance receivables	47,703,812	47,703,812	78,475,724	78,475,724
Interest on FDRs	7,609,069	5,914,173	1,972,718	1,972,718
Receivable on sale of lubricant wastages	4,838,842	1,453,150	-	-
VAT deducted at sources	18,630,894	17,742,123	22,195,381	17,742,123
	78,782,617	72,813,258	102,643,823	98,190,565
Less: provision for doubtful debt	888,771	-	888,771	-
	77,893,846	72,813,258	101,755,052	98,190,565

Insurance claim was raised for Taka 47,703,812 from Green Delta Insurance Company Limited and United Insurance Company Limited against damages of power plants situated at Ashulia and Chandina under Summit Power Limited which is yet to be settled.

VAT at source upto 31 December 2013 amounting to Taka 18,630,894 was deducted by Rural Electrification Board (REB) under the purview of regulations declared by the National Board of Revenue (NBR). But in the Power Purchase Agreement (PPA) it was declared that "Nothing herein, however, shall in any way limit or override any provisions of the Implementation Agreement, that provide certain Tax exemptions under this Agreement, that allow certain Taxes and charges to be reimbursed to the Company in accordance with Article X of this Agreement". Hence, as per PPA the Company has been claiming refund of the VAT at source so far deducted by REB. The Company kept close contact with REB and negotiation for collection of the amount is under process.

14. Inter company receivables

Summit Purbanchol Power Company Limited	-	196,613,760	-	137,518,187
Summit Uttaranchol Power Company Limited	-	46,355,248	-	7,340,029
Summit Narayanganj Power Limited	-	103,884,653	-	113,203,082
	-	346,853,661	-	258,061,298

Inter company (payable)/receivable represents short-term (generally three to six months) non-interest bearing working capital financing arrangement within group companies. In keeping with the requirements of BAS 39 Financial Instruments: Recognition and Measurement as the loans are payable on demand and are of maturities of up to six months no discounting is applied and the fair value of the loans is assumed to be equal to face value of such loans.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

	As at 31 December 2013		As at 31 December 2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka

15. Due from associates

Summit Barishal Power Limited	1,627,684	1,627,684	1,897,864	1,897,864
Summit Narayanganj Power Unit II Limited	500,000	500,000	848,931	848,931
	2,127,684	2,127,684	2,746,795	2,746,795

After re-named with Registrar of Joint Stock and Company (RJSC) in 2013, the above companies are in development work in progress.

16. Advances, deposits and prepayments**Advances:**

Recoverable VAT from REB (Note 13)	3,564,487	-	-	-
Advances for Initial Public Offerings (IPO)	1,521,757	-	44,809,848	-
Advance to C & F agents	2,405,131	5,131	12,250,000	-
Advance to UDECO Ltd.	-	-	6,488,600	-
Advance against financial/tax advisor	200,000	100,000	2,100,000	2,100,000
Advance against tax	52,164,447	52,164,447	38,675,616	38,675,616
Advance to outsiders	15,686,576	1,313,246	40,964,478	3,338,464
Advance to employees	675,230	463,000	1,202,334	810,200
	76,217,628	54,045,824	146,490,876	44,924,280
Less : provision for doubtful debts	2,227,244	445,000	445,000	445,000
	73,990,384	53,600,824	146,045,876	44,479,280

Deposits:

Security deposit (non-interest bearing)	5,688,045	845,495	5,691,545	848,995
Bank guarantee margin:				
Commissioner of Custom	-	-	7,239,787	-
Controller of Import and Export (PBL)	-	-	499,364	283,705
Margin on letter of credit	-	-	3,095,000	-
Controller of Import and Export (SJIBL)	1,545,053	1,545,053	1,545,053	1,545,053
Pashchimanchal Gas Co. Ltd.	823,441	-	823,441	-
Bakhrabad Gas System Ltd.	2,470,323	-	2,470,323	-
Bangladesh Power Development Board	11,176,610	-	3,936,823	-
Rural Electrification Board (REB)	9,260,359	-	9,260,359	-
Titas Gas Trans. 'and Dist. Co. Ltd.	4,940,646	-	4,940,646	-
	30,216,432	1,545,053	33,810,796	1,828,758
	35,904,477	2,390,548	39,502,341	2,677,753

Prepayments:

Agency fees	-	-	1,000,000	-
Annual license fees	2,000,000	-	158,860	158,860
Standby letter of credit commission	486,512	486,512	2,485,481	2,333,973
Bank guarantee/operation bond commission	2,213,338	2,137,588	11,284,446	3,141,665
Insurance premium	15,989,846	3,396,657	981,840	267,554
Land lease rental	969,775	255,489	-	-
	21,659,471	6,276,246	15,910,627	5,902,052

Inter-company transaction:

Summit Indus. & Mercantile Corp. (Pvt.) Ltd.	3,559,480	3,559,480	3,551,600	3,551,600
Cosmopolitan Traders (Pvt.) Limited	4,349,613	4,349,613	4,815,143	4,815,143
Summit Shipping Limited	31,860,222	-	15,860,222	-
	39,769,315	7,909,093	24,226,965	8,366,743
	171,323,647	70,176,711	225,685,809	61,425,828

Bank guarantee margin had been deposited with various schedule banks in Bangladesh as security for compliance with the Company's operation obligation.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

	As at 31 December 2013		As at 31 December 2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka
17. Cash and cash equivalents				
Cash in hand	1,353,496	1,036,305	1,343,357	726,808
Cash at bank:				
Bank Al-Falah Limited	248,258	248,258	249,758	249,758
Bank Asia Limited	8,409	8,409	-	-
BRAC Bank Limited	726,882,185	6,733,567	1,861,492,048	3,648,760
Commercial Bank of Ceylon	2,465,499	2,465,499	795,762	795,762
Dhaka Bank Limited	9,542,941	9,542,941	2,973,729	2,973,729
Citibank, N.A.	-	-	2,683,205	2,683,205
Dutch-Bangla Bank Limited	272,087,342	224,683,313	153,261,235	129,768,234
Southeast Bank Limited	247,496	247,496	246,716	246,716
One Bank Limited	38,707,254	9,146,565	1,620,912	411,433
Exim Bank Limited	580,616	-	346,214	-
Premier Bank Limited	18,096,821	15,328,935	17,786,021	14,852,035
Rupali Bank Limited	714,651	714,651	99,052	99,052
Standard Chartered Bank	102,443,121	102,443,121	12,161,093	12,161,093
Shahjalal Islami Bank Limited	1,422,962	1,422,962	1,425,113	1,425,113
Sonali Bank Limited	961,962	-	72,086	-
	1,174,409,517	372,985,717	2,055,212,944	169,314,890
Fixed deposit receipts (FDR):				
Bank Asia Limited	150,054,698	150,054,698	137,457,838	137,457,838
Bangladesh Krishi Bank Limited	38,946,968	38,946,968	26,426,025	26,426,025
BRAC Bank Limited	30,000,000	30,000,000	30,000,000	30,000,000
Commercial Bank of Ceylon PLC	17,363,784	17,363,784	15,844,834	15,844,834
Premier Bank Limited	5,426,850	5,426,850	5,000,000	5,000,000
Exim Bank Limited	139,422,360	61,158,763	127,874,340	56,176,807
	381,214,660	302,951,063	342,603,037	270,905,504
	1,556,977,673	676,973,085	2,399,159,338	440,947,202
18. Share capital				
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
30,000,000 preference shares of 100 each	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
	10,000,000,000	10,000,000,000	10,000,000,000	10,000,000,000
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	-	-
	5,915,402,460	5,915,402,460	4,929,502,050	4,929,502,050

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

	As at 31 December 2013		As at 31 December 2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka

Shareholding position was as follows:

Name of shareholders	Percentage of shareholdings		Number of shares	
	As at 31 Dec	As at 31 Dec	As at 31 Dec	As at 31 Dec
	2013	2012	2013	2012
Summit Industrial & Mercantile Corporation (Pvt.) Limited	46%	46%	273,429,829	227,858,191
Euro Hub Investments Ltd.	5%	5%	30,423,163	25,352,636
Other shareholders	49%	49%	287,687,254	239,739,378
	100%	100%	591,540,246	492,950,205

Classification of shareholders by holding:

Name of shareholders	Number of holders		% of holdings	
	As at 31 Dec	As at 31 Dec	As at 31 Dec	As at 31 Dec
	2013	2012	2013	2012
Less than 500 shares	29,491	28,238	0.83	1.01
501 to 5,000 shares	20,853	19,211	5.96	6.20
5,001 to 10,000 shares	1,979	1,503	2.41	2.17
10,001 to 20,000 shares	887	694	2.16	2.01
20,001 to 30,000 shares	306	234	1.29	1.17
30,001 to 40,000 shares	140	101	0.84	0.71
40,001 to 50,000 shares	68	69	0.52	0.63
50,001 to 100,000 shares	173	148	2.08	2.09
100,001 to 1,000,000 shares	165	135	8.26	8.95
1,000,001 to 1,000,000,000 shares	40	38	75.66	75.07
	54,102	50,370	100	100

19. Share premium

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
Less: 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
Add: Share premium on dilution of ownership in SPPCL	600,385,917	-	-	-
	3,501,083,574	2,900,697,657	2,900,697,657	2,900,697,657

20. Non controlling interest

	3,243,977,518	-	3,385,516,375	-
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Non-controlling interest position as on 31 December 2013 has been computed as follows:

	SPPCL Taka/ (%)	SUPCL Taka/ (%)	SNPL Taka/ (%)	Total Taka
NCI percentage	28.95%	48.52%	30.79%	-
Non-current assets	4,220,030,460	1,618,295,963	5,057,913,652	10,896,240,075
Current assets	665,596,529	507,702,268	1,454,560,358	2,627,859,155
Non-current liabilities	(481,995,387)	(322,323,445)	(1,081,042,894)	(1,885,361,726)
Current liabilities	(510,473,607)	(253,448,917)	(999,022,256)	(1,762,944,780)
Net assets	3,893,157,995	1,550,225,869	4,432,408,860	9,875,792,724
Carrying amount of NCI	1,127,069,240	752,169,592	1,364,738,688	3,243,977,518

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

	As at 31 December 2013		As at 31 December 2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka
21. Project loan				
Long term portion:				
Madanganj, Narayanganj Power Plant DEG and FMO	2,055,926,024	-	2,672,732,703	-
Add: Amortisation of transaction costs	21,148,700	-	28,071,446	-
	2,077,074,724	-	2,700,804,149	-
Less: Repayment during the year	871,312,500	-	681,075,000	-
Less: Exchange rate fluctuation effect	134,296,875	-	5,990,625	-
	1,071,465,349	-	2,013,738,524	-
Short term portion:				
Expansion Project - Narsingdi and Chandina: Dutch Bangla Bank Ltd.	-	-	63,006,438	63,006,438
New project - Madanganj, Narayanganj: DEG and FMO	868,500,000	-	910,687,500	-
	868,500,000	-	973,693,938	63,006,438

Repayment term and security details:**i) Dutch Bangla Bank Limited**

Project loan Taka 280,000,000 taken from Dutch-Bangla Bank Limited in 2006 was repayable in 24 quarterly installments of Taka 18,285,156 each (including interest) commencing from March 2008 bearing interest at the rate ranging from 11.50% to 14.5% per annum. The loan from Dutch-Bangla Bank Limited is secured by pari-passu charge with other lenders on the fixed and floating assets of the company. The final settlement with the bank had been completed in 2013.

ii) DEG and FMO

The Company has taken project loan in foreign currency amounting USD 45,000,000, from NEDERLANDSE FINANCIERINGS-MAATSCHAPPIJ VOORONTWIKKELINGSLANDEN N. V. (FMO) USD 22,500,000 and from DEUTSCHE INVESTITIONS-UND ENTWICKLUNGSGESELLSCHAFT MBH (DEG) USD 22,500,000 on 23 October 2011. The interest rate is 3 months USD LIBOR plus 4 % p.a. The loan is repayable within 4.5 years in 16 equal quarterly installments with first due date of repayment from June 2012. The loan is secured by first ranking charges with land and other fixed assets of the company.

22. Redeemable preference shares (Note 3.14)

Opening balance	1,710,367,625	-	2,171,937,079	-
Add: Amortisation of transaction costs	4,738,755	-	6,799,446	-
	1,715,106,380	-	2,178,736,525	-
Less: Repayment of installment	468,368,900	-	468,368,900	-
	1,246,737,480	-	1,710,367,625	-
Redeemable preference shares				
Short-term portion	468,368,900	-	468,368,900	-
Long-term portion	778,368,580	-	1,241,998,725	-
	1,246,737,480	-	1,710,367,625	-

Out of total redeemable preference shares, Tk 2,822,467,500 has been converted from project loan on 12 August 2010 and Tk 300,000,000 has been issued on 30 September 2010 bearing dividend @ 10 - 10.5% per annum payable half yearly commencing from December 2010. Preference shares will be redeemed over 6 years or by 7 installments payable at the end of each year commencing from December 2010.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

	As at 31 December 2013		As at 31 December 2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka

23. Payable to SIMCL

Short term portion	500,000,000	500,000,000	500,000,000	500,000,000
Long term portion	954,799,154	954,799,154	849,062,168	849,062,168
	1,454,799,154	1,454,799,154	1,349,062,168	1,349,062,168

Out of Tk 3,615,006,842, arising from purchase of Khulna Power Company Limited's shares from SIMCL, Tk 700,000,000 was paid in cash, Tk 1,009,480,500 was settled through transfer of Summit Uttaranchol Power Company Limited's shares to SIMCL on the transaction date and for the balance amount of Tk 1,905,526,342 a short term loan was taken from SIMCL carrying 15% interest on 28 December 2011. Out of Tk 1,905,526,342, the Company had a plan to pay off Tk 400,000,000 by June of 2012 and the rest amount would have converted into redeemable preference share which would have to be redeemed from December of 2012 to June of 2015 by 6 equal installments on half yearly basis. But due to liquidity crisis in financial market, the Company could not arrange potential financial institutions for subscribing to the proposed redeemable preference shares. However, out of the remaining liability of Taka 1,905,526,342 payable to SIMCL, an amount of Tk 556,464,174 had been paid to SIMCL within 31 December 2012. Now, the balance including accrued interest will be paid in 6 equal installments on half yearly basis.

24. Obligation under finance lease

Obligation under finance lease has been recognised as liability in the statement of financial position, from the date of inception of lease agreement, at amount equal at the inception of lease to the lower of fair value of leased assets and present value of minimum lease payments. The interest rate implicit in the lease has been used to calculate the present value of minimum lease payments. The total of minimum lease payments at the date of statement of financial position and their present value, for each of the following periods are as follows:

Obligation under finance lease (Consolidated)

	As at 31 December 2013			As at Dec' 2012
	Short-term	Long-term	Total	Total
	Taka	Taka	Taka	Taka
Payable to United Leasing company Limited	465,703	216,673	682,376	1,349,988
Payable to One bank limited	583,177	-	583,177	4,247,795
	1,048,880	216,673	1,265,553	5,597,783

The principal amount of lease obligation payable after the date of statement of financial position is as follows:

	As at Principal as at 31 December 2013			As at 31 Dec 2012
	Future minimum lease payment	Interest	Present value of minimum lease payment	Present value of minimum lease payment
	Taka	Taka	Taka	Taka
Not later than one year	1,150,918	102,038	1,048,880	4,125,225
Later than one year but not later than five years	224,680	8,007	216,673	1,472,558
Later than five year	-	-	-	-
Total obligation under finance lease	1,375,598	110,045	1,265,553	5,597,783

Obligation under finance lease (Separate)

Payable to One Bank limited	583,177	-	583,177	4,247,795
	583,177	-	583,177	4,247,795

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

The principal amount of lease obligation payable after the date of statement of financial position is as follows:

	Principal as at 31 December 2013			As at 31 Dec 2012
	Future minimum lease payment	Interest	Present value of minimum lease payment	Present value of minimum lease payment
Not later than one year	611,686	28,509	583,177	3,457,164
Later than one year but not later than five years	-	-	-	790,631
Later than five year	-	-	-	-
Total obligation under finance lease	611,686	28,509	583,177	4,247,795

	As at 31 December 2013		As at 31 December 2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka

25. Deferred liabilities

25.1 Deferred liabilities

Gratuity fund:

Opening balance	22,620,528	22,620,528	12,689,278	12,689,278
Addition during the year	23,441,066	5,119,828	10,462,750	10,462,750
	46,061,594	27,740,356	23,152,028	23,152,028
Less: payment during the year	2,228,736	2,228,736	531,500	531,500
Closing balance	43,832,858	25,511,620	22,620,528	22,620,528

The Company, for its present eligible local employees, operates a gratuity scheme. This gratuity scheme is not recognised by the National Board of Revenue. Every employee covered by this scheme is entitled to get benefit equal to one last basic salary for every year of service.

25.2 Other deferred liabilities:

Liability for earned leave	21,589,102	9,599,216	-	-
Provision for assets retirement obligation (ARO)	17,000,000	12,000,000	-	-
	38,589,102	21,599,216	-	-
	82,421,960	47,110,836	22,620,528	22,620,528

In accordance with revised BAS 19, during the year the company has started to make provision for both the gratuity fund and earned leave for past services of all permanent employees.

26. Dividend payable on ordinary shares

Opening balance	6,047,388	6,047,388	6,179,728	6,179,728
Add: sale of fractional shares	-	-	728,000	728,000
	6,047,388	6,047,388	6,907,728	6,907,728
Less: payment during the period	-	-	860,340	860,340
Closing balance	6,047,388	6,047,388	6,047,388	6,047,388

As at 31 December 2013, the above amount of dividends remained unclaimed by the shareholders. These amounts are deposited in a bank account and are payable on demand.

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

	As at 31 December 2013		As at 31 December 2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka
27. Trade creditors				
Gas bill - Savar Power Plant	4,109,259	4,109,259	3,093,080	3,093,080
Gas bill - Savar Power Plant (Expansion)	13,022,408	13,022,408	6,925,853	6,925,853
Gas bill - Narsingdi Power Plant	3,429,980	3,429,980	5,055,196	5,055,196
Gas bill - Narsingdi Power Plant (Expansion)	9,359,631	9,359,631	11,453,390	11,453,390
Gas bill - Chandina Power Plant	5,967,856	5,967,856	5,990,348	5,990,348
Gas bill - Chandina Power Plant (Expansion)	5,601,171	5,601,171	5,316,293	5,316,293
Gas bill - Bakhrabad Gas Transmission and Dist. Co. Ltd.	11,923,719	-	25,086,754	-
Gas bill - Titas Gas Transmission and Dist. Co. Ltd.	32,442,651	-	62,400,449	-
Gas bill - Pashchimanchal Gas Co. Ltd.	2,803,167	-	8,329,684	-
Mobil Jamuna Lubricants Ltd.	1,241,100	847,350	1,710,768	1,213,068
Ranks Petroleum Ltd.	94,400	-	315,136	18,607
Navana Petroleum Ltd.	123,200	-	188,878	-
	90,118,542	42,337,655	135,865,829	39,065,835
28. Sundry creditors and accruals				
Foreign technical assistance fees	-	-	64,560,000	-
Provision for income tax	54,462,450	54,462,450	58,462,450	58,462,450
Liability for withholding tax and VAT	15,700,668	62,500	43,347,636	97,899
Directors' remuneration with TAX	1,806,750	1,806,750	2,216,250	2,216,250
Utility bills (gas, rent, rate and others)	3,559,686	3,559,686	220,000	220,000
Provision for charge on plant non-availability	-	-	51,235,132	-
Refundable IPO subscription on SPPCL	164,566	-	2,536,075	-
SummitOil and Shipping Limited	1,545,199	-	1,545,372	-
Desh Bangla Enterprise/Projukti Annesha	1,340,164	134,881	263,120	263,120
Payable for agency fee	2,000,000	-	-	-
Orient Energy Systems Limited	1,090,000	-	-	-
Wartsila Bangladesh Limited	3,253,852	1,276,938	2,123,801	-
Interest payable on loan	3,891,668	-	7,891,474	2,528,198
Audit and certification fees	1,311,000	437,000	1,253,500	379,500
Communication expenses	-	-	205,750	205,750
Security service expenses	639,400	639,400	684,491	336,947
Employees security Fund	375,000	375,000	-	-
Legal expenses and environmental fees	-	-	50,000	50,000
Narayanganj PBS	424,101	-	424,101	-
Security deposit from employees	518,405	-	250,000	250,000
Others	2,508,690	1,080,365	721,808	471,308
	94,591,599	63,834,970	237,990,960	65,481,422
29. Revenue				
Savar Power Plant	170,171,782	170,171,782	171,964,497	171,964,497
Savar Power Plant (expansion)	799,546,467	799,546,467	773,605,382	773,605,382
Narsingdi Power Plant	159,845,885	159,845,885	168,151,472	168,151,472
Narsingdi Power Plant (expansion)	643,074,940	643,074,940	563,702,958	563,702,958
Chandina Power Plant	178,495,062	178,495,062	181,091,080	181,091,080
Chandina Power Plant (expansion)	378,379,933	378,379,933	244,306,206	244,306,206
Jangalia Power Plant	665,648,545	-	627,007,045	-
Rupganj Power Plant	666,822,581	-	606,474,528	-
Maona Power Plant	672,609,543	-	639,485,410	-
Ullapara Power Plant	204,514,106	-	213,560,847	-
Madanganj Power Plant	1,652,806,642	-	1,703,277,839	-
	6,191,915,486	2,329,514,069	5,892,627,264	2,102,821,595

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

Out of amount of Taka 1,821,001,340, Taka 638,323,873 on account of three Expansion Power Plants bills raised during the year has not yet been accepted by REB. As per contracts for supply of electricity and Govt. Gazette Notification from all the three Expansion Power Plants because of rise in BST (Bulk Supply Tariff), the Company has been raising bills 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 and from September 2012 to onward at the rate of Taka 4.2316 per Kwh, but REB has been paying at the rate 2.8386 per Kwh. The Company kept close contact with REB and negotiation for collection is under process.

Under Power Purchase Agreement (PPA) clause no 11.4 (C) for delay in payments in bills raised the Company is entitled to receive interest from REB at the rate equal bank rate plus additional two percent per annum (365 days). Though REB in some cases delay in bills payments, but in practice the Company did not make any claim for such interest till to date.

	As at 31 December 2013		As at 31 December 2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka

30. Cost of sales

Gas consumption - Savar	55,404,188	55,404,188	55,824,847	55,824,847
Gas consumption - Savar (expansion unit)	145,774,463	145,774,463	159,030,209	159,030,209
Gas consumption - Narsingdi	51,628,911	51,628,911	52,579,201	52,579,201
Gas consumption - Narsingdi (expansion unit)	117,934,021	117,934,021	118,845,999	118,845,999
Gas consumption - Chandina	58,131,075	58,131,075	63,337,762	63,337,762
Gas consumption - Chandina (expansion unit)	65,697,758	65,697,758	46,361,647	46,361,647
Gas consumption - Jangalia Power Plant	193,491,222	-	179,834,013	-
Gas consumption - Rupganj Power Plant	196,915,058	-	184,983,126	-
Gas consumption - Ullapara Power Plant	55,290,759	-	63,123,546	-
Gas consumption - Maona Power Plant	198,642,400	-	194,884,020	-
Tanker handling charge	18,865,809	-	18,660,652	-
Tools and spare consumption	312,037,288	164,872,037	319,580,855	179,172,586
Lubricant and other oil expenses	266,017,742	60,684,074	234,524,753	73,974,187
Lube oil/meter/water testing expenses	1,817,458	415,775	10,011,513	6,645,103
Plant maintenance works expenses	83,422,802	34,355,788	66,308,879	23,677,213
Depreciation on plant and machinery (5.1)	552,868,784	198,225,028	500,794,290	180,077,300
	2,373,939,738	953,123,118	2,268,685,312	959,526,054

31. Other income, net

Sale of waste lubricant oil and empty drums	11,334,232	4,430,450	8,207,270	3,110,180
Gain on sales of vehicles	838,859	-	-	-
Dividend income from subsidiaries and others	67,444,157	67,444,157	-	-
Sale of sludge	6,862,660	-	-	-
Miscellaneous	34,334	34,334	3,370,666	1,194,550
	86,514,242	71,908,941	11,577,936	4,304,730

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

	As at 31 December 2013		As at 31 December 2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka
Salary and allowances	186,184,993	71,575,345	142,113,072	53,962,828
Employer's contribution to CPF	8,017,917	3,293,392	6,694,617	3,739,410
Directors and CEO remuneration (Note 32.1)	47,845,110	43,897,390	43,918,826	36,598,428
Tax on directors remuneration	8,514,000	8,514,000	7,464,495	7,464,495
Security service and temporary contract worker	21,123,783	8,419,369	17,122,294	7,104,572
Education and training	5,674,073	1,464,001	3,885,917	3,142,360
Medical welfare expenses	123,911	64,520	53,367	53,367
Board meeting attendance fees and expenses	524,800	250,000	330,400	310,000
Audit committee attendance fees	370,000	370,000	200,000	200,000
Communication expenses	8,196,589	5,810,111	8,511,187	5,929,190
Travelling and conveyance	2,985,461	1,969,974	4,197,311	2,875,205
Vehicle fuel and maintenance	13,049,143	10,234,768	11,395,853	9,019,723
Entertainment and others	6,468,970	3,824,271	5,299,493	2,680,986
Food and lodging	319,481	288,896	290,430	290,430
Printing and stationery	2,573,163	2,180,233	2,512,343	2,055,931
Office expenses	797,462	308,954	488,626	292,815
General repair and maintenance	6,526,644	3,847,863	4,049,967	2,042,109
Land lease rental	5,446,095	2,846,095	5,398,056	2,794,856
Rent, rates and taxes	13,076,102	4,870,448	10,914,932	4,137,383
Utility expenses	9,438,874	4,096,378	8,176,104	2,860,932
Insurance premium	40,734,350	7,542,783	33,442,942	7,487,636
Advertisement and publicity	5,853,900	1,847,796	23,334,209	7,799,652
Gift and compliments	320,924	270,924	720,248	365,348
Donation and subscription	15,340,567	5,138,074	11,676,889	3,556,862
Legal and professional consultancy fees	14,891,058	5,047,665	14,999,100	3,921,200
Uniform and liveries	3,321,315	1,465,845	2,606,790	1,178,410
Audit fees	1,090,000	330,000	1,090,000	330,000
Credit rating fees	632,500	402,500	595,000	-
Environmental compliance cost	1,225,264	493,800	1,796,239	253,400
AGM expenses	29,887,748	16,671,231	20,018,501	20,018,501
EGM expenses	-	-	1,276,298	1,276,298
Depreciation (Note 5.1)	34,318,542	19,171,096	25,868,135	18,024,928
Amortisation (Note 6)	680,130	580,130	680,130	580,130
Tender document expenses	52,875	52,875	1,580,295	1,580,295
Trade license and other annual fees (Note 32.2)	12,596,746	7,295,738	19,126,036	11,913,305
Business Development expenses	1,174,620	340,250	-	-
Liquidated damages	57,034,537	-	52,307,192	-
Bad debts expenses	1,782,244	-	-	-
Gratuity fund	23,605,394	5,119,828	10,462,750	10,462,750
Miscellaneous expenses	765,339	427,759	2,215,106	1,434,888
	592,564,624	250,324,302	506,813,150	237,738,623

As the company is under common management, members of the board of directors of subsidiaries have taken their remuneration and other benefits from its holding company.

Salary and allowances include gross salary including perquisites, employer's contribution to provident fund and leave encashment.

32.1 Directors & CEO remuneration

Salary and allowances	39,489,960	36,039,960	36,414,926	29,232,528
Festival bonus	5,148,000	5,148,000	4,680,000	4,680,000
Utility expenses	1,980,000	1,980,000	1,980,000	1,980,000
Board meeting attendance fees	1,227,150	729,430	843,900	705,900
	47,845,110	43,897,390	43,918,826	36,598,428

32.2 Trade license and other fees include BERC fee, BOI registration fee, trade license renewal fee, annual and application fees of SEC, DSE, CSE, CDDBL and registration fee for increase of share capital.

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	As at 31 December 2013		As at 31 December 2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka
33. Finance income/(expenses), net				
Financial income:				
FDR accounts	64,513,082	29,074,201	71,717,634	46,281,843
STD and others	41,020,444	5,331,533	6,072,666	1,604,761
Foreign exchange (loss)/gain	(57,799,424)	(148,948)	(20,910,086)	-
	47,734,102	34,256,786	56,880,214	47,886,604
Finance expenses:				
Interest on loan:				
Dutch-Bangla Bank Ltd.	2,558,267	2,558,267	13,304,910	13,304,910
Commercial Bank of Ceylon PLC	-	-	4,809,587	4,809,587
The Premier Bank Ltd.	-	-	2,062,964	2,062,964
One Bank Limited	322,570	322,570	1,070,672	1,070,672
SIMCL	205,736,986	205,736,986	243,535,826	243,535,826
DEG-FMO	111,232,300	-	157,727,990	-
Dividend on redeemable preference shares	169,790,806	-	227,616,630	-
Interest on lease finance	214,923	-	328,219	-
	489,855,852	208,617,823	650,456,798	264,783,959
Bank charges and others	3,876,301	2,451,491	6,328,073	2,372,654
Bank guarantee commission	4,218,164	2,401,814	100,954	11,267
Operation and insurance bond commission	2,844,010	2,844,010	2,449,409	2,449,409
Amortisation of transaction costs	25,887,455	-	34,870,892	-
Annual fees	3,150,000	-	4,727,602	-
	39,975,930	7,697,315	48,476,930	4,833,330
	529,831,782	216,315,138	698,933,728	269,617,289
	(482,097,680)	(182,058,352)	(642,053,514)	(221,730,685)

Financial income from fixed deposit receipt (FDR) and short term deposit accounts (STD) have been recognised and presented at net of tax deducted at sources (TDS) at the rate 10% on such interest income.

34. Earnings per share (EPS)**Basic earnings per share**

Profit attributable to the ordinary shareholders	2,184,858,468	1,015,917,236	1,873,474,068	688,130,963
Weighted average number of shares outstanding				
Ordinary shares fully outstanding	591,540,246	591,540,246	492,950,205	492,950,205
Earnings per share (EPS)	3.69	1.72	3.80	1.40
Restated earnings per share			3.17	1.16

Earnings per share (EPS) has been calculated without considering net change (net increase Taka 291,210,514) in fair value of available-for-sale of financial assets with reference to Bangladesh Accounting Standard (BAS) 39: Recognition and Measurement, para 55(b).

Since the bonus issue is an issue without consideration, the issue has been treated as if it occurred prior to the beginning of 2013, the earliest period reported for the purposes of EPS calculation.

Diluted earnings per share

No diluted earnings per share is required to be calculated for the years presented as there was no scope for dilution during these years.

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35. Financial risk management

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

- Credit risk
- Liquidity risk
- 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 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.

36. Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivable from customers and investment securities. The group's sales are made to Government entity, Rural Electrification Board (REB) and Bangladesh Power Development Board (BPDB) under the conditions of the long term Power Purchase Agreement (PPA). Sales made to the entity is fully secured by Letters of Credit issued by local scheduled banks, except for plants of all the subsidiaries.

	As at 31 December 2013		As at 31 December 2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka

36.1. Exposure to credit risk

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

Trade receivables	2,008,611,219	1,186,146,876	1,412,763,265	527,327,440
Other receivables	77,893,846	72,813,258	101,755,052	98,190,565
Cash and cash equivalents	1,555,624,177	675,936,780	2,397,815,981	440,220,394
Advances, deposits and prepayments	171,323,647	70,176,711	225,685,809	61,425,828
	3,813,452,889	2,005,073,625	4,138,020,107	1,127,164,227

36.2. Aging of receivables

Invoiced 0 - 30 days	913,466,213	246,414,289	656,311,146	169,487,463
Invoiced 31 - 180 days	480,318,461	336,746,051	192,814,744	192,814,744
Invoiced over 180 days	614,826,545	602,986,536	563,637,375	165,025,233
	2,008,611,219	1,186,146,876	1,412,763,265	527,327,440

37. Liquidity risk

Liquidity risk is the risk that the Company/group will not be able to meet its financial obligations as they fall due. The Company's/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 Company's/group's reputation. Typically, management 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 Company/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.

Financial liabilities are expected to be repaid in due time which are to expected to be financed from operational cash flow.

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The following are the contractual maturities of financial liabilities:

	As at 31 December 2013 (Taka in Million)						
	Carrying amount	Contractual cash flows	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Project loan, foreign	1,939.97	1,954.13	434.25	434.25	868.50	217.13	-
Redeemable preference shares	1,246.74	1,248.99	-	468.00	468.00	312.99	-
Payable to SIMCL	1,454.80	1,454.80	250	250	500	454.80	-
Finance lease	1.27	1.27	0.82	0.23	0.22	-	-
Trade creditors	90.12	90.12	90.12	-	-	-	-
Others creditors and accruals	94.59	94.59	94.59	-	-	-	-

	As at 31 December 2012 (Taka in Million)						
	Carrying amount	Contractual cash flows	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Project loan, foreign	2,924.43	2,959.73	318.31	318.31	636.63	1,686.48	-
Project loan, local	63.01	63.01	31.51	31.51	-	-	-
Redeemable preference shares	1,710.37	1,717.36	-	468.00	468.00	781.36	-
Liability for project development	1,349.06	1,349.06	-	556.46	500.00	292.60	-
Finance lease	5.60	5.60	2.06	2.06	1.48	-	-
Trade creditors	135.87	135.87	135.87	-	-	-	-
Others creditors and accruals	237.99	237.99	237.99	-	-	-	-

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

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38. Financial instruments - Fair values and risk management

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.

	Carrying amount (in thousands of Taka)									Fair value			
	Note	Trading	Designated at fair value	Fair value hedging instruments	Held to maturity	Loans and receivables	Available for sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
31 December 2013													
Financial assets measured at fair value													
Equity securities		-	-	-	-	-	2,995,101	-	2,995,101	2,995,101	-	-	2,995,101
Financial assets not measured at fair value													
Trade receivables	12	-	-	-	-	2,008,611	-	-	2,008,611	-	-	-	-
Other receivables	13	-	-	-	-	79,676	-	-	79,676	-	-	-	-
Advances, deposits and prepayments	16	-	-	-	-	169,541	-	-	169,541	-	-	-	-
Cash and cash equivalents	17	-	-	-	-	1,556,978	-	-	1,556,978	-	-	-	-
		-	-	-	-	3,814,806	-	-	3,814,806	-	-	-	-
Financial liabilities not measured at fair value													
Project loan, secured	21	-	-	-	-	-	-	1,939,965	1,939,965	-	1,939,965	-	1,939,965
Payable to SIMCL, unsecured	23	-	-	-	-	-	-	1,454,799	1,454,799	-	1,454,799	-	1,454,799
Redeemable preference shares	22	-	-	-	-	-	-	1,246,737	1,246,737	1,246,737	-	-	1,246,737
Finance lease liability	24	-	-	-	-	-	-	1,266	1,266	-	1,266	-	1,266
Deferred liabilities	25	-	-	-	-	-	-	82,422	82,422	-	-	-	-
Dividend payable on ordinary shares	26	-	-	-	-	-	-	6,047	6,047	-	-	-	-
Trade creditors	27	-	-	-	-	-	-	90,119	90,119	-	-	-	-
Other creditors	29	-	-	-	-	-	-	94,592	94,592	-	-	-	-
		-	-	-	-	-	-	4,915,947	4,915,947	1,246,737	3,396,030	-	4,642,768
	Carrying amount (in thousands of Taka)									Fair value			
	Note	Trading	Designated at fair value	Fair value hedging instruments	Held to maturity	Loans and receivables	Available for sale	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
		Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka	Taka
31 December 2012													
Financial assets measured at fair value													
Equity securities		-	-	-	-	-	2,703,890	-	2,703,890	2,703,890	-	-	2,703,890
Financial assets not measured at fair value													
Trade receivables	12	-	-	-	-	1,412,763	-	-	1,412,763	-	-	-	-
Other receivables	13	-	-	-	-	101,755	-	-	101,755	-	-	-	-
Advances, deposits and prepayments	16	-	-	-	-	225,686	-	-	225,686	-	-	-	-
Cash and cash equivalents	17	-	-	-	-	2,399,159	-	-	2,399,159	-	-	-	-
		-	-	-	-	4,139,363	-	-	4,139,363	-	-	-	-
Financial liabilities not measured at fair value													
Project loan, secured	21	-	-	-	-	-	-	2,987,432	2,987,432	-	2,987,432	-	2,987,432
Payable to SIMCL, unsecured	23	-	-	-	-	-	-	1,349,062	1,349,062	-	1,349,062	-	1,349,062
Redeemable preference shares	22	-	-	-	-	-	-	1,710,368	1,710,368	1,710,368	-	-	1,710,368
Finance lease liability	24	-	-	-	-	-	-	5,598	5,598	-	5,598	-	5,598
Deferred liabilities	25	-	-	-	-	-	-	22,621	22,621	-	-	-	-
Dividend payable on ordinary shares	26	-	-	-	-	-	-	6,047	6,047	-	-	-	-
Trade creditors	27	-	-	-	-	-	-	135,866	135,866	-	-	-	-
Other creditors	29	-	-	-	-	-	-	237,991	237,991	-	-	-	-
		-	-	-	-	-	-	6,454,985	6,454,985	1,710,368	4,342,092	-	6,052,460

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39. Non controlling interest (NCI)

The following table summarises the information relating to each of the group's subsidiaries that has material NCI:

As on 31 December 2013:

	SPPCL Taka/ (%)	SUPCL Taka/ (%)	SNPL Taka/ (%)	Total Taka
NCI percentage	28.95%	48.52%	30.79%	
Non-current assets	4,220,030,460	1,618,295,963	5,057,913,652	10,896,240,075
Current assets	665,596,529	507,702,268	1,454,560,358	2,627,859,155
Non-current liabilities	(481,995,387)	(322,323,445)	(1,081,042,894)	(1,885,361,726)
Current liabilities	(510,473,607)	(253,448,917)	(999,022,256)	(1,762,944,780)
Net assets	3,893,157,995	1,550,225,869	4,432,408,860	9,875,792,724
Carrying amount of NCI	1,127,069,240	752,169,592	1,364,738,688	3,243,977,518
Revenue	1,332,471,126	877,123,649	1,652,806,642	-
Profit	722,611,000	359,660,174	855,187,000	-
Other comprehensive income	-	-	-	-
Total comprehensive income	722,611,000	359,660,174	855,187,000	-
Profit allocated to NCI	209,176,000	174,507,116	261,287,000	644,970,116
Net cash flow from operating activities	434,994,000	257,391,000	1,036,690,859	-
Net cash used in investing activities	(1,313,940,160)	(73,949,000)	(112,824,108)	-
Net cash flow (used)/from financing activities	(277,068,000)	(148,871,912)	(880,630,929)	-
Net increase (decrease) in cash and cash equivalents	(1,156,014,160)	34,570,088	43,235,822	-

As on 31 December 2012:

	SPPCL Taka/ (%)	SUPCL Taka/ (%)	SNPL Taka/ (%)	Total Taka
NCI percentage	28.95%	48.52%	45.00%	
Non-current assets	2,891,169,202	1,612,020,995	5,175,228,234	-
Current assets	1,624,854,608	339,212,235	1,467,752,140	-
Non-current liabilities	(753,061,827)	(489,618,825)	(2,287,797,899)	-
Current liabilities	537,400,329	(271,048,710)	(870,720,940)	-
Net assets	4,300,362,312	1,190,565,695	3,484,461,535	-
Carrying amount of NCI	1,217,667,000	580,251,000	1,587,598,000	3,385,516,000
Revenue	1,233,481,573	853,046,257	1,703,277,839	-
Profit	470,676,655	310,848,486	973,462,476	-
Other comprehensive income	-	-	-	-
Total comprehensive income	470,676,655	310,848,486	973,462,476	-
Profit allocated to NCI	4,706,767	150,823,685	457,649,000	613,179,000
Net cash flow from operating activities	526,419,450	372,329,350	937,924,458	-
Net cash used in investing activities	(48,483,841)	(5,575,084)	(147,334,723)	-
Net cash flow (used)/from financing activities	674,072,669	(292,925,463)	(597,747,987)	-
Net increase (decrease) in cash and cash equivalents	1,152,008,278	73,828,803	192,841,748	-

40 Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Company's/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.

40.1 Currency risk

The Company/group is exposed to currency risk on purchases of spare parts and plant and machinery that are denominated in a currency other than the functional currency primarily Euro and U. S. Dollars. The Company/group has not entered into any type of derivatives instrument in order to hedge foreign currency risk as at 31 December 2013.

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40.1.a Exposure to currency risk

The Company's exposure to foreign currency risk arising from currency denominated liabilities was as follows:

	2013		2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka
Project loan:				
Currency denominated in USD	1,939,965,349	-	2,924,426,024	-
Currency denominated in Euro	-	-	-	-
Other creditors and accruals (currency denominated in USD)	-	-	64,560,000	-
	1,939,965,349	-	2,988,986,024	-

40.1.b. Foreign exchange rate sensitivity analysis for foreign currency expenditures in 2013

A change of 10 basis points in foreign currencies in 2013 would have increased/(decreased) equity and profits or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates remain constant.

Year 2013 (Consolidated)	Profit or loss (Taka in million)		Equity (Taka in million)	
	100 bp	100 bp	100 bp	100 bp
	increase	decrease	increase	decrease
Expenditures denominated in Euro	(7.61)	7.61	(7.61)	7.61
Expenditures denominated in SGD	(0.09)	0.09	(0.09)	0.09
Expenditures denominated in USD	(11.37)	11.37	(11.37)	11.37
Cash flow sensitivity (net)	(19.07)	19.07	(19.07)	19.07

The following significant exchange rates are applicable during the year:

	2013 Taka	2012 Taka
U. S. Dollar (USD)	77.20	80.95
Euro	105.38	107.56
SGD	60.97	-

40.2. Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Local loans are however not significantly affected by fluctuations in interest rates. Foreign loans and borrowings are affected by fluctuations in interest rates. Interest risk primarily arises regarding borrowing from DEG-FMO where the rate is of LIBOR plus 4%. The Company has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date.

41. Capital risk management

The Company's/group's objectives when managing capital are to safeguard the Company's/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. The Board also monitors dividend trend to ordinary shareholders.

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42. Contingent liability

Contingent liability existed for the group represents amount in relation to issue of construction bond, operation bond, insurance bond and bank guarantee by third parties as listed below.

Nature of contingent liability	Expiry date	2013		2012	
		Consolidated	Separate	Consolidated	Separate
		Currency	Currency	Currency	Currency
Operation Bond					
All 11 MWh plants	31.08.2014	US\$ 1,200,000	US\$ 1,200,000	US\$ 1,200,000	US\$ 1,200,000
Savar expansion plant	03.12.2014	US\$ 780,000	US\$ 780,000	US\$ 780,000	US\$ 780,000
Narsingdi expansion plant	17.12.2014	US\$ 560,000	US\$ 560,000	US\$ 560,000	US\$ 560,000
Chandina expansion plant	13.12.2014	US\$ 320,000	US\$ 320,000	US\$ 320,000	US\$ 320,000
BPDB AG. Jangalia Project	05.08.2010	BDT 39,368,234	-	BDT 39,368,234	-
REB AG. Rugganj Project	05.08.2010	BDT 39,368,234	-	BDT 39,368,234	-
REB AG. Maona Project	05.08.2010	BDT 39,368,234	-	BDT 39,368,234	-
REB AG. Ullapara Project	04.08.2010	BDT 13,867,126	-	BDT 13,867,126	-
Bank Guarantee					
BPDB - Madanganj	19.06.2014	BDT 252,259,587	-	BDT 252,259,587	-
CCD (SIBL)		-	-	BDT 1,433,396	BDT 1,433,396
Rangs Petroleum Ltd. (PBL)		-	-	BDT 2,837,050	BDT 2,837,050
CCIE (SIBL)		-	-	BDT 111,656	BDT 1,433,396
Titas gas T&D- Rugganj	25.01.2014	BDT 24,703,233	-	BDT 24,703,233	-
Bakhrabad- Jangalia	25.01.2014	BDT 24,703,233	-	BDT 24,703,233	-
Titas gas T&D- Maona	25.01.2014	BDT 24,703,233	-	BDT 24,703,233	-
Paschimanchal Gas - Ullapara	05.01.2015	BDT 8,234,409	-	BDT 8,234,409	-

Negotiations are in progress with REB and BPDB for extension of the operational bonds which expired in 2010.

43. Capital expenditure commitment

The Company has no capital expenditure commitment as at 31 December 2013 including its subsidiaries.

44. Foreign currency transactions

44.1 The group has the following payments during the year:

	Currency	2013		2012	
		Consolidated	Separate	Consolidated	Separate
		Taka	Taka	Taka	Taka
Loan re-payment	USD	11,250,000.00	-	8,437,500.00	-
Spare parts	USD	2,676,019.31	2,303,928.51	1,627,709.00	1,520,405.97
Spare parts	EURO	7,223,672.64	1,863,458.28	5,060,564.00	1,763,998.89
Spare parts	SGD	145,936.61	49,936.61	-	-
Technical fees	USD	800,000.00	-	375,751.00	-
Plant and machinery and others	USD	-	-	375,751.00	-

44.2 The group has the following letters of credit (LC) in hand as at 31 December 2013 to be paid during 2014:

Name of company	LC number	LC opening date	Currency type	Invoice value
Summit Power Limited	188213010097	25.07.2013	USD	125,778.00
Summit Uttaranchol Power Co. Ltd.	188213010171	18.11.2013	Euro	23,579.16
	188213010168	18.11.2013	USD	155,798.81
	188213010192	24.12.2013	Euro	12,877.95
	188213010160	06.11.2013	Euro	240,543
	188213010185	13.12.2013	Euro	236,798.54

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45. Related party transaction

During the year, the Company/group carried out a number of transactions with related parties in the normal course of business. In accordance with the provisions of BAS 24: Related Party Disclosures, the names of the related parties and nature of these transactions have been given below:

	As at 31 December 2013		As at 31 December 2012	
	Consolidated	Separate	Consolidated	Separate
	Taka	Taka	Taka	Taka

45.1 Transactions with key management personnel

Employee benefits (short term)	41,055,171	11,979,659	38,279,287	10,417,095
Employee benefits (provident fund)	26,256,835	9,295,447	2,799,583	1,305,221
	67,312,006	21,275,106	41,078,870	11,722,316

Key management personnel includes managing director, senior general managers, deputy/assistant general managers, managers and deputy/assistant managers.

45.2 Other related party transactions

As at and for the year ended 31 December 2013

Name of related party	Relationship	Nature of transactions	Transaction during the year		Outstanding balance as at 31 December 2013	
			Taka	Taka	Taka	Taka
			Consolidated	Separate	Consolidated	Separate
Summit Industrial and Mercantile Corporation (Pvt.) Ltd.	Ultimate parent of Group	Office rental and utility accrued	11,870,635	11,870,635	3,559,686	3,559,686
Summit Industrial and Mercantile Corporation (Pvt.) Ltd.	Ultimate parent of Group	Interest bearing short term financing	305,736,986	305,736,986	(1,454,799,154)	(1,454,799,154)
Cosmopolitan Traders (Pvt.) Ltd.	Group company	Service charge and rental	465,530	465,530	4,349,613	4,349,613
Summit Uttaranchol Power Company Limited	Subsidiary	Short term financing/sharing of exp.	-	52,178,145	-	46,355,248
Summit Purbanchol Power Company Limited	Subsidiary	Short term financing/sharing of exp.	-	78,291,995	-	196,613,760
Summit Narayanganj Power Limited	Subsidiary	Short term financing/sharing of exp.	-	130,681,571	-	103,884,653
Summit Oil and Shipping Co. Ltd.	Group company	Service provider	34,865,809	-	30,315,023	-
Summit Barishal Power Limited	Associate	Short term financing	10,438,548	10,438,548	1,627,684	1,627,684
Summit Narayanganj Power Unit II Limited	Associate	Short term financing	33,254,931	33,254,931	500,000	500,000
Sumcynet Limited	Group company	Service provider	3,469,272	2,516,806	(205,750)	(205,750)

As at and for the year ended 31 December 2012

Name of related party	Relationship	Nature of transactions	Transaction during the year		Outstanding balance as at 31 December 2012	
			Taka	Taka	Taka	Taka
			Consolidated	Separate	Consolidated	Separate
Summit Industrial and Mercantile Corporation (Pvt.) Ltd.	Ultimate parent of Group	Rental and utility accrued	13,900,395	13,900,395	3,551,600	3,551,600
Summit Industrial and Mercantile Corporation (Pvt.) Ltd.	Ultimate parent of Group	Interest bearing short term financing	1,043,535,826	1,043,535,826	(1,349,062,168)	(1,349,062,168)
Cosmopolitan Traders (Pvt.) Ltd.	Group company	Service charge and rental	465,530	465,530	4,349,613	4,349,613
Summit Uttaranchol Power Company Limited	Subsidiary	Short term financing/sharing of exp.	-	385,746,144	-	46,355,248
Summit Purbanchol Power Company Limited	Subsidiary	Short term financing/sharing of exp.	-	369,618,026	-	196,613,760
Summit Narayanganj Power Limited	Subsidiary	Short term financing/sharing of exp.	-	195,980,712	-	103,884,653
Summit Shipping Limited	Group company	Service provider	34,139,778	-	15,860,222	-
Summit Shipping Limited	Group company	Service provider	124,144,452	-	(1,545,372)	-
Summit Saidpur Power Limited	Associate	Short term financing	-	-	1,897,864	1,897,864
Summit Shantahar Power Limited	Associate	Short term financing	-	-	848,931	848,931
Sumcynet Limited	Group company	Service provider	2,469,000	2,469,000	(205,750)	(205,750)

NOTES TO THE FINANCIAL STATEMENTS

as at and for the year ended 31 December 2013

46. Capacity

Name of plants	Licensed capacity	Installed capacity	Plant factor (% on licensed)		Energy sold (MWH)	
			2013	2012	2013	2012
Ashulia - Savar	11 MW	11.99 MW	Average: 69.88 Maximum: 82.57	Average 73.00 Maximum 84	67,344	69,517
Madhabdi - Narsingdi	11 MW	11.99 MW	Average: 64.44 Maximum: 78.23	Average 66.00 Maximum 79.00	62,094	62,874
Chandina - Comilla	11 MW	11.99 MW	Average: 73.20 Maximum: 88.58	Average 79.00 Maximum 83.00	70,537	74,939
Ashulia - Savar (Exp)	33.75 MW	34.92 MW	Average: 62.66 Maximum: 71.75	Average 69.00 Maximum 78.00	185,258	200,788
Madhabdi - Narsingdi (Exp)	24.30 MW	26.19 MW	Average: 66.59 Maximum: 82.26	Average 72.00 Maximum 80.00	141,758	150,938
Chandina - Comilla (Exp)	13.50 MW	13.94 MW	Average: 77.77 Maximum: 88.81	Average 59.00 Maximum 85.00	91,968	68,305
Ullapara- Sirajganj	11.00 MW	11.99 MW	Average: 69.00 Maximum: 88.00	Average: 80.00 Maximum: 90.00	66,912	75,752
Maona - Gazipur	33.00 MW	34.92 MW	Average: 86.00 Maximum: 97.00	Average: 86.00 Maximum 93.91	249,749	246,586
Rupganj -Narayanganj	33.00 MW	34.92 MW	Average: 86.00 Max : '96.00	Average: 80.00 Max : '90.00	249,570	227,852
Jangalia - Comilla	33.00 MW	34.92 MW	Average: '82.00 Max: '96.00	Average 85.00 Maximum 94.00	252,549	243,072
Madanganj - Narayanganj	102.00 MW	102.456 MW	Average 64.32 Maximum 79.81	Average 43.76 Maximum 79.79	566,505	385,013

47. Events after reporting date

There is no material events that had occurred after the date of statement of financial position of issue of these financial statements, which could affect the figures stated in the financial statements.

48. Workers' Profit Participation Fund (WPPF)

The Government of Bangladesh has made an amendment to the Labor Law 2006 in July 2013 making it mandatory for the Company to contribute 5% of net profit towards Workers' Profit Participation Fund. Power sector companies require very few highly skilled employees to run highly capital-intensive projects.

In view of this, Bangladesh Energy Companies Association (BECA) has taken up the matter with the concerned authorities for reconsidering the issue for power sector companies, given the disproportionate burden that power sector companies face as a result of the amended law. Further, the Company's lawyers are examining the legality of the amended Labour Act, 2006 in light of freedoms and rights guaranteed under the Constitution. Appropriate measures relating to WPPF will be taken once the decision of the authorities on the issue is received.


49. Other disclosures

49.1 During the year ended 31 December 2013 there were 289 permanent employees who received salary of Tk 36,000 and above per annum (2012: 289) for the group.

49.2 Previous year's figures have been rearranged, where necessary to conform to current year's presentation.



Managing Director



Director



Company Secretary

SUMMIT PURBANCHOL POWER COMPANY LIMITED

**DIRECTORS' REPORT
AND
AUDITED FINANCIAL STATEMENTS**

for the year ended 31 December 2013

SUMMIT PURBANCHOL POWER LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

for the year ended 31 December 2013

Dear Shareholders,

Assalamu Alaikum,

The Board of Directors of Summit Purbanchol Power Company Limited (SPPCL) welcomes you to the 7th Annual General Meeting of the Company. We are pleased to submit before you the operational activities and audited financial statements of the Company for the year, which ended on December 31, 2013.

Business Activities including its Operating Performance

Summit Purbanchol Power Company Limited (SPPCL) was incorporated as a Private Limited Company under the Companies Act 1994 on 15 August 2007. It was converted into a Public Limited Company on 3 May 2010. The management of the Company had decided to go for Initial Public Offering (IPO) in the fiscal year 2012. It is the 14th Company in the fuel and power category that was listed with Dhaka Stock Exchange Limited and Chittagong Stock Exchange Limited by January 15, 2013 and commenced trading of the shares in the Dhaka Stock Exchange (DSE) as well as Chittagong Stock Exchange (CSE) on February 4, 2013. 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 09 June 2009 for Rugganj Power Plant and from 24 June 2009 for Jangalia Power Plant

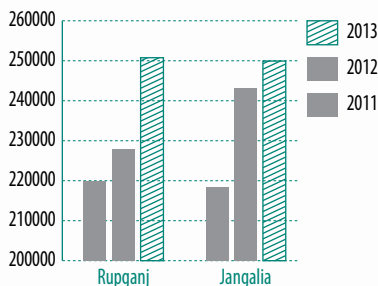
The Company has two operating plants - Rugganj Power Plant and Jangalia Power Plant, which presently generate 33 MW of electricity each. The Company initiated efforts to further expand its plants and increase their generation capacities. Out of 317 MW of electricity that Summit Power Limited is supplying to the National Power Grid, 66 MW is generated by Summit Purbanchol Power Company Limited.

Project wise Licensed Capacity and Installed Capacity of two operating power plants are as follows:

Name of plant	Licensed Capacity	Installed Capacity
Rugganj	33 MW	34.92 MW
Jangalia	33 MW	34.92 MW

Operating Result of the Company

Name of plant	Energy Sold (MWH)		
	2011	2012	2013
Rugganj	219,786	227,852	250,760
Jangalia	218,281	243,072	249,932



If we look at the trend in sales of electricity, we find that the Rugganj power plant's sales have increased considerably this year compared to 2012. In the case of Jangalia power plant, energy sold has increased as well but the increase has been by a lower proportion

compared to that achieved by Rugganj power plant.

Since the operational and financial performance of the Company was really good thanks to its experienced management team and strong support from the parent Company, it is evident that the Company will enhance its contribution in the development of the power sector.

On 12 November 2013, the company 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 at Bangabandhu International Convention Centre.

The Company has received certification from Bureau Veritas after the organization's Management system successfully implemented Integrated Management Systems (IMS), which includes – ISO 9001:2008 – Quality Management System (QMS), ISO 14001:2004 – Environmental Management System (EMS) and BS OHSAS 18001:2007 – Occupational Health & Safety (OH&S). In implementing the Integrated Management System the Company has adopted the Quality Policies, Environmental Policies and Occupational Health Protection and Safety Policies.

Auditors

M/s Rahman Rahman Huq, Chartered Accountants, located at 9 Mohakhali C/A, Dhaka – 1212, the only member firm of KPMG International in Bangladesh, was appointed as the auditors of the Company. They have carried out the audit for the year 2013.

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

Md. Mozammel Hossain
Managing Director

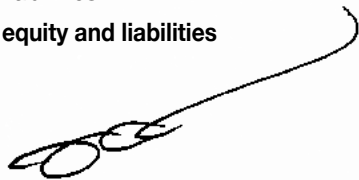
Dhaka, 29 April 2014

SUMMIT PURBANCHOL POWER COMPANY LIMITED AND INVESTEE

STATEMENT OF FINANCIAL POSITION

as at 31 December 2013

	2013	2012
	Taka	Taka
Assets		
Non-current assets		
Property, plant and equipment	2,806,511,881	2,891,073,369
Intangible assets	45,833	95,833
Investment in associates	1,413,472,746	-
Total non-current assets	4,220,030,460	2,891,169,202
Current assets		
Inventories	341,350,311	101,223,429
Trade receivables	241,205,083	216,665,234
Other receivables	630,750	-
Inter company receivable	-	2,599,420
Advances, deposits and prepayments	17,564,931	83,506,944
Cash and cash equivalents	64,845,454	1,220,859,581
Total current assets	665,596,529	1,624,854,608
Total assets	4,885,626,989	4,516,023,810
Equity and liabilities		
Shareholders' equity		
Share capital	1,381,642,760	762,802,130
Share money deposit	-	1,202,536,075
Share premium	844,985,584	-
Revaluation reserve	207,572,500	207,572,500
Retained earnings	1,458,957,151	1,055,187,024
Total equity attributable to equity holders	3,893,157,995	3,228,097,729
Liabilities		
Redeemable preference shares - non-current portion	471,930,265	753,061,827
Deferred liabilities	10,065,122	-
Total non-current liabilities	481,995,387	753,061,827
Trade creditors	28,933,975	56,123,428
Others creditors and accruals	739,072	57,254,839
Inter company payables	196,832,760	137,518,187
Redeemable preference shares - current portion	283,967,800	283,967,800
Total current liabilities	510,473,607	534,864,254
Total liabilities	992,468,994	1,287,926,081
Total equity and liabilities	4,885,626,989	4,516,023,810



Managing Director



Director



Company Secretary

As per our report of same date.



Chartered Accountants

SUMMIT PURBANCHOL POWER COMPANY LIMITED AND INVESTEE

STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2013

	2013	2012
	Taka	Taka
Revenue	1,332,471,126	1,233,481,573
Cost of sales	(583,219,920)	(567,351,201)
Gross profit	749,251,206	666,130,372
Other income, net	3,561,109	1,520,680
Operating expenses		
General and administrative expenses	(105,648,971)	(67,685,513)
Operating profit	647,163,344	599,965,539
Finance income	57,783,078	16,427,801
Finance costs	(105,883,411)	(145,716,685)
Finance costs, net	(48,100,333)	(129,288,884)
Share of profit of associate	123,547,746	-
Profit before tax	722,610,757	470,676,655
Income tax expense	-	-
Profit for the year	722,610,757	470,676,655
Other comprehensive income	-	-
Total comprehensive income for the year	722,610,757	470,676,655
Earnings per share (EPS)	5.33	6.17
Re-stated earnings per share (EPS)	-	4.35



Managing Director



Director



Company Secretary

As per our report of same date.



Chartered Accountants

Dhaka, 29 April, 2014

SUMMIT PURBANCHOL POWER COMPANY LIMITED AND INVESTEE
STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2013

	Share capital	Share premium	Revaluation reserve	Share money deposit	Retained earnings	Total
	Taka	Taka	Taka	Taka	Taka	Taka
Balance as at 1 January 2012	762,802,130	-	207,572,500	-	584,510,369	1,554,884,999
Share money deposit	-	-	-	1,202,536,075	-	1,202,536,075
Comprehensive income for the year	-	-	-	-	470,676,655	470,676,655
Balance as at 31 December 2012	762,802,130	-	207,572,500	1,202,536,075	1,055,187,024	3,228,097,729
Issue of ordinary shares	300,000,000	-	-	(300,000,000)	-	-
Premium on ordinary shares	-	900,000,000	-	(900,000,000)	-	-
Transaction costs	-	(55,014,416)	-	-	-	(55,014,416)
Issue of bonus shares to shareholders	318,840,630	-	-	-	(318,840,630)	-
Comprehensive income for the year	-	-	-	-	722,610,757	722,610,757
Transfer to other creditors and accruals	-	-	-	(2,536,075)	-	(2,536,075)
Balance as at 31 December 2013	1,381,642,760	844,985,584	207,572,500	-	1,458,957,151	3,893,157,995

SUMMIT PURBANCHOL POWER COMPANY LIMITED AND INVESTEE

STATEMENT OF CASH FLOWS

for the year ended 31 December 2013

	2013	2012
	Taka	Taka
A. Cash flow from operating activities:		
Cash received from customers	1,307,931,277	1,198,321,219
Cash paid to suppliers and employees	(830,614,426)	(548,201,772)
<i>Cash generated from operations</i>	477,316,851	650,119,447
Interest and other charges paid	(103,047,173)	(141,648,478)
Received from other sources	60,724,578	17,948,481
<i>Net cash flow from operating activities</i>	434,994,256	526,419,450
B. Cash flow from investing activities:		
Property, plant and equipment	(24,015,160)	(48,483,841)
Investment in associate	(1,289,925,000)	-
<i>Net cash used in investing activities</i>	(1,313,940,160)	(48,483,841)
C. Cash flow from financing activities:		
Payment for redeemable preference shares	(283,967,800)	(283,967,800)
Share money deposit	-	1,202,536,075
Payment of transaction costs	(55,014,416)	-
Financing from/(to) inter company	61,913,993	(244,495,606)
<i>Net cash from/(used in) financing activities</i>	(277,068,223)	674,072,669
D. Net cash inflow/(outflow) for the year (A+B+C)	(1,156,014,127)	1,152,008,278
E. Opening cash and cash equivalents	1,220,859,581	68,851,303
F. Closing cash and cash equivalents (D+E)	64,845,454	1,220,859,581

SUMMIT UTTARANCHOL POWER COMPANY LIMITED

**DIRECTORS' REPORT
AND
AUDITED FINANCIAL STATEMENTS**

for the year ended 31 December 2013

SUMMIT UTTARANCHOL POWER COMPANY LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

for the year ended 31 December 2013

Dear Shareholders,

Assalamu Alaikum,

The Board of Directors of Summit Uttaranchol Power Company Limited (SUPCL) is pleased to submit before you the operational activities and audited financial statements of the Company for the year, which ended on December 31, 2013.

Business Activities including its Operating Performance

Summit Uttaranchol Power Company Limited (SUPCL) was incorporated as a Private Limited Company under the Companies Act 1994 on 15 August, 2007. It was converted into a Public Limited Company on 14 November 2010. The management of the Company has decided to go for Initial Public Offering (IPO) in recent future. Since this Company is operating under the common management of its parent Company, Summit Power Limited, it is destined to achieve the same level of accomplishments and recognition. The company started its commercial operation from 11 May 2009 for Maona Power Plant and from 02 March 2009 for Ullapara Power Plant.

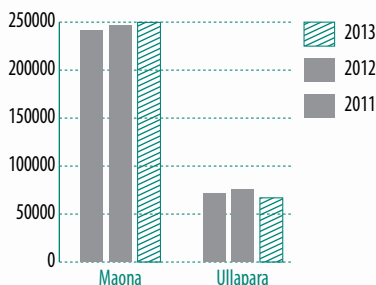
The Company has two operating plants - Maona Power Plant and Ullapara Power Plant, which presently generate 33 MW and 11 MW of electricity each respectively. The Company initiated efforts to further expand its plants and increase their generation capacities. Out of 317 MW of electricity that Summit Power Limited is supplying to the National Power Grid, 44 MW is generated by Summit Uttaranchol Power Company Limited.

Project wise Licensed Capacity and Installed Capacity of two operating power plants are as follows:

Name of plant	Licensed Capacity	Installed Capacity
Maona	33 MW	34.92 MW
Ullapara	11 MW	11.99 MW

Operating Result of the Company

Name of plant	Energy Sold (MWH)		
	2011	2012	2013
Maona	241,501	246,586	249,749
Ullapara	71,239	75,752	66,912



If we look at the trend in sales of electricity, we find that the Maona power plant's sales have increased considerably this year compared to 2012. In the case of Ullapara power plant, energy sold has slightly decreased after a good hike in 2012 on account of major overhauling of the whole plant.

support from the parent Company, it is evident that the Company will enhance its contribution in the development of the power sector.

The Company has received certification from Bureau Veritas after the organization's Management system successfully implemented Integrated Management Systems (IMS), which includes – ISO 9001:2008 – Quality Management System (QMS), ISO 14001:2004 – Environmental Management System (EMS) and BS OHSAS 18001:2007 – Occupational Health & Safety (OH&S). In implementing the Integrated Management System the Company has adopted the Quality Policies, Environmental Policies and Occupational Health Protection and Safety Policies.

Auditors

M/s Rahman Rahman Huq, Chartered Accountants, located at 9 Mohakhali C/A, Dhaka – 1212, the only member firm of KPMG International in Bangladesh, was appointed as the auditors of the Company. They have carried out the audit for the year 2013.

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) Abdul Wadud
Managing Director

Dhaka, 29 April 2014


Since the overall operational and financial performance of the Company was good thanks to its experienced management team and strong

SUMMIT UTTARANCHOL POWER COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

as at 31 December 2013

	2013	2012
	Taka	Taka
Assets		
Property, plant and equipment	1,618,212,630	1,611,887,662
Intangible assets	83,333	133,333
Total non-current assets	1,618,295,963	1,612,020,995
Inventories	212,416,424	87,590,219
Trade receivables	157,123,855	151,341,179
Other receivables	2,658,396	-
Inter company receivables	219,001	-
Advances, deposits and prepayments	17,803,644	17,370,646
Cash and cash equivalents	117,480,948	82,910,191
Total current assets	507,702,268	339,212,235
Total assets	2,125,998,231	1,951,233,230
Equity		
Share capital	679,784,830	566,487,360
Retained earnings	870,441,039	624,078,335
Total equity attributable to equity holders	1,550,225,869	1,190,565,695
Liabilities		
Redeemable preference share - non-current portion	306,438,315	488,936,898
Finance lease - non-current portion	216,673	681,927
Deferred liabilities	15,668,457	-
Total non-current liabilities	322,323,445	489,618,825
Trade creditors	19,620,638	40,592,566
Other creditors and accruals	2,606,228	35,447,536
Inter company payables	46,355,248	9,939,447
Redeemable preference share - current portion	184,401,100	184,401,100
Finance lease - current portion	465,703	668,061
Total current liabilities	253,448,917	271,048,710
Total liabilities	575,772,362	760,667,535
Total equity and liabilities	2,125,998,231	1,951,233,230



Managing Director



Director



Company Secretary

As per our report of same date.



Chartered Accountants

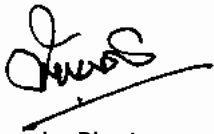
Dhaka, 29 April, 2014

SUMMIT UTTARANCHOL POWER COMPANY LIMITED

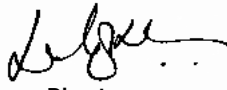
STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2013

	2013	2012
	Taka	Taka
Revenue	877,123,649	853,046,257
Cost of sales	(395,620,922)	(403,764,135)
Gross profit	481,502,727	449,282,122
Other income	2,194,000	644,525
Operating expenses		
General and administrative expenses	(68,285,913)	(54,412,859)
Operating profit	415,410,814	395,513,788
Financial income	13,230,717	11,161,952
Finance costs	(68,981,357)	(95,827,254)
Finance costs, net	(55,750,640)	(84,665,302)
Other comprehensive income	-	-
Total comprehensive income for the year	359,660,174	310,848,486
Earnings per share (EPS)	5.29	5.49
Re-stated earnings per share (EPS)	-	4.57



Managing Director



Director



Company Secretary

As per our report of same date.



Chartered Accountants

Dhaka, 29 April, 2014

SUMMIT UTTARANCHOL POWER COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2013

	Share capital	Retained earnings	Total
	Taka	Taka	Taka
Balance as at 1 January 2012	472,072,800	407,644,409	879,717,209
Issue of bonus shares	94,414,560	(94,414,560)	-
Comprehensive income for the year	-	310,848,486	310,848,486
Balance as at 31 December 2012	566,487,360	624,078,335	1,190,565,695
Issue of bonus shares	113,297,470	(113,297,470)	-
Comprehensive income for the year	-	359,660,174	359,660,174
Balance as at 31 December 2013	679,784,830	870,441,039	1,550,225,869

SUMMIT UTTARANCHOL POWER COMPANY LIMITED

STATEMENT OF CASH FLOWS

for the year ended 31 December 2013

	2013	2012
	Taka	Taka
A. Cash flow from operating activities:		
Cash receipt from customers	871,340,973	831,246,386
Cash paid to suppliers and employees	(559,636,999)	(377,627,498)
<i>Cash generated from operations</i>	311,703,974	453,618,888
Interest and other charges paid	(67,078,840)	(93,096,015)
Received from other sources	12,766,321	11,806,477
<i>Net cash flow from operating activities</i>	257,391,455	372,329,350
B. Cash flow from investing activities:		
Property, plant and equipment	(73,948,786)	(5,575,084)
<i>Net cash used in investing activities</i>	(73,948,786)	(5,575,084)
C. Cash flow from financing activities:		
Repayment for redeemable preference share	(184,401,100)	(184,401,100)
Lease finance payment	(667,612)	(1,315,565)
Financing (to)/from inter company	36,196,800	(107,208,798)
<i>Net cash used in financing activities</i>	(148,871,912)	(292,925,463)
D. Net cash inflow for the year (A+B+C)	34,570,757	73,828,803
E. Opening cash and bank balances	82,910,191	9,081,388
F. Closing cash and bank balances (D+E)	117,480,948	82,910,191

SUMMIT NARAYANGANJ POWER LIMITED

**DIRECTORS' REPORT
AND
AUDITED FINANCIAL STATEMENTS**

for the year ended 31 December 2013

SUMMIT NARAYANGANJ POWER LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

for the year ended 31 December 2013

Dear Shareholders,

Assalamu Alaikum,

The Board of Directors of Summit Narayanganj Power Limited (SNPL) is pleased to submit before you the operational activities and audited financial statements of the Company for the year, which ended on December 31, 2013.

Business Activities including its Operating Performance

Summit Narayanganj Power Limited (SNPL) was incorporated in 04 May 2010 as a Private Limited Company under the Companies Act 1994. The company started its commercial operation from 01 April 2011.

On September 28, 2011, the Company received "Asian Power Awards 2011 for Best Fast Track Project in Asia" for construction of 102 MW Summit Narayanganj Plant only in 270 Days. In the same year the Company achieved its financial closing 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.

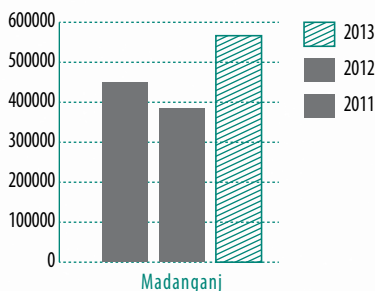
The Company has one operating plant in Madanganj, Narayanganj, which presently generate 102 MW of electricity. The Company initiated efforts to further expand its plant and increase their generation capacities. Out of the 317 MW electricity that Summit Power Limited is supplying to the National Power Gridline 102 MW is generated by Summit Narayanganj Power Limited.

Project wise Licensed Capacity and Installed Capacity of the operating power plant is as follows:

Name of plant	Licensed Capacity	Installed Capacity
Madanganj	102 MW	102.456 MW

Operating Result of the Company

Name of plant	Energy Sold (MWH)		
	2011	2012	2013
Madanganj	449,441	385,013	566,505



If we look at the sales of electricity of last three years, we find that the Madanganj power plant's sales have increased considerably high this year compared to that of 2012. The overall operational and financial performance of the Company was good thanks to its experienced management team

and strong support from the parent Company; it is evident that the Company will enhance its contribution in the development of the power sector.

The Company has received certification from Bureau Veritas after the organization's Management system successfully implemented Integrated Management Systems (IMS), which includes – ISO 9001:2008 – Quality Management System (QMS), ISO 14001:2004 – Environmental Management System (EMS) and BS OHSAS 18001:2007 – Occupational Health & Safety (OH&S). In implementing the Integrated Management System the Company has adopted the Quality Policies, Environmental Policies and Occupational Health Protection and Safety Policies.

Auditors

M/s Rahman Rahman Huq, Chartered Accountants, located at 9 Mohakhali C/A, Dhaka – 1212, the only member firm of KPMG International in Bangladesh, was appointed as the auditors of the Company. They have carried out the audit for the year 2013.

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) Abdul Wadud
Managing Director

Dhaka, 29 April 2014

SUMMIT NARAYANGANJ POWER LIMITED

STATEMENT OF FINANCIAL POSITION

as at 31 December 2013

	2013	2012
	Taka	Taka
		Restated*
Assets		
Non current assets:		
Property, plant and equipment	5,057,913,652	5,175,228,234
	5,057,913,652	5,175,228,234
Current assets:		
Inventories	265,176,964	228,933,486
Trade receivables	424,135,405	517,429,412
Other receivable	1,791,442	-
Advances, deposits and prepayments	65,778,361	66,946,878
Cash and cash equivalents	697,678,186	654,442,364
	1,454,560,358	1,467,752,140
Total assets	6,512,474,010	6,642,980,374
Equity and Liabilities		
Shareholders' equity:		
Share capital	2,149,875,000	1,653,750,000
Revaluation reserve	92,760,062	-
Retained earnings	2,189,773,798	1,830,711,535
	4,432,408,860	3,484,461,535
Non current liabilities:		
Project loan - non-current portion	1,071,465,349	2,013,738,524
Deferred liabilities	9,577,545	-
	1,081,042,894	2,013,738,524
Current liabilities:		
Trade creditors	123,200	84,000
Others creditors and accruals	26,514,403	120,805,733
Inter company payables	103,884,653	113,203,082
Project loan - current portion	868,500,000	910,687,500
	999,022,256	1,144,780,315
Total equity and liabilities	6,512,474,010	6,642,980,374



Managing Director



Director



Company Secretary

As per our report of same date.



Chartered Accountants

Dhaka, 29 April, 2014

SUMMIT NARAYANGANJ POWER LIMITED


STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2013

	2013	2012
	Taka	Taka
		Restated*
Revenue	1,652,806,642	1,703,277,839
Cost of sales	(441,975,778)	(338,043,922)
	1,210,830,864	1,365,233,917
Other income, net	8,850,192	5,108,001
Operating expenses		
General and administrative expenses	(168,305,438)	(190,510,799)
Operating profit	1,051,375,618	1,179,831,119
Finance costs, net	(196,188,355)	(206,368,643)
	855,187,263	973,462,476
Other comprehensive income	-	-
Total comprehensive income for the year	855,187,263	973,462,476



Managing Director



Director



Company Secretary

As per our report of same date.



Chartered Accountants

Dhaka, 29 April, 2014

SUMMIT NARAYANGANJ POWER LIMITED

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2013

	Share capital	Revaluation reserve	Retained earnings	Total
	Taka	Taka	Taka	Taka
Balance as at 1 January 2012	1,575,000,000	-	935,999,059	2,510,999,059
Issue of bonus share	78,750,000	-	(78,750,000)	-
Reported comprehensive income for the year	-	-	1,016,997,120	1,016,997,120
Adjustment for liquidated damages	-	-	(43,534,644)	(43,534,644)
Restated balance as at 31 December 2012	1,653,750,000	-	1,830,711,535	3,484,461,535
Issue of bonus share	496,125,000	-	(496,125,000)	-
Total comprehensive income for the year	-	-	855,187,263	855,187,263
Revaluation of land and land development	-	92,760,062	-	92,760,062
Balance as at 31 December 2013	2,149,875,000	92,760,062	2,189,773,798	4,432,408,860

SUMMIT NARAYANGANJ POWER LIMITED

STATEMENT OF CASH FLOWS

for the year ended 31 December 2013

	2013	2012
	Taka	Taka
A. Cash flow from operating activities:		
Received from customers	1,746,100,649	1,646,936,702
Cash paid to suppliers and employees	(541,428,885)	(535,823,048)
<i>Cash generated from operations</i>	1,204,671,764	1,111,113,654
Received from other sources	(52,138,720)	(9,088,142)
Interest and other charges paid	(115,842,185)	(164,101,054)
<i>Net cash generated from operating activities</i>	1,036,690,859	937,924,458
B. Cash flow from investing activities:		
Capital work in progress	-	(57,761,959)
Acquisition of property, plant and equipment	(112,824,108)	(89,572,764)
<i>Net cash used in investing activities</i>	(112,824,108)	(147,334,723)
C. Cash flow from financing activities:		
(Payment for)/proceeds from project loan	(871,312,500)	(681,075,000)
Financing from/(to) inter company	(9,318,429)	83,327,013
<i>Net cash used in financing activities</i>	(880,630,929)	(597,747,987)
D. Net cash inflow for the period (A+B+C)	43,235,822	192,841,748
E. Opening cash and cash equivalents	654,442,364	461,600,616
F. Closing cash and cash equivalents (D+E)	697,678,186	654,442,364

SUMMIT POWER LIMITED

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



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 17th Annual General Meeting
of the Company to be held at 11.00 a.m. on Monday the 23rd June, 2014 at **Police Convention Hall**, Eskaton Garden Road, Ramna, Dhaka-1000
and at any adjournment thereof.

Signed this day of 2014.

.....
Signature of the Shareholder (s)

.....
Signature of the Proxy

Number of Shares held

BO ID NO.																			
------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

BO ID NO.																			
------------------	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Note :

A member entitled to attend and vote at the 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 of the Company not later than 48 hours before the time appointed for the meeting.



Signature verified

.....
Authorised Signatory

SUMMIT POWER LIMITED

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



SHAREHOLDERS' ATTENDANCE SLIP

I/We hereby record my attendance at the 17th Annual General Meeting of the Company to be held at 11.00 a.m. on Monday the 23rd June, 2014 at **Police Convention Hall**, Eskaton Garden Road, Ramna, Dhaka-1000.

Name of the member/Proxy (in Block Letter)																			
BO ID No.																			
Mobile Number																			
E-mail address (if any)																			

Signature verified by

.....
Signature of the Member/Proxy

.....
Authorised Signatory of the Company

NOTE :

1. Please note that AGM can only be attended by the honourable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honourable shareholder or proxy cannot be allowed into the meeting.
2. Please present this slip at the reception desk.

সম্মানিত শেয়ারহোল্ডারবৃন্দের সদয় অবগতির জন্য জানানো যাচ্ছে যে, আসন্ন বার্ষিক সাধারণ সভায় কোন প্রকার উপহার/খাবার/কুপন প্রদানের ব্যবস্থা থাকবে না।

Achievements

Summit Power Limited, the first Bangladeshi Independent Power Producer (IPP) has been awarded "AA" Credit Rating in the long term and ST-2 rating in the short term by an internationally linked joint venture rating agency Credit Rating Information & Services Limited (CRISL) in collaboration with Rating Agency Bernhard, Malaysia and JCR-VIS Rating Company Limited, Pakistan.

The rating is a unique distinction for a Bangladeshi company in private sector power generation to receive such an internationally recognized credit rating. Entities rated in this category are adjudged to be high quality, offer higher safety and have high credit quality. This level of rating indicates a corporate entity with a sound profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions. The short term rating indicates high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

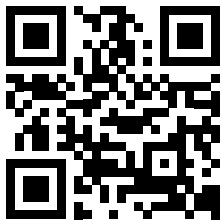
Summit's Power plants are operated and maintained wholly by Bangladeshi engineers and technicians setting an example of growing entrepreneurial and technical sufficiency of Bangladeshi industrial enterprises.



Empowering Bangladesh

Empowering Bangladesh

SUMMIT'S COMMITMENT



Scan code with a QR code reader-enabled mobile phone to find out more about the company

Power turns the wheels of the industry, illuminates the homes and offices and indeed serves as the most important catalyst for progress and prosperity of a nation. Summit, a pioneer in private sector power generation, has drawn up program to raise its generation capacity to take a market share of 20% in the sector.

SUMMIT POWER LIMITED

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

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Fax : +(880) 2 - 913 9284, 913 0854

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