

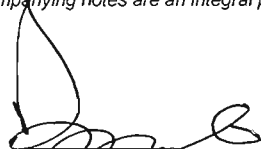
Summit Power Limited

Un-audited financial statements
as at and for the period ended
31 March 2019

Summit Power Limited
Statement of financial position

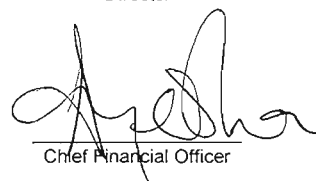
In BDT	Note	Consolidated		Separate	
		31 March 2019	30 June 2018	31 March 2019	30 June 2018
Assets					
Property, plant and equipment	4	39,935,290,302	39,052,567,510	11,714,661,571	11,966,100,432
Intangible assets	5	51,150,012	48,826,947	20,369,595	18,046,530
Investment in subsidiaries	6	-	-	2,550,702,270	2,126,981,380
Investment in associates	7	5,973,812,136	5,708,245,782	3,801,772,452	3,801,772,452
Deferred tax assets	8	34,534,443	34,821,425	28,905,862	30,092,575
Available-for-sale financial assets	9	4,207,789,117	4,320,803,275	4,207,789,117	4,320,803,275
Non-current assets		50,202,576,010	49,165,264,939	22,324,200,867	22,263,796,644
Inventories	10	749,445,889	616,243,162	431,237,476	468,718,263
Trade receivables	11	12,504,432,221	9,177,390,005	6,420,893,238	5,369,750,911
Other receivables	12	39,036,318	60,253,599	34,618,088	54,442,524
Intercompany receivables	13	-	-	192,987,664	249,516,371
Advances, deposits and prepayments	14	730,698,543	444,480,918	173,914,721	145,890,327
Cash and cash equivalent	15	4,950,520,253	4,881,992,406	1,532,295,275	3,070,864,147
Current assets		18,974,133,224	15,180,360,090	8,785,946,462	9,359,182,543
Total assets		69,176,709,234	64,345,625,029	31,110,147,329	31,622,979,187
Equity					
Share capital	16	10,678,772,390	10,678,772,390	10,678,772,390	10,678,772,390
Share premium	17	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639
Revaluation reserve	18	968,623,436	982,964,725	968,623,436	982,964,725
Fair value reserve		573,627,466	686,641,624	573,627,466	686,641,624
Capital reserve		1,668,093,205	1,668,093,205	1,668,093,205	1,668,093,205
Hedging reserve		(73,132,406)	-	-	-
Currency translation reserve		54,969,644	33,270,616	-	-
Retained earnings		13,444,039,825	12,849,427,782	9,677,228,118	10,094,055,565
Equity attributable to owners of the Company		33,794,091,199	33,378,267,981	30,045,442,254	30,589,625,148
Non-controlling interest	19	6,824,042,320	3,521,273,883	-	-
Total equity		40,618,133,519	36,899,541,864	30,045,442,254	30,589,625,148
Liabilities					
Redeemable preference shares - non-current	20	1,628,540,853	826,398,267	-	-
Loans and borrowings - non current	21	10,392,176,780	5,401,218,269	-	-
Deferred liabilities	22	202,406,078	202,256,860	186,324,431	188,745,860
Liabilities for hedging instrument	23	149,249,809	-	-	-
Non-current liabilities		12,372,373,520	6,429,873,396	186,324,431	188,745,860
Unclaimed dividends	24	211,733,562	58,429,846	211,733,562	58,429,846
Redeemable preference shares - current	20	157,763,592	157,279,653	-	-
Loans and borrowings - current	21	11,423,321,206	15,948,932,217	-	-
Trade payables	25	3,934,629,494	3,610,508,096	546,186,872	658,031,052
Other payables and accruals	26	455,635,319	363,059,957	66,713,394	128,147,281
Intercompany payables	27	3,119,022	878,000,000	53,746,816	-
Current liabilities		16,186,202,195	21,016,209,769	878,380,644	844,608,179
Total liabilities		28,558,575,715	27,446,083,165	1,064,705,075	1,033,354,039
Total equity and liabilities		69,176,709,234	64,345,625,029	31,110,147,329	31,622,979,187
Net asset value per share (NAVPS)	35	31.65	31.26	28.14	28.65

The accompanying notes are an integral part of these financial statements.


Chairman


Director


Managing Director


Chief Financial Officer


Company Secretary

Dated, Dhaka
22 April 2019

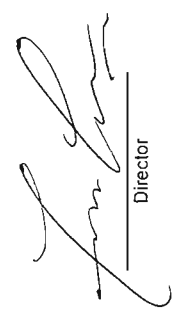
Summit Power Limited
Statement of profit or loss and other comprehensive income

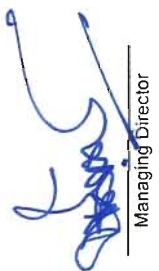
In BDT	Note	Consolidated						Separate					
		July 2018 to		January 2019 to		July 2018 to		July 2017 to		January 2019 to		January 2018 to	
		March 2019	March 2018	March 2019	March 2018	March 2019	March 2018	March 2018	March 2018	March 2019	March 2018	March 2018	March 2018
		[Restated]	[Restated]	[Restated]	[Restated]	[Restated]	[Restated]	[Restated]	[Restated]	[Restated]	[Restated]	[Restated]	[Restated]
Revenue	28	23,886,691,159	12,342,864,355	4,351,170,798	3,771,926,581	6,602,026,300	6,458,125,684	1,706,790,602	6,458,125,684	1,706,790,602	2,109,987,383	2,109,987,383	
Cost of sales	29	(17,886,733,865)	(8,539,398,165)	(2,426,521,307)	(2,496,278,295)	(3,872,852,721)	(3,595,685,739)	(797,449,199)	(3,595,685,739)	(797,449,199)	(1,146,942,811)	(1,146,942,811)	
Gross profit		5,999,957,294	3,803,466,190	1,924,649,491	1,275,648,286	2,729,173,579	2,862,439,945	909,341,403	2,862,439,945	909,341,403	963,044,572	963,044,572	
Other income	30	214,897,115	363,148,045	7,202,669	6,685,334	227,554,335	357,572,357	5,988,829	357,572,357	5,988,829	5,949,107	5,949,107	
General and administrative expenses	31	(390,669,520)	(329,689,299)	(126,847,568)	(103,639,846)	(304,126,249)	(298,279,805)	(98,527,055)	(298,279,805)	(98,527,055)	(93,641,052)	(93,641,052)	
Operating profit		5,824,184,889	3,836,924,936	1,805,004,592	1,178,693,772	2,652,601,665	2,921,732,497	816,803,177	2,921,732,497	816,803,177	875,352,627	875,352,627	
Net finance income/(cost)	32	(702,399,058)	(365,806,585)	(325,443,425)	(87,386,049)	137,155,779	124,490,866	18,800,347	124,490,866	18,800,347	33,160,435	33,160,435	
Share of profit of equity-accounted investees		291,066,354	374,138,126	81,606,272	105,159,866	-	-	-	-	-	-	-	
Profit before tax		5,412,852,185	3,845,256,477	1,561,167,439	1,196,467,589	2,789,757,444	3,046,223,363	835,603,524	3,046,223,363	835,603,524	908,513,062	908,513,062	
Income tax expenses		(18,729,225)	(19,040,447)	616,759	(8,240,826)	(5,213,651)	1,754,278	714,429	1,754,278	714,429	283,023	283,023	
Profit after income tax		5,394,122,959	3,826,216,030	1,561,784,199	1,188,226,763	2,784,543,793	3,047,977,641	836,317,953	3,047,977,641	836,317,953	908,796,085	908,796,085	
Other comprehensive income													
Items that will not be reclassified to profit or loss													
Actuarial gain/(loss) on gratuity valuation		(21,248,250)	852,000	(7,082,750)	284,000	(16,107,750)	1,863,750	(5,369,250)	1,863,750	(5,369,250)	621,250	621,250	
Related tax on gain/(loss) on gratuity valuation		5,826,113	(111,825)	1,942,035	(37,275)	4,026,938	(465,938)	1,342,313	(465,938)	1,342,313	(155,313)	(155,313)	
		(15,422,137)	740,175	(5,140,716)	246,725	(12,080,812)	1,397,812	(4,026,937)	1,397,812	(4,026,937)	465,937	465,937	
Items that may be reclassified subsequently to profit or loss													
Available-for-sale financial assets-net change in fair value	9	(113,014,158)	(318,944,691)	41,806,306	(275,306,885)	(113,014,158)	(318,944,691)	41,806,306	(318,944,691)	41,806,306	(275,306,885)	(275,306,885)	
Related tax on available-for-sale financial assets		-	-	-	-	-	-	-	-	-	-	-	
		(113,014,158)	(318,944,691)	41,806,306	(275,306,885)	(113,014,158)	(318,944,691)	41,806,306	(318,944,691)	41,806,306	(275,306,885)	(275,306,885)	
Effects of currency translation		83,318,516	(104,484)	74,806,599	9,599	-	-	-	-	-	-	-	
Cash flow hedges – changes in fair value		(149,249,809)	-	(149,249,809)	-	-	-	-	-	-	-	-	
Other comprehensive income		(194,367,588)	(318,309,000)	(37,777,620)	(275,050,561)	(125,094,970)	(317,546,879)	37,779,369	(317,546,879)	37,779,369	(274,840,948)	(274,840,948)	
Total comprehensive income		5,199,755,371	3,507,907,029	1,524,006,579	913,176,201	2,659,448,823	2,730,430,762	874,097,322	2,730,430,762	874,097,322	633,955,137	633,955,137	

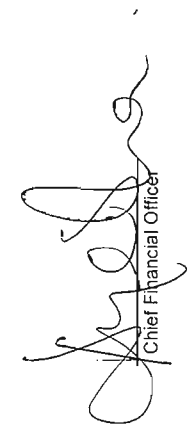
In BDT	Note	Consolidated				Separate			
		July 2018 to March 2019	July 2017 to March 2018 [Restated]	January 2019 to March 2019	January 2018 to March 2018 [Restated]	July 2017 to March 2018 [Restated]	July 2018 to March 2019	January 2019 to March 2019	January 2018 to March 2018 [Restated]
Profit attributable to:									
Owners of the company		3,797,620,532	3,619,317,114	1,086,829,089	1,099,105,726	-	-	-	-
Non-controlling interests		1,595,502,427	206,898,916	474,955,110	89,121,037	-	-	-	-
		5,394,122,959	3,826,216,030	1,561,784,199	1,188,226,763	-	-	-	-
Other comprehensive income attributable to:									
Owners of the Company		(178,165,598)	(317,932,425)	(17,361,947)	(274,939,084)	-	-	-	-
Non-controlling interests		(16,201,990)	(376,575)	(20,415,673)	(111,477)	-	-	-	-
		(194,367,588)	(318,309,000)	(37,777,620)	(275,050,561)	-	-	-	-
Total comprehensive income attributable to:									
Owners of the company		3,619,454,934	3,301,384,688	1,069,467,142	824,166,641	-	-	-	-
Non-controlling interests		1,580,300,437	206,522,341	454,539,437	89,009,560	-	-	-	-
Total comprehensive income		5,199,755,371	3,507,907,029	1,524,006,579	913,176,201	-	-	-	-
Earnings per share									
Basic earnings per share (face value BDT 10)	34.1	3.56	3.39	1.02	1.03	2.60	2.85	0.78	0.85

The accompanying notes are an integral part of these financial statements.


Chairman


Director


Managing Director


Chief Financial Officer


Company Secretary

Dated, Dhaka
22 April 2019

Summit Power Limited

Consolidated statement of changes in equity

In BDT	Attributable to owners of the Company								Non-controlling interests	Total equity	
	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Hedging reserve	Currency translation reserve	Retained earnings			Total
Balance at 1 July 2018	10,678,772,390	6,479,097,639	982,964,725	686,641,624	1,668,093,205	-	33,270,616	12,849,427,782	33,378,287,981	3,521,273,883	36,899,541,864
Total comprehensive income	-	-	-	-	-	-	-	3,797,620,532	3,797,620,532	1,596,502,427	5,394,122,959
Profit	-	-	-	-	-	-	-	(13,718,061)	(13,718,061)	(16,201,990)	(194,367,887)
Other comprehensive income	-	-	-	(113,014,158)	-	(73,132,406)	21,699,028	(178,165,597)	(178,165,597)	(16,201,990)	(194,367,887)
Total comprehensive income	-	-	-	(113,014,158)	-	(73,132,406)	21,699,028	(178,165,597)	(178,165,597)	(16,201,990)	(194,367,887)
Transaction with owners of the Company	-	-	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)	1,722,468,000	(1,481,163,717)
Cash dividend	-	-	-	-	-	-	-	-	-	-	-
Equity capital of non-controlling interest	-	-	-	-	-	-	-	-	-	1,722,468,000	1,722,468,000
Total transactions with owners of the Company	-	-	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)	1,722,468,000	(1,481,163,717)
Transactions recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-
Expense on account of amalgamation	-	-	-	-	-	-	-	-	-	-	-
Adjustment due to change in the functional currency	-	-	-	-	-	-	-	-	-	-	-
Transfer from revaluation reserve to retained earnings	-	-	(14,341,289)	-	-	-	-	14,341,289	-	-	-
Total transactions recognised directly in equity	-	-	(14,341,289)	-	-	-	-	14,341,289	-	-	-
Balance at 31 March 2019	10,678,772,390	6,479,097,639	968,623,436	573,627,466	1,668,093,205	(73,132,406)	54,969,644	13,444,039,825	33,794,091,199	6,824,042,320	40,618,133,519

In BDT	Attributable to owners of the Company										Non-controlling interests	Total equity
	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Hedging reserve	Currency translation reserve	Retained earnings	Total			
Balance at 1 July 2017	10,678,772,390	6,479,097,639	1,002,086,449	152,572,035	1,668,093,205	-	-	11,341,109,707	31,321,731,425	1,755,013,645	33,076,745,070	
Total comprehensive income	-	-	-	-	-	-	-	2,520,211,388	2,520,211,388	206,898,916	2,727,110,304	
Profit	-	-	-	(43,637,806)	-	-	(63,305)	609,633	(43,091,478)	(376,575)	(43,468,053)	
Other comprehensive income	-	-	-	(43,637,806)	-	-	(63,305)	2,520,821,021	2,477,119,910	206,522,341	2,683,642,251	
Total comprehensive income	-	-	-	-	-	-	-	-	-	-	-	
Transaction with owners of the Company	-	-	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)	-	(3,203,631,717)	
Cash dividend	-	-	-	-	-	-	-	-	-	80,000,000	80,000,000	
Equity capital of non-controlling interest	-	-	-	-	-	-	-	-	-	80,000,000	80,000,000	
Total transactions with owners of the Company	-	-	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)	80,000,000	(3,123,631,717)	
Transactions recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	
Adjustment due to change in the functional currency	-	-	-	-	-	-	-	15,034,387	15,034,387	8,456,842	23,491,229	
Transfer from revaluation reserve to retained earnings	-	-	(4,780,431)	-	-	-	-	4,780,431	-	-	-	
Total transactions recognised directly in equity	-	-	(4,780,431)	-	-	-	-	19,814,818	15,034,387	8,456,842	23,491,229	
Balance at 31 March 2018	10,678,772,390	6,479,097,639	997,306,018	108,934,229	1,668,093,205	-	(63,305)	10,678,113,829	30,610,254,005	2,049,992,828	32,660,246,833	
Balance at 1 April 2018	10,678,772,390	6,479,097,639	997,306,018	108,934,229	1,668,093,205	-	(63,305)	10,678,113,829	30,610,254,005	2,049,992,828	32,660,246,833	
Total comprehensive income	-	-	-	-	-	-	-	2,175,873,042	2,175,873,042	371,389,119	2,547,262,161	
Profit	-	-	-	-	-	-	-	(18,900,382)	592,140,934	29,891,936	622,032,870	
Other comprehensive income	-	-	-	577,707,395	-	-	33,333,921	2,156,972,660	2,768,013,976	401,281,055	3,169,295,031	
Total comprehensive income	-	-	-	577,707,395	-	-	33,333,921	2,156,972,660	2,768,013,976	401,281,055	3,169,295,031	
Transaction with owners of the Company	-	-	-	-	-	-	-	-	-	-	-	
Cash dividend	-	-	-	-	-	-	-	-	-	-	-	
Equity capital of non-controlling interest	-	-	-	-	-	-	-	-	-	1,070,000,000	1,070,000,000	
Total transactions with owners of the Company	-	-	-	-	-	-	-	-	-	1,070,000,000	1,070,000,000	
Transactions recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	
Adjustment due to change in the functional currency	-	-	-	-	-	-	-	-	-	-	-	
Transfer from revaluation reserve to retained earnings	-	-	(14,341,293)	-	-	-	-	14,341,293	-	-	-	
Total transactions recognised directly in equity	-	-	(14,341,293)	-	-	-	-	14,341,293	-	-	-	
Balance at 30 June 2018	10,678,772,390	6,479,097,639	982,964,725	686,641,624	1,668,093,205	-	33,270,616	12,849,427,782	33,378,267,981	3,521,273,883	36,899,541,864	

The accompanying notes are an integral part of these financial statements.

Summit Power Limited
Separate statement of changes in equity

<i>In BDT</i>	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Retained earnings	Total Equity
Balance at 1 July 2018	10,678,772,390	6,479,097,639	982,964,725	686,641,624	1,668,093,205	10,094,055,565	30,589,625,148
Total comprehensive income							
Profit	-	-	-	-	-	2,784,543,793	2,784,543,793
Other comprehensive income	-	-	-	(113,014,158)	-	(12,080,812)	(125,094,970)
Total comprehensive income	-	-	-	(113,014,158)	-	2,772,462,981	2,659,448,823
Transaction with owners of the company							
Cash dividend	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)
Total transactions with owners of the company	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)
Transactions recognised directly in equity							
Transfer from revaluation reserve to retained earnings	-	-	(14,341,289)	-	-	14,341,289	-
Total transactions recognised directly in equity	-	-	(14,341,289)	-	-	14,341,289	-
Balance at 31 March 2019	10,678,772,390	6,479,097,639	968,623,436	573,627,466	1,668,093,205	9,677,228,118	30,045,442,254
<i>In BDT</i>							
Balance at 1 July 2017	10,678,772,390	6,479,097,639	1,002,086,449	152,572,035	1,668,093,205	9,382,924,582	29,363,546,300
Total comprehensive income							
Profit	-	-	-	-	-	3,047,977,641	3,047,977,641
Other comprehensive income	-	-	-	(318,944,691)	-	1,397,812	(317,546,879)
Total comprehensive income	-	-	-	(318,944,691)	-	3,049,375,453	2,730,430,762
Transaction with owners of the company							
Cash dividend	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)
Total transactions with owners of the company	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)
Transactions recognised directly in equity							
Transfer from revaluation reserve to retained earnings	-	-	(14,341,293)	-	-	14,341,293	-
Total transactions recognised directly in equity	-	-	(14,341,293)	-	-	14,341,293	-
Balance at 31 March 2018	10,678,772,390	6,479,097,639	987,745,156	(166,372,656)	1,668,093,205	9,243,009,611	28,890,345,345

<i>In BDT</i>	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Retained earnings	Total Equity
Balance at 1 April 2018	10,678,772,390	6,479,097,639	987,745,156	(166,372,656)	1,668,093,205	9,243,009,611	28,890,345,345
Total comprehensive income							
Profit	-	-	-	-	-	863,771,085	863,771,085
Other comprehensive income	-	-	-	853,014,280	-	(17,505,562)	835,508,718
Total comprehensive income	-	-	-	853,014,280	-	846,265,523	1,699,279,803
Transaction with owners of the company							
Cash dividend	-	-	-	-	-	-	-
Total transactions with owners of the company	-	-	-	-	-	-	-
Transactions recognised directly in equity							
Transfer from revaluation reserve to retained earnings	-	-	(4,780,431)	-	-	4,780,431	-
Total transactions recognised directly in equity	-	-	(4,780,431)	-	-	4,780,431	-
Balance at 30 June 2018	10,678,772,390	6,479,097,639	982,964,725	686,641,624	1,668,093,205	10,094,055,565	30,589,625,148

The accompanying notes are an integral part of these financial statements.

Summit Power Limited
Statement of cash flows

<i>In BDT</i>	Consolidated		Separate	
	July 2018 to Mar 2019	July 2017 to Mar 2018 [Restated]	July 2018 to Mar 2019	July 2017 to Mar 2018 [Restated]
Cash flows from operating activities				
Cash receipts from customers	20,550,338,814	12,539,265,889	5,553,254,095	6,292,763,782
Cash paid to suppliers and employees	(17,061,789,538)	(8,781,855,068)	(3,724,011,352)	(3,546,949,074)
Receipts from other sources	20,306,931	33,600,558	7,315,987	28,375,877
Tax paid	(4,463,642)	-	(4,463,642)	-
Net cash from operating activities	3,504,392,565	3,791,011,380	1,832,095,088	2,774,190,585
Cash flows from investing activities				
Interest received	248,817,658	191,106,588	163,749,065	139,440,348
Dividend received	216,937,348	350,917,048	216,937,348	350,917,048
Acquisition of property, plant and equipment	(2,075,497,161)	(16,734,415,431)	(390,878,005)	(394,183,046)
Disposal of property, plant and equipment	3,301,000	3,700,650	3,301,000	3,700,650
Investment in subsidiaries	-	-	(423,720,890)	(895,000,000)
Payment of related party loans	-	-	56,528,707	137,483,094
Net cash used in investing activities	(1,606,441,155)	(16,188,691,145)	(374,082,775)	(657,641,906)
Cash flows from financing activities				
Interest paid	(665,511,205)	(312,606,544)	-	-
Proceeds from issue of share capital (NCI)	841,348,156	164,380,941	-	-
Proceeds from issue of redeemable preference shares	799,366,869	-	-	-
Repayment of loans and borrowings	(906,581,322)	(234,253,217)	-	-
Proceeds from loans and borrowings	1,145,912,889	13,875,471,639	-	-
Proceeds from/(repayment of) intercompany financing	3,119,023	1,430,000,000	53,746,816	(330,002)
Dividends paid	(3,050,328,001)	(3,187,400,283)	(3,050,328,001)	(3,187,400,283)
Net cash used in financing activities	(1,832,673,591)	11,735,592,537	(2,996,581,185)	(3,187,730,285)
Net changes in cash and cash equivalents	65,277,819	(662,087,229)	(1,538,568,872)	(1,071,181,606)
Effects of currency translation	3,250,028	2,674,142	-	-
Opening cash and cash equivalents	4,881,992,406	4,913,073,317	3,070,864,147	3,530,471,298
Closing cash and cash equivalents	4,950,520,253	4,253,660,230	1,532,295,275	2,459,289,692
Net operating cash flow per share (NOCFPS)	3.28	3.55	1.72	2.60

The accompanying notes are an integral part of these financial statements.

Notes to the interim financial statements

1 Reporting entity

1.1 Company profile

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

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

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

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

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

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

1.2 Nature of business

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

Name of Company	Name of plant	Location	Plant capacity (MW)	Operation starting date	Period of PPA (Year)
Summit Power Limited	Ashulia Power Plant (Unit-1)**	Savar, Dhaka	11	1 Sep 2003	15
	Ashulia Power Plant (Unit-2)	Savar, Dhaka	33.75	4 Dec 2007	15
	Madhabdi Power Plant (Unit-1)**	Narsingdi	11	1 Sep 2003	15
	Madhabdi Power Plant (Unit-2)	Narsingdi	24.3	16 Dec 2006	15
	Chandina Power Plant (Unit-1)**	Comilla	11	1 Sep 2003	15
	Chandina Power Plant (Unit-2)	Comilla	13.5	15 Nov 2006	15
	Rupganj Power Plant	Narayanganj	33	9 Jun 2009	15
	Jangalia Power Plant	Comilla	33	25 Jun 2009	15
	Maona Power Plant	Gazipur	33	12 May 2009	15
	Ullapara Power Plant	Sirajganj	11	3 Mar 2009	15
Madanganj Power Plant	Narayanganj	102	1 Apr 2011	10	
Summit Narayanganj Power Unit II Limited	Madanganj Power Plant (Unit-2)	Narayanganj	55	29 Feb 2016	15
Summit Barisal Power Limited	Rupatoli Power Plant	Barisal	110	5 Apr 2016	15
Ace Alliance Power Limited	Kodda Power Plant (Unit-1)	Gazipur	149	12 July 2018	15
Summit Gazipur II Power Limited	Kodda Power Plant (Unit-2)	Gazipur	300	10 May 2018	15
Summit Chittagong Power Limited*	-	-	-	-	-

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

* Development of this power plant is yet to initiate.

Notes to the interim financial statements

** The Group contracted with Bangladesh Rural Electrification Board ("BREB") for Power Purchase Agreement ("PPA") on 10 February 2000 to supply electricity from Ashulia power plant, Madhabdi power plant and Chandina power plant ("the plants") for 15 years to 31 August 2018 subject to extension the term of contract on the basis of mutual agreement. Under these provisions, on 17 August 2015 Management had applied to BREB for extension of the PPA for 15 years. Subsequently, BREB has recommended to Power Division of Ministry of Power, Energy and Mineral Resources of Bangladesh for an extension of only 5 years. On the basis of the recommended 5-year extension, Management is currently in negotiations with BREB over the tariff to be incorporated into the PPA from 1 September 2018. BREB has also consented to the Group to continue supplying power to it until the negotiation is completed.

2 Basis of accounting

2.1 Statement of compliance

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

2.2 Authorisation for issue

The financial statements (both consolidated and separate financial statements) were authorised by the Board of Directors on 22 April 2019 for publication.

2.3 Basis of measurement

The financial statements have been prepared on historical cost basis except for certain assets which are stated either at revalued amount or fair market value as explained in the accompanying notes.

2.4 Functional and presentational currency and level of precision

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

2.5 Reporting period

The financial period of the Company/Group covers six months from 1 July 2018 to 31 March 2019 and is followed consistently.

Statement	Current	Comparative
Financial position	As at 31 March 2019	As at 30 June 2018
Profit or loss and other comprehensive income	1 July 2018 to 31 March 2019	1 July 2017 to 31 March 2018
Changes in equity	1 July 2018 to 31 March 2019	1 July 2017 to 31 March 2018
Cash flows	1 July 2018 to 31 March 2019	1 July 2017 to 31 March 2018

Details of the Group's accounting policies are included in Note 39.

3 Use of estimates and judgements

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the period ended 31 December 2018 is included in the following notes:

Note 4.1 and 39.B(v)	Depreciation	Note 22	Deferred liabilities
Note 5 and 39.C(iii)	Amortisation	Note 26	Other payables and accruals

Notes to the financial statements (Continued)

4 Property, plant and equipment

Consolidated

In BDT	Cost/Revaluation					Rate %	Depreciation					Written down value at 31 Mar 2019
	Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out	Movement of exchange rate	Balance at 31 Mar 2019		Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out	Movement of exchange rate	Balance at 31 Mar 2019	
For the nine-month period ended 31 March 2019												
a) Own assets : i) Cost												
Land and land development	953,405,952	99,664,154	-	1,575,340	1,054,645,446	-	-	-	-	-	-	1,054,645,446
Furniture and fixtures	31,506,708	3,881,635	-	21,083	35,409,426	10	2,483,769	-	1,721	15,855,088	-	19,554,338
Office and electrical equipment	73,559,209	10,695,043	(671,896)	86,401	83,667,757	20	8,593,834	(483,268)	11,487	48,744,607	-	34,823,150
Office decoration	29,704,028	-	-	29,704,028	-	20	27,851,039	-	-	27,876,385	-	1,827,643
Motor vehicles	164,003,784	16,910,866	(9,373,362)	142,122	171,683,390	20	88,226,912	(9,373,362)	22,728	94,296,353	-	77,387,038
Maintenance equipment	32,885,578	786,170	-	1,903	33,673,651	20	21,240,754	-	64	23,336,098	-	10,337,553
Civil works and others	224,889,004	897,566	-	-	225,786,570	20	177,649,839	-	-	194,229,828	-	31,556,942
Plant and machineries:												
Ashulia Power Plant (Unit-1)	457,956,738	1,277,807	-	-	459,234,545	3.33 - 10	255,045,875	-	-	275,688,677	-	183,545,868
Ashulia Power Plant (Unit-2)	1,480,456,849	78,206,531	-	-	1,558,663,380	3.33 - 16.67	532,101,053	-	-	591,833,007	-	966,830,373
Madhabdi Power Plant (Unit-1)	421,741,065	1,236,695	-	-	422,977,760	3.33 - 10	18,624,109	-	-	312,105,139	-	110,872,621
Madhabdi Power Plant (Unit-2)	1,005,495,201	48,827,028	-	-	1,054,322,229	3.33 - 16.67	425,894,874	-	-	466,842,539	-	587,479,691
Chandina Power Plant (Unit-1)	468,388,956	1,209,015	-	-	469,597,971	3.33 - 10	283,207,909	-	-	303,133,808	-	166,464,163
Chandina Power Plant (Unit-2)	624,809,281	27,243,868	-	-	652,053,150	3.33 - 16.67	260,824,491	-	-	286,455,168	-	365,597,982
Jangalia Power Plant	1,519,190,175	36,410,397	-	-	1,555,600,572	3.33 - 16.67	465,775,390	-	-	521,067,793	-	1,034,532,779
Rupanj Power Plant	1,512,853,345	56,304,042	-	-	1,569,157,386	3.33 - 16.67	474,028,243	-	-	529,804,761	-	1,039,352,625
Maona Power Plant	1,434,339,147	64,629,797	-	-	1,498,968,944	3.33 - 16.67	490,235,218	-	-	540,051,810	-	958,917,133
Ulapara Power Plant	542,884,339	124,000,081	-	-	666,884,420	3.33 - 16.67	197,227,856	-	-	222,098,858	-	444,886,562
Madanganj Power Plant	5,309,071,512	179,531,374	-	-	5,488,602,886	3.33 - 16.67	1,390,882,708	-	-	1,605,785,279	-	3,882,817,608
Rupatoll Power Plant	5,250,372,185	84,643,080	-	-	5,335,015,265	3.33 - 5	407,000,090	-	-	571,231,200	-	4,763,784,066
Madanganj Power Plant (Unit-2)	2,167,035,373	47,212,614	-	-	2,214,247,988	3.33 - 5	81,005,277	-	-	296,613,521	-	2,517,634,467
Kodda Power Plant (Unit-1)	12,780,322,851	18,454,368	-	-	12,798,777,219	3.33 - 5	72,659,663	-	-	187,779,078	-	162,495,720
Kodda Power Plant (Unit-2)	37,084,571,281	7,253,834,225	(9,945,278)	109,431,908	44,437,892,136	3.33 - 5	6,132,433,339	1,368,885,442	2,625,948	7,494,088,079	-	12,474,374,745
Total (i)	37,084,571,281	7,253,834,225	(9,945,278)	109,431,908	44,437,892,136	3.33 - 5	6,132,433,339	1,368,885,442	2,625,948	7,494,088,079	-	36,943,804,057
a) Own assets : ii) Revaluation												
Land and land development	569,663,952	-	-	-	569,663,952	-	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	-	13,002,138	20	13,002,138	-	-	13,002,138	-	-
Plant and machineries:												
Ashulia Power Plant (Unit-1)	166,227,903	-	-	-	166,227,903	3.33 - 10	46,404,838	4,155,656	-	50,560,494	-	115,667,409
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	3,310,422	3.33 - 16.67	924,165	82,764	-	1,006,929	-	2,303,493
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	-	161,663,341	3.33 - 10	45,130,564	4,041,540	-	49,172,104	-	112,491,237
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	79,752,991	3.33 - 16.67	22,264,158	1,993,815	-	24,257,973	-	55,495,018
Chandina Power Plant (Unit-1)	146,384,742	-	-	-	146,384,742	3.33 - 10	40,865,340	3,659,580	-	44,524,920	-	101,859,822
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	16,317,466	3.33 - 16.67	4,555,252	407,934	-	4,963,186	-	11,354,280
Total (ii)	1,156,322,955	-	-	-	1,156,322,955	3.33 - 16.67	173,146,454	14,341,289	-	187,487,743	-	968,835,212
Total assets (a)	38,240,894,236	7,253,834,225	(9,945,278)	109,431,908	45,594,215,091	3.33 - 5	6,305,579,793	1,383,226,731	2,625,948	7,881,575,822	-	37,912,639,269
b) Spare parts												
Stock in hand*	973,575,986	749,042,250	(760,890,673)	744,716	962,472,279	3.33 - 50	131,745,753	49,295,495	5,813	138,729,500	-	823,742,779
Stock in transit*	192,764,020	953,329,343	(6,347,207,321)	15,369	184,431,411	-	-	-	-	-	-	184,431,411
Total spare parts (b)	1,166,340,006	1,702,371,593	(1,722,567,994)	760,085	1,146,903,690	-	131,745,753	49,295,495	5,813	138,729,500	-	1,008,174,190
c) Capital work-in progress												
Capital work in progress	6,082,658,814	1,263,529,779	(6,347,207,247)	15,495,497	1,014,476,843	-	-	-	-	-	-	1,014,476,843
Total capital work-in progress (c)	6,082,658,814	1,263,529,779	(6,347,207,247)	15,495,497	1,014,476,843	-	-	-	-	-	-	1,014,476,843
Total (a+b+c)	45,489,893,057	10,219,735,597	(8,079,720,519)	125,687,490	47,555,595,824	3.33 - 50	6,437,325,546	1,432,522,226	2,631,761	7,820,305,322	-	39,935,290,302

Notes to the financial statements (Continued)

In BDT	For the year ended 30 June 2018											
	Cost/Revaluation					Depreciation					Written down value at 30 June 2018	
	Balance at 1 July 2017	Addition/transfer in	Disposal/transfer out	Movement of exchange rate	Balance at 30 June 2018	Balance at 1 July 2017	Addition/transfer in	Disposal/transfer out	Movement of exchange rate	Balance at 30 June 2018		
					Rate %							
a) Own assets - i) Cost												
Land and land development	924,771,550	186,175,304	(161,061,325)	3,520,423	953,405,952	-	2,598,652	-	-	-	953,405,952	
Furniture and fixtures	26,071,146	5,392,548	-	43,014	31,506,708	10	7,485,548	-	1,576	-	13,369,598	
Office and electrical equipment	51,430,101	21,764,546	(47,000)	211,562	73,359,209	20	33,167,429	(38,832)	8,471	-	40,622,553	
Office decoration	28,050,339	1,653,689	-	-	29,704,028	20	26,601,001	650,038	-	-	27,251,039	
Motor vehicles	136,126,544	43,091,516	(15,596,500)	382,224	164,003,784	20	89,052,896	(15,596,500)	40,076	-	75,776,872	
Maintenance equipment	27,180,353	5,705,225	-	-	32,885,578	20	17,908,940	3,331,814	-	-	21,240,754	
Civil works and others	208,801,320	16,087,684	-	-	224,889,004	20	145,923,882	31,625,957	-	-	177,549,839	
Plant and machineries:												
Ashulia Power Plant (Unit-1)	454,204,669	3,752,069	-	-	457,956,738	3.33 - 10	228,291,221	26,754,654	-	-	255,045,875	
Ashulia Power Plant (Unit-2)	1,465,580,547	14,876,302	-	-	1,480,456,849	3.33 - 16.67	454,870,733	77,230,321	-	-	532,101,053	
Madhabdi Power Plant (Unit-1)	413,433,901	8,307,164	-	-	421,741,065	3.33 - 10	267,923,365	25,557,664	-	-	293,481,030	
Madhabdi Power Plant (Unit-2)	988,239,163	17,256,038	-	-	1,005,495,201	3.33 - 16.67	383,064,623	42,930,250	-	-	425,994,874	
Chandina Power Plant (Unit-1)	462,336,094	6,052,862	-	-	468,388,956	3.33 - 10	257,836,089	25,371,820	-	-	283,207,909	
Chandina Power Plant (Unit-2)	608,371,334	16,437,947	-	-	624,809,281	3.33 - 16.67	233,045,515	27,778,976	-	-	260,824,491	
Jangalia Power Plant	1,512,454,446	6,735,729	-	-	1,519,190,175	3.33 - 16.67	396,316,930	69,458,460	-	-	465,775,390	
Ruggani Power Plant	1,457,317,703	55,335,642	-	-	1,512,653,345	3.33 - 16.67	400,112,795	73,915,448	-	-	474,028,243	
Maona Power Plant	1,397,125,057	37,214,090	-	-	1,434,339,147	3.33 - 16.67	426,860,120	63,375,098	-	-	490,235,218	
Ullapara Power Plant	511,740,411	31,243,928	-	-	542,984,339	3.33 - 16.67	176,639,690	20,588,166	-	-	197,227,856	
Madanganj Power Plant	5,134,835,936	174,235,576	-	-	5,309,071,512	3.33 - 16.67	1,131,215,579	259,767,129	-	-	1,390,982,708	
Rupatoli Power Plant	5,161,369,182	89,003,003	-	-	5,250,372,185	3.33 - 5	217,156,412	189,843,678	-	-	407,000,090	
Madanganj Power Plant (Unit-1)	2,674,057,876	92,977,497	-	-	2,767,035,373	3.33 - 5	119,023,643	96,564,600	-	-	215,608,244	
Koddia Power Plant (Unit-1)	-	-	-	-	-	3.33 - 5	-	-	-	-	-	
Koddia Power Plant (Unit-2)	-	12,535,447,438	-	-	12,780,322,851	3.33 - 5	-	71,267,479	-	-	72,659,663	
Total (i)	23,643,497,672	13,368,745,798	(176,704,825)	249,032,636	37,084,571,281		5,015,780,233	1,130,846,131	(15,635,332)	1,442,307	6,132,433,339	30,952,137,942
a) Own assets - ii) Revaluation												
Land and land development	569,663,952	-	-	-	569,663,952	-	-	-	-	-	569,663,952	
Civil works and others	13,002,138	-	-	-	13,002,138	20	13,002,138	-	-	-	13,002,138	
Plant and machineries:												
Ashulia Power Plant (Unit-1)	166,227,903	-	-	-	166,227,903	3.33 - 10	40,863,958	5,540,880	-	-	46,404,838	
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	3,310,422	3.33 - 16.67	813,813	110,352	-	-	924,165	
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	-	161,663,341	3.33 - 10	39,741,844	5,388,720	-	-	45,130,564	
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	79,752,991	3.33 - 16.67	19,605,738	2,658,420	-	-	22,264,158	
Chandina Power Plant (Unit-1)	146,384,742	-	-	-	146,384,742	3.33 - 10	35,985,900	4,879,440	-	-	40,865,340	
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	16,317,466	3.33 - 16.67	4,011,340	543,912	-	-	4,555,252	
Total (ii)	1,156,322,955	-	-	-	1,156,322,955		154,024,730	19,121,724	-	-	173,146,454	983,176,501
Total assets (a)	24,799,820,527	13,368,745,798	(176,704,825)	249,032,636	38,240,894,236		5,169,804,964	1,149,967,855	(15,635,332)	1,442,307	6,305,579,793	31,935,314,443
b) Spare parts												
Stock in hand**	749,005,147	678,726,057	(454,155,218)	-	973,575,986	3.33 - 50	109,363,833	54,275,917	(31,893,998)	-	131,745,753	841,830,233
Stock in transit*	113,220,869	984,219,064	(904,675,913)	-	192,764,020	-	-	-	-	-	-	192,764,020
Total spare parts (b)	862,226,016	1,662,945,121	(1,358,831,131)	-	1,166,340,006		109,363,833	54,275,917	(31,893,998)	-	131,745,753	1,034,594,253
c) Capital work-in progress												
Capital work in progress	946,236,882	4,979,104,646	-	157,317,286	6,082,658,814	-	-	-	-	-	-	6,082,658,814
Total capital work-in progress (c)	946,236,882	4,979,104,646	-	157,317,286	6,082,658,814	-	-	-	-	-	-	6,082,658,814
Total (a+b+c)	26,608,283,526	20,107,955,565	(1,535,535,956)	406,349,922	45,489,893,057		5,279,168,797	1,204,243,772	(47,529,330)	1,442,307	6,437,325,546	39,052,567,510

Notes to the financial statements (Continued)

Separate In BDT	For the nine-month period ended 31 March 2019							Written down value at 31 Mar 2019	
	Balance at 1 July 2018	Cost/Revaluation Addition/ transfer in	Disposal/ transfer out	Balance at 31 Mar 2019	Rate %	Balance at 1 July 2018	Depreciation Addition/ transfer in		Disposal/ transfer out
a) Own assets : i) Cost									
Land and land development	350,868,786	1,709,456	-	352,578,242	-	-	-	-	352,578,242
Furniture and fixtures	21,313,903	1,730,074	-	23,043,977	10	11,893,027	1,573,412	-	13,466,439
Office and electrical equipment	49,369,683	6,133,144	(445,500)	55,057,327	20	35,341,187	4,521,780	(445,500)	39,417,467
Office decoration	29,424,708	-	-	29,424,708	20	27,143,970	583,451	-	27,727,421
Motor vehicles	141,177,004	7,200,000	(9,373,382)	139,003,622	20	84,095,344	11,784,689	(9,373,382)	86,506,652
Maintenance equipment	31,492,590	346,500	-	31,839,090	20	20,784,448	1,843,790	-	22,628,238
Civil works and others	224,803,919	897,566	-	225,701,485	20	177,546,914	16,674,524	-	194,221,438
Plant and machineries:									
Ashulia Power Plant (Unit-1)	457,956,738	1,277,807	-	459,234,545	3.33 - 10	255,045,874	20,642,802	-	275,688,675
Ashulia Power Plant (Unit-2)	1,480,456,849	78,206,531	-	1,558,663,380	3.33 - 16.67	532,101,052	59,731,953	-	591,833,005
Madhabdi Power Plant (Unit-1)	421,741,065	1,236,695	-	422,977,760	3.33 - 10	293,481,029	18,624,109	-	312,105,138
Madhabdi Power Plant (Unit-2)	1,005,495,201	48,827,028	-	1,054,322,229	3.33 - 16.67	425,994,873	40,847,665	-	466,842,538
Chandina Power Plant (Unit-1)	468,388,956	1,209,015	-	469,597,971	3.33 - 10	283,207,909	19,925,899	-	303,133,808
Chandina Power Plant (Unit-2)	624,809,281	27,243,868	-	652,053,150	3.33 - 16.67	260,824,490	25,630,677	-	286,455,167
Jangalia Power Plant	1,519,190,175	36,410,397	-	1,555,600,572	3.33 - 16.67	465,775,390	55,292,403	-	521,067,793
Rupganj Power Plant	1,512,653,345	56,304,042	-	1,568,957,386	3.33 - 16.67	474,028,243	55,776,518	-	529,804,761
Maona Power Plant	1,434,339,147	64,629,797	-	1,498,968,944	3.33 - 16.67	490,235,217	49,816,592	-	540,051,810
Ulapara Power Plant	542,984,339	124,003,081	-	666,987,420	3.33 - 16.67	197,227,855	24,871,002	-	222,098,857
Madanganj Power Plant	5,309,071,512	179,531,374	-	5,488,602,886	3.33 - 16.67	1,390,982,707	214,802,571	-	1,605,785,278
Total (i)	15,625,537,201	636,896,376	(9,818,882)	16,252,614,695		5,425,709,528	622,943,838	(9,818,882)	6,038,834,484
a) Own assets : ii) Revaluation									
Land and land development	569,663,952	-	-	569,663,952	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	13,002,138	20	13,002,138	-	-	13,002,138
Plant and machineries:									
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33 - 10	46,404,837	4,155,656	-	50,560,493
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 16.67	924,163	82,764	-	1,006,927
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33 - 10	45,130,563	4,041,540	-	49,172,103
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 16.67	22,264,158	1,993,815	-	24,257,973
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 10	40,865,339	3,659,590	-	44,524,919
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 16.67	4,555,253	407,934	-	4,963,187
Total (ii)	1,156,322,955	-	(9,818,882)	1,156,322,955		173,146,450	14,341,289	-	187,487,739
Total assets (i+ii)	16,781,860,156	636,896,376	(9,818,882)	17,408,937,650		5,598,855,978	637,285,127	(9,818,882)	6,226,322,224
b) Spare parts									
Stock in hand	714,673,701	482,947,006	(615,366,625)	582,254,082	3.33 - 50	115,623,599	35,976,536	(33,787,811)	117,812,324
Stock in transit	184,046,153	535,098,404	(651,540,170)	67,604,387	-	-	-	-	67,604,387
	898,719,854	1,018,045,411	(1,266,906,795)	649,858,469		115,623,599	35,976,536	(33,787,811)	117,812,324
Total (a+b)	17,680,580,010	1,654,941,787	(1,276,725,677)	18,058,796,119		5,714,479,577	673,261,663	(43,606,693)	6,344,134,548
									11,714,661,571

Notes to the financial statements (Continued)

Separate In BDT	Cost/Revaluation				Rate %	Depreciation		For the year ended 30 June 2018	
	Balance at 1 July 2017	Addition/ transfer in	Disposal/ transfer out	Balance at 30 June 2018		Balance at 1 July 2017	Addition/ transfer in	Disposal/ transfer out	Balance at 30 June 2018
a) Own assets : i) Cost									
Land and land development	511,930,111	-	(161,061,325)	350,868,786	-	-	-	-	350,868,786
Furniture and fixtures	19,811,280	1,502,623	-	21,313,903	10	1,819,349	-	11,893,027	9,420,876
Office and electrical equipment	40,835,379	8,581,304	(47,000)	49,369,683	20	4,734,011	(38,832)	35,341,187	14,028,496
Office decoration	27,771,019	1,653,689	-	29,424,708	20	594,178	-	27,143,970	2,280,738
Motor vehicles	129,950,544	26,822,960	(15,596,500)	141,177,004	20	12,155,482	(15,596,500)	84,095,344	57,081,660
Maintenance equipment	26,133,840	5,358,750	-	31,492,590	20	17,741,147	-	20,784,448	10,708,142
Civil works and others	208,751,320	16,052,599	-	224,803,919	20	31,623,032	-	177,546,914	47,257,005
Plant and machineries:									
Ashulia Power Plant (Unit-1)	454,204,669	3,752,069	-	457,956,738	3.33 - 10	26,754,653	-	255,045,874	202,910,865
Ashulia Power Plant (Unit-2)	1,465,580,547	14,876,302	-	1,480,456,849	3.33 - 16.67	77,230,320	-	532,101,052	948,355,797
Madhabdi Power Plant (Unit-1)	413,433,901	8,307,164	-	421,741,065	3.33 - 10	25,557,664	-	293,481,029	128,260,036
Madhabdi Power Plant (Unit-2)	988,239,163	17,256,038	-	1,005,495,201	3.33 - 16.67	383,064,623	-	425,994,873	579,500,328
Chandina Power Plant (Unit-1)	462,336,094	6,052,862	-	468,388,956	3.33 - 10	25,371,820	-	283,207,909	185,181,047
Chandina Power Plant (Unit-2)	608,371,334	16,437,947	-	624,809,281	3.33 - 16.67	27,778,975	-	260,824,490	363,984,791
Jangalia Power Plant	1,512,454,446	6,735,729	-	1,519,190,175	3.33 - 16.67	69,458,460	-	465,775,390	1,053,414,785
Rupganj Power Plant	1,457,317,703	55,335,642	-	1,512,653,345	3.33 - 16.67	73,915,448	-	474,028,243	1,038,625,102
Maona Power Plant	1,397,125,057	37,214,090	-	1,434,339,147	3.33 - 16.67	63,375,098	-	490,235,217	944,103,930
Ullapara Power Plant	511,740,411	31,243,928	-	542,984,339	3.33 - 16.67	176,639,689	-	197,227,855	345,756,483
Madanganj Power Plant	5,134,835,936	174,235,576	-	5,309,071,512	3.33 - 16.67	259,767,129	-	1,390,982,707	3,918,088,805
Total (i)	15,370,822,754	431,419,272	(176,704,825)	15,625,537,201		766,697,338	(15,635,332)	5,425,709,528	10,199,827,673
a) Own assets : ii) Revaluation									
Land and land development	569,663,952	-	-	569,663,952	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	13,002,138	20	-	-	13,002,138	-
Plant and machineries:									
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33 - 10	5,540,880	-	46,404,837	119,823,066
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 16.67	110,352	-	924,163	2,386,259
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33 - 10	5,388,720	-	45,130,563	116,532,778
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 16.67	2,658,420	-	22,264,158	57,488,833
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 10	4,879,440	-	40,865,339	105,519,403
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 16.67	543,912	-	4,555,253	11,762,213
Total (ii)	1,156,322,955	-	-	1,156,322,955		19,121,724	-	173,146,450	983,176,505
Total assets (i+ii)	16,527,145,709	431,419,272	(176,704,825)	16,781,860,156		785,819,062	(15,635,332)	5,598,855,978	11,183,004,178
b) Spare parts									
Stock in hand	632,260,098	437,115,333	(354,701,730)	714,673,701	3.33 - 50	42,122,245	(30,225,205)	115,623,599	599,050,101
Stock in transit	104,133,106	648,007,630	(588,094,583)	184,046,153	-	-	-	-	184,046,153
	736,393,204	1,085,122,963	(922,796,313)	898,719,854		42,122,245	(30,225,205)	115,623,599	783,096,254
Total (a+b)	17,263,538,912	1,516,542,235	(1,099,501,138)	17,680,580,010		827,941,307	(45,860,537)	5,714,479,577	11,966,100,432

Notes to the financial statements (Continued)

4.1 Allocation of depreciation

In BDT	Consolidated				Separate	
	July 2018 to March 2019		July 2017 to March 2018		July 2018 to March 2019	July 2017 to March 2018
	July 2018 to March 2019	July 2017 to March 2018	July 2018 to March 2019	July 2017 to March 2018	July 2018 to March 2019	July 2017 to March 2018
Cost of sales	1,344,306,553	752,255,242	602,492,206	537,617,576		
General and administrative expenses	45,898,113	45,600,527	36,981,647	41,393,508		
	1,390,204,666	797,855,770	639,473,853	579,011,084		

5 Intangible assets

In BDT	For the nine-month period ended 31 March 2019						
	Cost/Revaluation		Rate %	Amortisation		Written down value at	
	Balance at 1 July 2018	Additions		Balance at 31 Mar 2019	Disposal/transfer in	Disposal/transfer out	Balance at 31 Mar 2019
Software	3,803,851	-	3,803,851	269,946	-	2,274,184	1,529,667
Brand	10,000,000	-	10,000,000	333,333	-	3,416,660	6,583,340
Licence*	30,780,417	-	30,780,417	-	-	-	30,780,417
Software in development	9,413,575	2,843,013	12,256,588	-	-	-	12,256,588
Total	53,997,843	2,843,013	56,840,856	519,948	-	5,690,844	51,150,012

In BDT	For the year ended 30 June 2018						
	Cost		Rate %	Amortisation		Written down value at	
	Balance at 1 July 2017	Addition/transfer in		Balance at 30 June 2018	Disposal/transfer in	Disposal/transfer out	Balance at 30 June 2018
Software	2,004,238	1,799,613	3,803,851	20	-	2,004,238	1,799,613
Brand	10,000,000	-	10,000,000	3.3333	-	2,833,323	6,833,342
Licence*	30,780,417	-	30,780,417	15	-	3,166,658	30,780,417
Software in development	-	9,413,575	9,413,575	-	-	-	9,413,575
Total	42,784,655	11,213,188	53,997,843	333,335	-	4,837,561	48,826,947

Separate

In BDT	For the nine-month period ended 31 March 2019				For the year ended 30 June 2018		
	Cost/Revaluation		Rate %	Amortisation		Written down value at	
	Balance at 1 July 2018	Additions		Balance at 31 Mar 2019	Disposal/transfer in	Disposal/transfer out	Balance at 31 Mar 2019
Software	3,803,851	-	3,803,851	269,946	-	2,274,184	1,529,667
Brand	10,000,000	-	10,000,000	333,333	-	3,416,660	6,583,340
Software in development	9,413,575	2,843,013	12,256,588	-	-	-	12,256,588
Total	23,217,426	2,843,013	26,060,439	519,948	-	5,690,844	20,369,595

In BDT	For the year ended 30 June 2018						
	Cost		Rate %	Amortisation		Written down value at	
	Balance at 1 July 2017	Addition/transfer in		Balance at 30 June 2018	Disposal/transfer in	Disposal/transfer out	Balance at 30 June 2018
Software	2,004,238	1,799,613	3,803,851	20	-	2,004,238	1,799,613
Brand	10,000,000	-	10,000,000	3.3333	-	2,833,323	6,833,342
Software in development	-	9,413,575	9,413,575	-	-	-	9,413,575
Total	12,004,238	11,213,188	23,217,426	333,335	-	4,837,561	18,046,530

* This licence has been acquired due to purchase of 64% shares in Ace Alliance Power Limited.

Notes to the financial statements (Continued)

6 Investment in subsidiaries

<i>In BDT</i>	<i>Note</i>	<i>No. of shares</i>	<i>% of holding</i>	<i>Value</i>
31 March 2019				
Summit Barisal Power Limited	6.1	50,699,516	49.00%	506,995,160
Summit Narayanganj Unit II Power Limited	6.1	27,712,222	49.00%	277,122,220
Summit Chittagong Power Limited	6.1	490,000	49.00%	4,900,000
Ace Alliance Power Limited		106,258,489	64.00%	1,090,484,890
Summit Gazipur II Power Limited	6.1	67,120,000	20.00%	671,200,000
		252,280,227		2,550,702,270
30 June 2018				
Summit Barisal Power Limited	6.1	50,699,516	49.00%	506,995,160
Summit Narayanganj Unit II Power Limited	6.1	27,712,222	49.00%	277,122,220
Summit Chittagong Power Limited	6.1	490,000	49.00%	4,900,000
Ace Alliance Power Limited		86,400,000	64.00%	917,964,000
Summit Gazipur II Power Limited	6.1	2,000,000	20.00%	420,000,000
		167,301,738		2,126,981,380

6.1 Summit Power Limited (SPL) hold 49% shares in Summit Barisal Power Limited (SBPL), Summit Narayanganj Power Unit II Limited (SNPL-II), Summit Chittagong Power Limited (SCPL) and 20% shares in Summit Gazipur II Power Limited (SGIPL). BFRS 10: *Consolidated Financial Statements* requires presentation and preparation of consolidated financial statements when an entity controls one or more other entities unless falls within the scope of exceptions. According to control procedures as detailed in paragraph 7 of the said BFRS under reference, SBPL, SNPL-II, SCPL and SGIPL are under the control of SPL because SPL directly manages the activities/ operations of those entities since their commercial operation date (COD) through common corporate management and thus it has the power over these four entities and has established both exposure and rights to significantly affect returns of the investee companies. Therefore SPL is in compliance with BFRS 10 to prepare and present its financial statements in consolidation with that of SBPL, SNPL-II, SCPL and SGIPL.

6.2 In accordance with paragraph 10 of BAS 27: *Separate Financial Statements*, investments in subsidiaries have been accounted for at cost. Details of holding structure in subsidiaries are described in Note 36.A.i.

7 Investment in associates

<i>In BDT</i>	<i>Note</i>	<i>% of holding</i>	<i>31 Mar 2019</i>	<i>30 June 2018</i>
Consolidated				
Summit Meghnaghat Power Company Limited				
Opening balance	7.1	30%	5,708,245,782	5,257,490,254
Share of profit for the current period			291,066,354	450,755,528
Dividend received during the current period			(25,500,000)	-
			5,973,812,136	5,708,245,782
Separate				
Summit Meghnaghat Power Company Limited				
Cost of investment	7.1		3,801,772,452	3,801,772,452
			3,801,772,452	3,801,772,452

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

Notes to the financial statements (Continued)

8 Deferred tax asset

In BDT	Note	Consolidated			Separate		
		Carrying amount	Tax base	Taxable/(deductible) temporary difference	Carrying amount	Tax base	Taxable/(deductible) temporary difference
31 March 2019							
Provision for gratuity	22.1	131,705,096	-	(131,705,096)	115,623,449	-	(115,623,449)
Total temporary difference		131,705,096	-	(131,705,096)	115,623,449	-	(115,623,449)
Applicable tax rate				25% to 35%			25%
Deferred tax (asset)/ liability				(34,534,443)			(28,905,862)
30 June 2018							
Provision for gratuity	22.1	133,881,298	-	(133,881,298)	120,370,298	-	(120,370,298)
Total temporary difference		133,881,298	-	(133,881,298)	120,370,298	-	(120,370,298)
Applicable tax rate				25% to 35%			25%
Deferred tax (asset)/ liability				(34,821,425)			(30,092,575)

9 Available-for-sale financial assets

In BDT	No. of shares	Rate per share	Market value at			Change in fair value at			Cost price
			30 June 2018	31 Mar 2018	30 June 2017	31 Mar 2019	31 Mar 2018	30 June 2018	
Khulna Power Company Limited	70,108,200	59.90	4,308,467,612	3,454,422,258	3,773,095,898	(108,986,432)	(318,673,640)	3,625,296,384	
People's Leasing and Financial Services Limited	408,160	4.60	4,040,784	4,489,760	4,244,864	(2,163,248)	244,896	20,500,000	
Popular Life First Mutual Fund	1,495,442	4.30	8,294,879	8,876,976	9,392,924	(1,864,478)	(515,948)	10,000,000	
	72,011,802		4,320,803,275	3,467,788,994	3,786,733,686	(113,014,158)	(318,944,691)	3,655,796,384	

On 28 December 2011, Summit Power Limited (SPL) had acquired 53,955,326 shares of Khulna Power Company Limited (KPCL) at Taka 67 each from Summit Corporation Limited (SCL) amounting to Taka 3,625,296,384 including other transaction costs. Now the SPL's 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) financial asset.

10 Inventories

In BDT	Consolidated		Separate	
	30 June 2019	30 June 2018	31 Mar 2019	30 June 2018
Consumable-others	591,720,587	531,213,931	398,714,935	433,464,556
Lubricant oil, chemicals and others	157,725,302	85,029,231	32,522,641	35,253,707
Closing Balance	749,445,889	616,243,162	431,237,476	468,718,263

Notes to the financial statements (Continued)

Consumable - others

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Opening Balance	531,213,931	475,210,008	433,464,556	414,353,758
Purchase/transfer	319,474,796	253,831,172	174,849,693	183,652,605
Consumption/transfer	(259,294,639)	(197,827,249)	(209,599,414)	(164,541,807)
Exchange rate movement	326,500	-	-	-
Closing Balance	591,720,587	531,213,931	398,714,835	433,464,556

Lubricant oil, chemicals and others

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Opening Balance	85,029,231	52,147,511	35,253,707	36,926,038
Purchase/transfer	452,722,003	328,321,841	120,363,786	144,821,497
Consumption/transfer	(380,518,333)	(296,049,015)	(123,094,852)	(146,493,828)
Exchange rate movement	492,401	608,894	-	-
Closing Balance	157,725,302	85,029,231	32,522,641	35,253,707

11 Trade receivables

<i>In BDT</i>	Note	Consolidated		Separate	
		31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Bangladesh Rural Electrification Board (BREB):					
Ashulia Power Plant		75,488,069	15,074,305	75,488,069	15,074,305
Ashulia Power Plant (expansion)	11.1	2,175,561,738	1,921,347,885	2,175,561,738	1,921,347,885
Madhabdi Power Plant		77,428,279	16,391,475	77,428,279	16,391,475
Madhabdi Power Plant (expansion)	11.1	1,640,876,374	1,443,998,643	1,640,876,374	1,443,998,643
Chandina Power Plant		75,531,589	15,638,986	75,531,589	15,638,986
Chandina Power Plant (expansion)	11.1	896,593,423	791,032,373	896,593,423	791,032,373
Rupganj Power Plant		157,157,051	63,449,005	157,157,051	63,449,005
Maona Power Plant		156,266,816	156,053,075	156,266,816	156,053,075
Ullapara Power Plant		49,959,860	20,563,827	49,959,860	20,563,827
Bangladesh Power Development Board (BPDB):					
Jangalia Power Plant		195,794,085	233,391,125	195,794,085	233,391,125
Madanganj Power Plant	11.2	1,088,994,357	861,568,615	1,088,994,357	861,568,615
Barisal Power Plant		907,270,246	834,840,899	-	-
Narayananj Unit II Power Plant		514,608,446	749,929,788	-	-
Kodda Power Plant (Unit I)		1,153,295,550	-	-	-
Kodda Power Plant (Unit II)		3,508,364,741	2,222,868,407	-	-
		12,673,190,624	9,346,148,408	6,589,651,641	5,538,509,314
Less: Provision for doubtful debt		(168,758,403)	(168,758,403)	(168,758,403)	(168,758,403)
		12,504,432,221	9,177,390,005	6,420,893,238	5,369,750,911

11.1 Out of total receivables from BREB, invoices amounting to BDT 4,607,219,342, raised by the Company, pertaining to the three Expansion Power Plants, have yet not been accepted by BREB due to using different unit rate in calculating revenue. As per contracts for supply of electricity and Government's gazette notification, the Company has been raising invoices at the rate of Taka 3.1141 per kWh from December 2011 to January 2012, for February 2012 at the rate of Taka 3.3741, from March to August 2012 at the rate of Taka 3.6216 per kWh, from September 2012 to August 2015 at the rate of Taka 4.2316 per kWh and September 2015 onward at the rate of Taka 4.4791 per kWh due to rise in BST (Bulk Supply Tariff). BREB has been paying at the rate 2.8333 per kWh. In order to resolve the above matter, the Company went for arbitration in Bangladesh Energy Regulatory Commission (BERC) and a verdict was given in favour of the Company. Later on, due to application by BREB, the verdict was reviewed by BERC and the reviewed verdict was also in favour of the Company. After this, BREB submitted a writ petition in the High Court Division of Supreme Court of Bangladesh on 8 September 2016. On 17 August 2017 the Honourable High Court Division of Supreme Court of Bangladesh was pleased to pass a judgement discharging the rule issued in the writ petitions.

BREB then submitted civil petitions to the Appellate Division of Supreme Court of Bangladesh against the judgement of the High Court Division. The Appellate Division has granted leave to appeal to BREB on 31 October 2018. The formal judgement of granting leave to appeal in favour of BREB was received on 31 January 2019. BREB was directed to submit concise statements within 8 weeks from the date of receipt of the order, and SPL shall then file its concise within 6 weeks thereafter to make all the appeals ready for expeditions hearing. To the best of our knowledge, the deadline for BREB has elapsed. They have not yet submitted their concise statements, which is likely to be submitted shortly. Meanwhile, the Company has submitted execution case to the District Court which is under process. The management believes that the amount is recoverable and hence no provision has been made in this regard.

11.2 In accordance with the clause 26.1 of the previous Power Purchase Agreement (PPA), "Bangladesh Petroleum Corporation (BPC) will be the liquid fuel supplier (HFO) and BPDB will make payment for the fuel". But since the start of the operation of the plant, the quality and quantity of the supplied fuel were not as per given specifications in the PPA. For this reason, the actual fuel consumption was higher per unit of electricity generation. On account of the actual fuel consumption, BPDB started deduction from some of the Company's monthly invoices which amounted to BDT 164.30 million up to March 2013. The Company made a writ petition to the High Court Division for further non deduction on account of excess fuel consumption amounting to USD 1.96 million (approx.). The High Court granted an order of injunction from deducting any money from monthly invoices. On 6 July 2014, the High Court Division of Supreme Court of Bangladesh has extended the order of injunction granted earlier till disposal of the Rule.

Notes to the financial statements (Continued)

Subsequently, an application was made on 23 February 2016 to Bangladesh Energy Regulatory Commission (BERC) to take up the matter and commence an arbitration proceedings for full and final settlement of the dispute between the parties as per law after vacating the order of injunction. A few hearings have already taken place in BERC. BERC requested for additional information from Bangladesh Petroleum Corporation (BPC) which has also been submitted by BPC. A hearing on all submissions have taken place recently. Order to this effect has not been issued yet by BERC. Meanwhile, BERC has instructed BPDB, not to deduct the pending amount from the invoices of the power plant for next six months up to May 2019. The arbitration process is still ongoing. However, the Company has made a provision for doubtful debt on said amount of BDT 164.30 million.

12 Other receivables

<i>In BDT</i>	Note	Consolidated		Separate	
		31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Insurance claims		19,366,661	19,366,661	19,366,661	19,366,661
Interest on FDRs		19,669,657	40,886,938	15,251,427	35,075,863
		39,036,318	60,253,599	34,618,088	54,442,524

13 Intercompany receivables

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Summit Barisal Power Limited	-	-	81,431,842	63,229,669
Summit Narayanganj Power Unit II Limited	-	-	97,270,398	46,287,415
Summit Chittagong Power Limited	-	-	20,000	-
Ace Alliance Power Limited	-	-	14,265,424	117,498,947
Summit Gazipur II Power Limited	-	-	-	22,500,340
	-	-	192,987,664	249,516,371

14 Advances, deposits and prepayments

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Advances				
C&F agents	39,629,312	35,502,495	35,705,652	25,121,000
Energypac Engineering Limited	1,645,540	1,817,540	1,645,540	1,817,540
Tyser Risk Management (Bangladesh) Limited	-	400,000	-	400,000
Jakir Construction Limited	2,673,378	1,985,661	-	-
ABB Limited	488,000	-	488,000	-
ABB Pte Limited	7,057,464	-	7,057,464	-
Bangla Trac Limited	159,899	-	159,899	-
UDECO Limited	-	25,970,904	-	-
Corona International	412,089	-	60,000	-
Investment Corporation of Bangladesh (ICB)	331,400	-	100,000	-
Linde Bangladesh Limited	405,755	-	344,800	-
BRB Cable Industries Ltd.	133,316	-	133,316	-
Corporate Trading	50,000	-	50,000	-
Trust Filling Station	100,000	-	100,000	-
SBS International Business Limited	116,175,429	5,764,660	-	-
Hyundai Motors Bangladesh Limited	-	500,000	-	500,000
Ranks Petroleum Limited	26,953,375	26,785,913	-	-
Padma Oil Company Limited	1,148,796	28,298,720	-	-
Navana Petroleum Limited	43,901,783	43,628,211	-	-
Bangladesh Centre for Advanced Studies (BCAS)	751,194	300,000	-	-
M/s. R.M. Trade International	10,375,000	-	7,775,000	-
ABG Engineering Services (Pvt.) Ltd.	-	625,000	-	-
AEG Engineering Ltd.	1,700,000	180,600	1,700,000	-
Pulse Engineering Ltd.	1,173,900	-	1,173,900	-
Jamuna Oil Company Limited	1,125,180	-	1,125,180	-
Scienetech Engineering and Services	-	2,795,732	-	-
Center for Management Development	-	200,000	-	200,000
Bangladesh Economic Zones Authority (BEZA)	-	231,400	-	-
Land procurement	-	1,089,507	-	-
Otobi Limited	533,474	530,150	-	-
Securex (Pvt.) Ltd.	69,000	-	69,000	-
Ridgeben Holidays	166,500	-	166,500	-
Ansar & VDP	624,207	-	-	-
A & Company	77,275,164	-	-	-
Bristy Enterprise	177,088	-	-	-
Energysield Engineering Ltd.	1,438,495	-	-	-
Maya Hazera & Company Ltd.	300,000	-	-	-
Mitra S.K. Bangladesh (Pvt.) Limited	125,053	-	-	-
Mutual Trust Bank_BDT	2,263,433	-	-	-
Zenith Structural Engineers & Development Ltd.	33,018	-	-	-
Land lord	220,000	220,000	220,000	220,000

Notes to the financial statements (Continued)

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Trazz Bd	38,574,236	-	-	-
Environmental consultancy	1,751,808	1,277,072	-	-
Tax advisor	4,105,000	405,000	3,900,000	200,000
Advance for loans and redeemable preference shares	16,259,916	3,965,443	-	-
Car purchase	1,773,344	1,385,851	1,773,344	1,385,851
Employees	118,019,672	63,436,670	1,023,804	3,369,597
Others	10,335,202	9,758,940	4,722,880	1,628,181
Advance income tax	111,427,110	74,818,387	56,628,089	52,164,447
	641,863,028	331,873,856	126,122,368	87,006,616
Less: Provision for doubtful advance	(445,000)	(445,000)	(445,000)	(445,000)
	641,418,028	331,428,856	125,677,368	86,561,616
Deposits				
Security deposit (non-interest bearing)	3,341,982	3,072,307	1,389,045	1,389,045
Bank guarantee margin:				
Controller of Import and Export (SJIBL)	1,545,053	1,545,053	1,545,053	1,545,053
Pashchimanchal Gas Co. Ltd.	823,441	823,441	823,441	823,441
Bakhrabad Gas System Ltd.	2,990,889	2,470,323	2,990,889	2,470,323
Bangladesh Power Development Board (BPDB)	1,968,412	1,968,412	1,968,412	1,968,412
Commissioner of Customs, Custom House	7,239,787	7,239,787	7,239,787	7,239,787
Bangladesh Rural Electrification Board (BREB)	4,630,179	4,630,179	4,630,179	4,630,179
Titas Gas Transmission and Distribution Co. Ltd.	5,262,451	4,940,646	5,262,451	4,940,646
	27,802,194	26,690,148	25,849,257	25,006,886
Prepayments				
Annual license fees	4,420,149	393,905	529,566	393,905
Standby letter of credit commission	6,607,349	1,213,088	3,972,999	1,213,088
Bank guarantee/operation bond commission	8,876,948	4,548,896	5,577,624	968,155
Insurance premium	30,926,048	69,414,561	9,562,130	26,213,025
Land lease rental	840,196	859,141	840,196	859,141
Annual agency fee	7,902,050	5,257,812	-	-
	59,572,740	81,687,403	20,482,515	29,647,314
Related party transactions				
Summit Corporation Limited	-	2,419,783	-	2,419,783
Summit Holdings Limited	1,905,581	2,254,728	1,905,581	2,254,728
	1,905,581	4,674,511	1,905,581	4,674,511
	730,698,543	444,480,918	173,914,721	145,890,327

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

15 Cash and cash equivalents

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Cash in hand	2,898,149	2,733,063	1,797,493	1,657,281
Cash at bank				
Bank Asia Limited	528,316,842	131,431,472	142,287,959	70,108,439
BRAC Bank Limited	1,362,099,129	138,379,918	17,822,713	138,379,918
Commercial Bank of Ceylon Limited	2,031,939	2,031,939	2,031,939	2,031,939
Dhaka Bank Limited	5,698,566	9,642,689	5,698,566	9,642,689
Dutch Bangla Bank Limited	46,348,608	231,213,526	38,247,716	223,157,298
Exim Bank Limited	304,144	865,252	304,144	865,252
One Bank Limited	369,234	641,880	292,212	292,937
Premier Bank Limited	12,719,485	17,510,325	12,719,485	17,510,325
Rupali Bank Limited	241,007	754,557	241,007	754,557
Shahjalal Islami Bank Limited	885,405	1,166,231	885,405	1,166,231
Sonali Bank Limited	934,769	43,021	934,769	43,021
Southeast Bank Limited	246,952	246,952	246,952	246,952
Standard Chartered Bank	4,682,241	27,770,068	3,598,758	27,770,068
The City Bank Limited	239,615,564	205,533,827	15,874	15,874
Eastern Bank Limited	4,963,321	1,318,347	-	-
Jamuna Bank Limited	5,000	-	5,000	-
Mutual Trust Bank Limited	61,816,378	557,522	6,707,539	-
Prime Bank Limited	9,163,216	9,344,859	-	-
Trust Bank Limited	3,911	3,911	-	-
	2,280,445,711	778,456,296	232,040,037	491,985,500

Notes to the financial statements (Continued)

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Fixed deposit receipts (FDR)				
Al Arafah Islami Bank Limited	50,000,000	102,291,440	50,000,000	102,291,440
AB Bank Limited	100,000,000	-	100,000,000	-
Bangladesh Commerce Bank Limited	101,975,000	-	101,975,000	-
Bank Asia Limited	57,908,678	71,968,402	5,176,000	766,000
Dhaka Bank Limited	150,000,000	-	150,000,000	-
Eastern Bank Limited	100,100,000	-	100,100,000	-
Exim Bank Limited	99,999,998	410,101,251	99,999,998	308,053,751
First Security Islami Bank Limited	-	50,000,000	-	50,000,000
IPDC Finance Limited	51,206,750	50,000,000	51,206,750	50,000,000
Lankabangla Finance Limited	50,000,000	100,000,000	50,000,000	100,000,000
Meghna Bank Limited	50,000,000	184,780,339	50,000,000	184,780,339
Mercantile Bank Limited	100,000,000	104,581,562	100,000,000	104,581,562
Modhumoti Bank Limited	80,000,000	373,869,236	80,000,000	373,869,236
Mutual Trust Bank Limited	-	154,969,717	-	154,969,717
NRB Global Bank Limited	-	53,352,773	-	53,352,773
One Bank Limited	49,999,998	408,275,828	49,999,998	408,275,828
Premier Bank Limited	180,000,000	531,851,617	180,000,000	531,851,617
South Bangla Agricultural & Commerce Bank Limited	-	52,166,809	-	52,166,809
Southeast Bank Limited	79,999,999	52,262,294	79,999,999	52,262,294
Standard Bank Limited	-	50,000,000	-	50,000,000
The City Bank Limited	1,315,985,970	1,350,331,779	-	-
Trust Bank Limited	50,000,000	-	50,000,000	-
	2,667,176,393	4,100,803,047	1,298,457,745	2,577,221,366
	4,950,520,253	4,881,992,406	1,532,295,275	3,070,864,147

16 Share capital

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Authorised				
300,000,000 Ordinary shares of BDT 10 each	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
400,000,000 Ordinary shares of BDT 10 each	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000
500,000,000 Ordinary shares of BDT 10 each	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000
30,000,000 Preference shares of BDT 100 each	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
	15,000,000,000	15,000,000,000	15,000,000,000	15,000,000,000
Issued, subscribed and paid-up				
65,000,000 Ordinary shares of BDT 10 each	650,000,000	650,000,000	650,000,000	650,000,000
6,500,000 Bonus shares of BDT 10 each in 2006	65,000,000	65,000,000	65,000,000	65,000,000
14,300,000 Bonus shares of BDT 10 each in 2007	143,000,000	143,000,000	143,000,000	143,000,000
68,640,000 Right shares of BDT 10 each in 2008	686,400,000	686,400,000	686,400,000	686,400,000
30,888,000 Bonus shares of BDT 10 each in 2008	308,880,000	308,880,000	308,880,000	308,880,000
37,065,600 Bonus shares of BDT 10 each in 2009	370,656,000	370,656,000	370,656,000	370,656,000
55,598,400 Bonus shares of BDT 10 each in 2010	555,984,000	555,984,000	555,984,000	555,984,000
25,361,973 Ordinary shares of BDT 10 each in 2010	253,619,730	253,619,730	253,619,730	253,619,730
91,006,191 Bonus shares of BDT 10 each in 2011	910,061,910	910,061,910	910,061,910	910,061,910
98,590,041 Bonus shares of BDT 10 each in 2012	985,900,410	985,900,410	985,900,410	985,900,410
98,590,041 Bonus shares of BDT 10 each in 2013	985,900,410	985,900,410	985,900,410	985,900,410
88,731,037 Bonus shares of BDT 10 each in 2014	887,310,360	887,310,360	887,310,360	887,310,360
106,791,361 Ordinary shares of BDT 10 each in 2014*	1,067,913,610	1,067,913,610	1,067,913,610	1,067,913,610
39,353,132 Bonus shares of BDT 10 each in 2015	393,531,320	393,531,320	393,531,320	393,531,320
49,584,946 Bonus shares of BDT 10 each in 2016	495,849,460	495,849,460	495,849,460	495,849,460
191,876,518 ordinary shares of BDT 10 each in 2016**	1,918,765,180	1,918,765,180	1,918,765,180	1,918,765,180
	10,678,772,390	10,678,772,390	10,678,772,390	10,678,772,390

* Details are given in the Note 7.1.

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

Notes to the financial statements (Continued)

16.1 Shareholding position

Name of shareholders	Percentage of shareholdings		Number of shares	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Summit Corporation Limited	63.19%	63.19%	674,792,926	674,792,926
Euro Hub Investments Ltd.	3.65%	3.65%	38,940,126	38,940,126
Institutional investors	20.57%	18.38%	219,645,859	196,294,119
General public	12.59%	14.78%	134,498,328	157,850,068
	100%	100%	1,067,877,239	1,067,877,239

16.2 Classification of shareholders by holding:

	No. of holders		Ownership (%)	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Less than 500 shares	22,512	24,754	0.36%	0.40%
500 to 5,000 shares	10,463	12,844	1.75%	2.18%
5,001 to 10,000 shares	1,765	2,206	1.16%	1.45%
10,001 to 20,000 shares	702	918	0.95%	1.23%
20,001 to 30,000 shares	232	328	0.55%	0.76%
30,001 to 40,000 shares	112	137	0.37%	0.45%
40,001 to 50,000 shares	82	111	0.37%	0.49%
50,001 to 100,000 shares	157	212	1.11%	1.48%
100,001 to 1,000,000 shares	219	239	6.63%	7.16%
Over 1,000,000 shares	58	61	86.77%	84.41%
	36,302	41,810	100%	100%

17 Share premium

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Share premium from issue of 2,000,000 shares in 2005	80,000,000	80,000,000	80,000,000	80,000,000
Share premium from issue of 6,864,000 shares in 2008	308,880,000	308,880,000	308,880,000	308,880,000
Share premium from issue of 25,361,973 shares in 2010	2,745,940,817	2,745,940,817	2,745,940,817	2,745,940,817
	3,134,820,817	3,134,820,817	3,134,820,817	3,134,820,817
Issue costs	(234,123,160)	(234,123,160)	(234,123,160)	(234,123,160)
	2,900,697,657	2,900,697,657	2,900,697,657	2,900,697,657
Share premium on dilution of ownership in SPPCL	600,385,917	600,385,917	600,385,917	600,385,917
Share premium on issue of shares to SCL*	2,733,858,842	2,733,858,842	2,733,858,842	2,733,858,842
Transaction costs	(315,777)	(315,777)	(315,777)	(315,777)
	6,234,626,639	6,234,626,639	6,234,626,639	6,234,626,639
Share premium on amalgamation	244,471,000	244,471,000	244,471,000	244,471,000
	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639

* Details are given in the Note 7.1.

18 Revaluation reserve

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Opening balance	982,964,725	1,002,086,449	982,964,725	1,002,086,449
Transfer to retained earnings for depreciation	(14,341,289)	(19,121,724)	(14,341,289)	(19,121,724)
Closing balance	968,623,436	982,964,725	968,623,436	982,964,725

Notes to the financial statements (Continued)

19 Non-controlling interests

<i>In BDT</i>	31 March 2019					
	SBPL	SNPL-II	SCPL	AAPL	SGIPL	Total
NCI percentage	51%	51%	51%	36%	80%	
Non-current assets	5,235,278,761	2,963,040,636	208,251	6,784,773,314	13,242,956,359	28,226,257,321
Current assets	1,988,578,059	1,190,640,987	9,626,799	2,813,466,142	4,469,396,716	10,471,708,703
Non-current liabilities	(3,817,084,582)	(2,169,411,239)	-	(6,199,553,268)	-	(12,186,049,089)
Current liabilities	(1,124,306,798)	(758,721,359)	(41,300)	(1,370,840,613)	(12,337,433,421)	(15,591,343,491)
Net assets	2,282,465,440	1,225,549,025	9,793,750	2,027,845,575	5,374,919,654	10,920,573,444
Net assets attributable to NCI	1,164,057,374	625,030,003	4,994,813	730,024,406	4,299,935,723	6,824,042,319
Less: Intra-group elimination	-	-	-	-	-	-
	1,164,057,374	625,030,003	4,994,813	730,024,406	4,299,935,723	6,824,042,319
Revenue	3,467,920,009	2,076,880,454	-	3,728,801,383	8,011,063,013	17,284,664,859
Profit	329,583,472	160,384,873	(40,000)	310,519,550	1,543,564,916	2,344,012,811
Other comprehensive income (OCI)	(96,737,076)	(55,854,057)	-	11,443,921	71,874,595	(69,272,617)
Total Comprehensive Income	232,846,396	104,530,816	(40,000)	321,963,471	1,615,439,511	2,274,740,194
Profit allocated to NCI	168,087,571	81,796,285	(20,400)	111,787,038	1,234,851,933	1,596,502,427
OCI allocated to NCI	(49,335,909)	(28,485,569)	-	4,119,812	57,499,676	(16,201,990)
Less: Intra-group elimination	-	-	-	-	-	-
						1,580,300,437

<i>In BDT</i>	30 June 2018					
	SBPL	SNPL Unit II	SCPL	AAPL	SGIPL	Total
NCI percentage	51.00%	51.00%	51.00%	36%	80%	
Non-current assets	5,204,904,240	2,885,508,284	290,915	6,122,880,135	12,877,612,368	27,091,195,942
Current assets	2,039,990,009	1,412,467,237	9,582,135	250,750,637	2,481,658,057	6,194,448,075
Non-current liabilities	(3,990,419,374)	(2,252,602,187)	-	-	-	(6,243,021,561)
Current liabilities	(1,204,855,831)	(924,355,125)	(39,300)	(4,977,937,558)	(13,435,790,282)	(20,542,978,096)
Net assets	2,049,619,044	1,121,018,209	9,833,750	1,395,693,214	1,923,480,143	6,499,644,360
Net assets attributable to NCI	1,045,305,712	571,719,287	5,015,213	502,449,557	1,538,784,114	3,663,273,883
Less: Intra-group elimination	-	-	-	(26,000,000)	(116,000,000)	(142,000,000)
	1,045,305,712	571,719,287	5,015,213	476,449,557	1,422,784,114	3,521,273,883

<i>In BDT</i>	31 March 2018					
	SBPL	SNPL-II	SCPL	AAPL	SGIPL	Total
NCI percentage	51%	51%	51%	36%	80%	
Revenue	3,830,657,724	2,054,080,947	-	-	-	5,884,738,671
Profit	278,633,076	132,329,041	-	(6,300,271)	(529,583)	404,132,263
Other comprehensive income (OCI)	(651,300)	(6,337)	-	(96,382)	(8,102)	(762,121)
Total Comprehensive Income	277,981,776	132,322,704	-	(6,396,653)	(537,685)	403,370,142
Profit allocated to NCI	142,102,869	67,487,811	-	(2,268,098)	(423,666)	206,898,916
OCI allocated to NCI	(332,163)	(3,232)	-	(34,698)	(6,482)	(376,575)
Less: Intra-group elimination	-	-	-	-	-	-
						206,522,341

Notes to the financial statements (Continued)

20 Redeemable preference shares

In BDT	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Opening balance	983,677,920	983,677,920	-	-
Addition	805,000,000	-	-	-
	1,788,677,920	983,677,920	-	-
Transaction cost	(5,531,136)	-	-	-
Amortisation of transaction cost	3,157,661	-	-	-
	1,786,304,445	983,677,920	-	-
Non-current	1,628,540,853	826,398,267	-	-
Current	157,763,592	157,279,653	-	-
	1,786,304,445	983,677,920	-	-

In FY 2017, the redeemable preference shares were fully issued by Summit Barisal Power Limited and Summit Narayananj Power Unit II Limited and were subscribed and paid up by different institutional institutions on 29 June 2017 bearing dividend @ 8.25% per annum payable yearly commencing from June 2018. Preference shares will be redeemed over 7 years or by 6 instalments payable at the end of each year commencing from June 2019.

In FY 2019, the preference shares were issued by Ace Alliance Power Limited as fully subscribed and paid up on 11 December 2018 bearing dividend @ 9.5% to 10% per annum payable yearly commencing from December 2019. Preference shares are to be redeemed over 6/7 years or by 5/6 instalments payable at the end of each year commencing from December 2020.

21 Loans and borrowings

In BDT	Note	Consolidated		Separate	
		31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Non-current					
Project loan	21.1	10,392,176,780	5,401,218,269	-	-
		10,392,176,780	5,401,218,269	-	-
Current					
Project loan	21.1	865,938,385	594,496,003	-	-
Short term loan	21.2	-	350,000,000	-	-
Deferred letter of credit	21.3	10,557,382,821	15,004,436,214	-	-
		11,423,321,206	15,948,932,217	-	-

21.1 Project loan

In BDT	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Opening balance	5,995,714,273	6,119,632,959	-	-
Drawdown				
Infrastructure Development Company Limited ("IDCOL")	2,047,275,000	-	-	-
Islamic Corporation for the Development of the Private Sector ("ICD")	1,685,000,000	-	-	-
OPEC Fund for International Development ("OFID")	2,047,275,000	-	-	-
	11,775,264,273	6,119,632,959	-	-
Repayment	(457,729,573)	(384,608,890)	-	-
Transaction cost	(115,121,495)	(2,012,067)	-	-
Amortisation of transaction cost	13,789,607	19,696,086	-	-
Exchange rate fluctuation effect	41,912,353	243,006,185	-	-
	11,258,115,165	5,995,714,273	-	-
Non-current	10,392,176,780	5,401,218,269	-	-
Current	865,938,385	594,496,003	-	-
	11,258,115,165	5,995,714,273	-	-

IDCOL provided USD 30,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 12 years including 1 year grace period, repayable quarterly starting on 15 March 2018, and ICD also provided USD 20,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 10.5 years including 6 months grace period, repayable quarterly starting on 15 September 2017 for Summit Barisal Power Limited ("SBPL"). On receipt of the loans, the Group/Company had incurred an amount of BDT 82,978,510 as transaction costs. Subsequently, an amount of BDT 1,094,783 was also added to it. The Group/Company had decided to capitalise such costs and to amortise the same over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company. The sponsor company, Summit Power Limited, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time, if there is any due. SBPL is exposed to changes in the USD LIBOR interest rate. To reduce the exposure, SBPL has entered into a 5-year interest rate swap agreement on 12 September 2018, to hedge interest rate exposure on its USD 45,475,000 floating rate borrowing with fixed rate of 3.08%.

Notes to the financial statements (Continued)

IDCOL provided USD 15,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 12 years including 1 year grace period, repayable quarterly starting on 15 March 2018, and OFID also provided USD 12,640,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 12 years including 1 year grace period, repayable quarterly starting on 15 March 2018 for *Summit Narayananj Power Unit II Limited* ("SNPUIL"). On receipt of the loans, the Group/Company had incurred an amount of Taka 60,961,468 as transaction costs. Subsequently, an amount of BDT 917,284 was also added to it. The Group/Company had decided to capitalise such costs and to amortise the same over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company. The sponsor company, Summit Power Limited, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time if there is any due. SNPUIL is exposed to changes in the USD LIBOR interest rate. To reduce the exposure, SNPUIL has entered into a 5-year interest rate swap agreement on 12 September 2018, to hedge interest rate exposure on its USD 45,475,000 floating rate borrowing with fixed rate of 3.08%.

IDCOL, ICD and OFID provided USD 24,300,000, USD 24,300,000 and USD 20,000,000 respectively as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 11 years 9 months including 6 months grace period, repayable quarterly starting on 15 June 2019, for *Ace Alliance Power Limited* ("AAPL"). On receipt of the loans, the Group/Company had incurred an amount of Taka 115,121,495 as transaction costs. The Group/Company had decided to capitalise such costs and to amortise the same over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company. The sponsor company, Summit Power Limited, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time if there is any due. AAPL is exposed to changes in the USD LIBOR interest rate. To reduce the exposure, AAPL has entered into a 10-year interest rate swap agreement on 15 March 2019, to hedge interest rate exposure on its USD 68,600,000 floating rate borrowing with fixed rate of 2.87%.

21.2 Short term loan

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
The City Bank Limited	-	250,000,000	-	-
Eastern Bank Limited	-	100,000,000	-	-
	-	350,000,000	-	-

21.3 Deferred letter of credit

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Bank Asia Limited	3,097,907,407	3,238,779,676	-	-
Eastern Bank Limited	182,167,906	299,500,130	-	-
One Bank Limited	20,371,292	153,015,575	-	-
The City Bank Limited	2,873,789,039	2,926,415,334	-	-
Mutual Trust Bank Limited	1,937,420,202	1,918,517,062	-	-
Prime Bank Limited	2,445,726,975	6,468,208,437	-	-
	10,557,382,821	15,004,436,214	-	-

22 Deferred liabilities

<i>In BDT</i>	Note	Consolidated		Separate	
		31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Gratuity fund	22.1	131,705,096	133,881,298	115,623,449	120,370,298
Liability for assets retirement obligation	22.2	70,700,982	68,375,562	70,700,982	68,375,562
		202,406,078	202,256,860	186,324,431	188,745,860

22.1 Gratuity fund

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Opening balance	133,881,298	91,189,000	120,370,298	86,674,000
Service cost				
- Included in profit or loss	13,611,750	18,149,000	12,005,250	16,007,000
- Included in other comprehensive income	21,248,250	28,331,000	16,107,750	21,477,000
Payment during the year/period	(37,036,202)	(3,787,702)	(32,859,849)	(3,787,702)
Closing balance	131,705,096	133,881,298	115,623,449	120,370,298

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 eligible employee covered by this scheme is entitled to get benefit equal to one last basic salary for every year of service.

22.2 Liability for assets retirement obligation

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Opening balance	68,375,562	65,275,000	68,375,562	65,275,000
Provision made during the year/period	2,325,420	3,100,562	2,325,420	3,100,562
Adjustment/payment made during the year/period	-	-	-	-
Closing balance	70,700,982	68,375,562	70,700,982	68,375,562

Notes to the financial statements (Continued)

23 Liabilities for hedging instrument

In BDT	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Fair value of hedging instrument - interest rate swap	149,249,809	-	-	-
	149,249,809	-	-	-

This represents the fair value of hedging instrument (interest rate swap) derived from foreign project loan for SBPL and SNPUILL as mentioned in Note 21.1. This valuation is done on a quarterly basis.

24 Unclaimed dividends

In BDT	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Opening balance	58,429,846	43,380,882	58,429,846	43,380,882
Cash dividend declared during the period	3,203,631,717	3,203,631,717	3,203,631,717	3,203,631,717
Cash dividend paid during the period	(3,050,328,001)	(3,188,582,753)	(3,050,328,001)	(3,188,582,753)
Closing balance	211,733,562	58,429,846	211,733,562	58,429,846

These amounts represent dividends that remained unclaimed by/payable to the shareholders as at 31 March 2019. These amounts are deposited in a bank account and are payable on demand.

25 Trade payables

In BDT	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Gas:				
<i>Titas Gas Transmission & Distribution Company Limited</i>				
Ashulia Power Plant	5,405,404	4,319,436	5,405,404	4,319,436
Ashulia Power Plant (Expansion)	13,274,651	15,055,308	13,274,651	15,055,308
Madhabdi Power Plant	5,469,208	5,498,975	5,469,208	5,498,975
Madhabdi Power Plant (Expansion)	11,922,889	8,808,554	11,922,889	8,808,554
Rupganj Power Plant	35,392,055	36,808,531	35,392,055	36,808,531
Maona Power Plant	34,796,051	39,748,164	34,796,051	39,748,164
<i>Bakhrabad Gas Distribution Company Limited</i>				
Chandina Power Plant	4,946,331	5,440,250	4,946,331	5,440,250
Chandina Power Plant (Expansion)	5,680,587	4,968,213	5,680,587	4,968,213
Jangalia Power Plant	19,932,042	31,951,395	19,932,042	31,951,395
<i>Pashchimanchal Gas Company Limited</i>				
Ullapara Power Plant	10,936,120	9,538,122	10,936,120	9,538,122
Heavy furnace oil (HFO):				
<i>Summit Oil & Shipping Company Limited</i>				
Madanganj Power Plant	364,216,289	466,466,497	364,216,289	466,466,497
Barisal Power Plant	456,002,417	578,553,248	-	-
Madanganj Power Plant (Unit II)	294,214,786	573,552,211	-	-
Kodda Power Plant (Unit I)	694,054,300	-	-	-
Kodda Power Plant (Unit II)	1,918,637,808	1,753,805,733	-	-
Mobile Jamuna Lubricants Bangladesh Limited	5,288,030	18,440,680	5,288,030	18,440,680
Jamuna Oil Company Limited	1,125,180	-	1,125,180	-
Navana Petroleum Limited	-	5,479,680	-	-
Ranks Petroleum Limited	19,361,159	34,072,922	-	-
Wartsila Bangladesh Limited	13,734,893	14,990,377	9,728,093	10,344,127
ABB Limited	9,979,279	-	9,979,279	-
Bangla Trac Limited	1,987,473	-	1,987,473	-
Energypac Engineering Limited	814,800	-	814,800	-
Rahimafrooz Distribution Limited	1,000,633	-	1,000,633	-
Waterchem Technology	775,208	-	-	-
Unique Technology	557,144	-	557,144	-
Others	5,124,756	3,009,800	3,734,613	642,800
	3,934,629,494	3,610,508,096	546,186,872	658,031,052

Notes to the financial statements (Continued)

26 Other payables and accruals

In BDT	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Provision for income tax	103,433,013	90,808,800	54,462,450	54,462,450
Liability for withholding tax and VAT	51,222,819	17,692,311	1,570,663	203,310
Summit Oil & Shipping Company Limited	62,255,780	25,893,660	4,787,895	2,425,065
Provision for C & F agents	2,284,233	2,170,000	-	-
Resources & Solutions Limited	-	858,612	-	858,612
Technology Simple	-	1,162,288	-	1,162,288
UDECO Limited	-	56,436,396	-	-
Navana Petroleum Limited	100,909	10,810,000	-	-
Bangladesh Securities and Exchange Commission	1,679,970	-	-	-
Lanka-Bangla Investments Limited	-	500,000	-	-
Credit Rating Information & Services Ltd.	-	230,000	-	-
Green Delta Insurance Company Limited	-	2,388,091	-	-
Pioneer Insurance Co. Ltd.	-	1,532,280	-	-
Mandate signing fee - The City Bank Limited	3,847,949	3,847,949	-	-
Aitken Spence Plc., Sri Lanka	17,749,321	16,979,306	-	-
Audit and certification fees	-	2,617,134	-	1,409,634
Cosmopolitan Communications Limited	121,800	167,900	111,300	121,900
Waterchem Technology	-	-	-	-
Snipro Limited	12,250	-	-	-
Security service expenses	850,393	2,603,737	-	1,198,688
Liability for earned leave encashment	6,809,391	69,938,376	5,546,474	63,316,737
Interest payable on loans and borrowings	121,831,942	17,914,190	-	-
Dividend on redeemable preference shares	62,101,027	226,027	-	-
Provision for bonus to employees	4,065,544	20,000,000	-	-
Asset purchase/construction	10,989,223	1,729,871	-	1,204,566
Land lord	63,158	-	-	-
Legal and professional fees payable	573,414	4,367,600	-	-
Security money retained from vendors	1,968,482	9,854,612	-	-
Others	3,674,701	2,330,817	234,612	1,784,031
	455,635,319	363,059,957	66,713,394	128,147,281

27 Intercompany payables

In BDT	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Summit Corporation Limited	3,119,022	878,000,000	3,119,022	-
Summit Gazipur II Power Limited	-	-	50,627,794	-
	3,119,022	878,000,000	53,746,816	-

In BDT	Note	Consolidated				Separate			
		July 2018 to March 2019		January 2019 to March 2019		July 2017 to March 2018		January 2019 to March 2019	
		[Restated]	[Restated]	[Restated]	[Restated]	[Restated]	[Restated]	[Restated]	[Restated]
Lube oil and testing expenses		371,660,958	227,431,776	94,609,024	67,241,089	124,519,677	112,026,768	31,953,561	34,846,063
Salaries and allowances		258,422,830	195,450,942	82,744,157	61,548,666	155,440,469	147,751,660	47,953,654	46,368,878
Insurance premium		104,333,211	52,510,380	35,773,764	17,759,223	26,914,004	24,985,267	9,188,014	8,238,948
Daily labor charges		24,854,289	16,609,313	7,859,264	5,380,148	14,481,816	12,154,470	4,556,851	3,897,327
Lease land rental		3,855,995	3,722,974	1,271,127	1,186,868	3,855,995	3,722,974	1,271,127	1,186,868
Security service expenses		20,225,190	15,833,891	7,326,694	5,508,635	9,825,358	8,412,884	3,605,678	3,096,375
BERC license fees		901,639	1,274,539	149,255	274,652	625,639	560,839	149,255	126,752
Environmental compliance		1,267,612	1,986,565	537,803	1,432,120	839,080	1,386,505	359,420	952,120
ISO certification		159,359	878,450	28	274,210	112,500	768,450	-	164,210
Plant maintenance		124,374,786	119,762,774	49,860,798	43,478,991	81,805,435	90,380,914	29,229,804	32,095,381
Employee welfare		401,789	5,925	98,204	5,925	270,982	270	66,766	270
		17,886,733,865	8,539,398,165	2,426,521,307	2,486,278,295	3,872,852,721	3,595,685,739	797,449,199	1,146,942,811
Other income, net									
Sale of empty lube oil drums and HFO sludge		20,186,721	3,637,024	4,302,743	2,930,822	7,267,987	2,954,659	3,088,829	2,248,457
Gain/(loss) from disposal of assets		3,225,046	3,700,650	2,899,926	3,700,650	3,301,000	3,700,650	2,900,000	3,700,650
Dividend income		191,437,348	350,917,048	-	-	216,937,348	350,917,048	-	-
Miscellaneous, net of expenses		48,000	4,893,323	-	53,862	48,000	-	-	-
		214,997,115	363,148,045	7,202,669	6,685,334	227,554,335	357,572,357	5,988,829	5,949,107
General and administrative expenses									
Salaries and allowances		77,093,824	67,239,095	23,627,983	20,187,672	70,276,048	67,226,745	21,517,458	20,187,672
Gratuity		13,611,750	11,586,750	4,537,250	3,862,250	12,005,250	10,665,000	4,001,750	3,555,000
Directors and CEO's remuneration		32,139,101	30,164,397	10,713,033	9,694,122	32,139,101	30,164,397	10,713,033	9,694,122
Tax on directors remuneration		10,762,533	10,296,960	3,213,909	2,996,960	10,762,533	10,296,960	3,213,909	2,996,960
Security service and contractual workers		27,464,284	19,664,806	7,618,186	6,841,121	23,714,764	18,578,098	6,934,612	6,360,885
Education and training		2,486,002	1,232,093	1,673,448	949,050	1,547,962	1,062,948	802,793	779,905
Employee welfare		123,870	371,532	62,808	98,191	114,126	320,723	57,247	87,688
Annual General Meeting expenses		3,991,421	7,211,602	529,093	718,340	3,991,421	7,211,602	529,093	718,340
Extra-ordinary General Meeting expenses		-	819,068	-	329,368	-	819,068	-	329,368
Board meeting attendance fees		60,016	1,658,371	992,607	706,224	1,255,530	1,035,293	361,105	470,592
Board meeting other expenses		1,093,259	574,000	40	20,000	20,000	510,000	-	130,000
Audit committee meeting attendance fees		7,126,800	7,598,358	466,693	220,000	505,549	220,000	199,998	140,000
Communication		7,873,274	5,820,757	3,077,399	2,474,663	5,208,266	5,581,914	1,608,149	1,863,181
Travelling and conveyance		13,591,293	10,128,074	4,739,202	2,495,103	4,092,835	4,151,238	1,915,757	1,624,889
Vehicle fuel and maintenance		14,048,428	10,768,147	4,240,715	3,504,609	9,952,633	9,537,844	3,403,918	3,300,981
Entertainment		2,256,732	1,124,332	519,861	440,818	8,474,337	8,619,696	2,599,355	3,225,566
Food and lodging		2,866,853	3,961,225	1,228,182	1,957,058	1,960,366	3,640,586	712,852	1,902,710
Printing and stationery		23,109,895	1,940,714	788,137	479,961	1,590,649	1,089,352	628,234	424,895
Office expenses		5,707,471	10,957,715	7,580,736	6,243,143	16,911,147	8,634,256	5,544,732	5,043,152
General repair and maintenance		3,153,680	4,125,790	1,807,684	700,900	2,823,254	3,617,941	712,521	552,650
Rent, rates and taxes		2,357,526	2,215,347	985,719	806,311	2,240,913	1,918,314	705,719	742,420
Utility expenses		6,248,967	4,929,621	2,805,640	880,264	2,331,262	2,563,608	956,979	1,594,373
Insurance premium		1,789,283	461,347	1,444,656	3,075,789	5,630,390	4,429,621	2,653,478	2,575,789
Advertisement and publicity		30,000,821	27,613,823	6,611,807	187,485	1,519,321	411,347	1,354,671	157,485
Gift and compliments		-	568,802	-	374,052	20,939,442	26,458,838	6,231,198	6,739,681
Donation and subscription		14,746,097	17,484,336	4,343,395	4,081,590	8,035,288	13,996,554	1,484,002	2,696,250
Audit fee		6,032,590	4,196,804	1,977,786	551,684	2,998,032	3,139,690	794,315	529,470
Legal and professional consultancy fees		695,536	45,600,527	420	16,071,587	36,981,647	41,393,508	11,777,684	14,310,776
Uniform and liveries		45,898,113	579,957	173,316	281,307	519,948	579,957	173,316	281,307
Credit rating fees		-	-	-	-	-	-	-	-
Depreciation	4.1	-	-	-	-	-	-	-	-
Amortisation	5	-	-	-	-	-	-	-	-

In BDT	Note	Consolidated				Separate			
		July 2018 to		January 2019 to		July 2018 to		January 2019 to	
		March 2019	July 2017 to March 2018 [Restated]	March 2019	January 2018 to March 2018 [Restated]	March 2018	July 2017 to March 2018 [Restated]	March 2019	January 2018 to March 2018 [Restated]
Annual fees		8,602,162	3,457,203	3,255,255	1,924,085	4,839,940	2,790,319	1,761,630	1,659,405
Bad debt expense		-	5,386,114	-	38,628	-	-	-	-
Business Development expenses		16,444,824	8,496,862	7,485,092	2,430,578	10,031,081	6,787,944	4,928,663	1,762,253
Inauguration Ceremony		3,634,624	-	2,257,682	-	-	-	-	-
Miscellaneous		33,353	11,884	2,244	-	-	-	(116)	-
		390,669,520	329,689,299	126,847,568	103,639,848	304,126,249	298,279,805	98,527,055	93,641,052
Net finance costs									
Finance Income									
Interest on FDR		212,387,544	148,143,577	44,619,121	58,362,557	135,240,917	124,285,581	21,081,835	34,504,561
Interest on STD		15,216,376	36,445,695	4,840	1,755,845	8,683,712	5,544,129	245	1,688,966
Foreign exchange gain/(loss)		39,931,526	(174,671,353)	(6,662,729)	(21,349,122)	2,370,122	9,507,573	1,815,327	(452,396)
		267,535,446	9,917,919	37,961,232	38,769,280	146,294,751	139,337,283	22,897,407	35,741,131
Finance expenses									
<i>Interest on loan</i>									
Bank loan and overdraft		318,087,773	-	90,124,459	-	-	-	-	-
Foreign project loan		391,389,560	276,396,872	174,363,581	95,674,321	-	-	-	-
Dividend on redeemable preference shares		81,820,438	62,157,532	40,570,438	20,220,032	-	-	-	-
		791,297,771	338,554,404	305,058,478	115,894,353	-	-	-	-
<i>Others</i>									
Bank charges and others		9,736,081	3,952,071	5,405,198	1,237,249	5,011,559	3,642,134	2,929,430	979,027
Bank guarantee commission		5,414,167	9,883,636	778,192	1,906,977	1,084,000	7,920,727	294,591	813,468
Amortisation on ARO		2,325,420	2,269,602	775,140	-	2,325,420	1,269,602	775,140	-
Operation and insurance bond commission		717,993	2,013,954	97,899	788,201	717,993	2,013,954	97,899	788,201
Amortisation of transaction costs		151,494,616	11,853,987	47,761,104	2,855,427	-	-	-	-
Agency fees		8,948,456	8,196,850	3,528,646	3,473,122	-	-	-	-
		178,636,733	37,170,100	58,346,179	10,260,976	9,138,972	14,846,417	4,097,060	2,580,696
Finance expenses		969,934,504	375,724,504	363,404,657	126,155,329	9,138,972	14,846,417	4,097,060	2,580,696
Net finance income/(costs)		(702,399,058)	(365,806,585)	(325,443,425)	(87,386,049)	137,155,779	124,490,866	18,800,347	33,160,435
Income tax expenses									
Current tax expenses		12,616,127	21,117,337	1,195	8,631,386	-	-	-	-
Deferred tax expense/(income) recognised directly in profit	33.1	6,113,098	(2,076,890)	(617,954)	(390,560)	5,213,651	(1,754,278)	(714,429)	(283,023)
		18,729,225	19,040,447	(616,759)	8,240,826	5,213,651	(1,754,278)	(714,429)	(283,023)
Deferred tax expense/(income)									
Deferred tax assets/(liabilities)									
Opening balance		34,821,425	23,248,750	31,974,450	24,860,530	30,092,575	21,668,500	26,849,120	22,829,130
Closing balance		34,534,439	25,213,815	34,534,439	25,213,815	28,905,862	22,956,840	28,905,862	22,956,840
		286,986	(1,965,065)	(2,559,989)	(353,285)	1,186,713	(1,288,340)	(2,056,742)	(127,710)
Deferred tax attributable to actuarial (gain)/loss recognised directly in equity	33.2	5,826,113	(111,825)	1,942,035	(37,275)	4,028,938	(465,938)	1,342,313	(155,313)
		6,113,098	(2,076,890)	(617,954)	(390,560)	5,213,651	(1,754,278)	(714,429)	(283,023)
Other comprehensive Income - net of tax									
Actuarial (gain)/loss on defined benefit plans	22.1	21,248,250	(852,000)	7,082,750	(284,000)	16,107,750	(1,863,750)	5,369,250	(621,250)

In BDT	Note	Consolidated				Separate			
		July 2018 to March 2019	July 2017 to March 2018 [Restated]	January 2019 to March 2019	January 2018 to March 2018 [Restated]	July 2018 to March 2019	July 2017 to March 2018 [Restated]	January 2019 to March 2019	January 2018 to March 2018 [Restated]
		(5,826,113)	111,825	(1,942,035)	37,275	(4,026,938)	465,938	(1,342,313)	155,313
		15,422,138	(740,175)	5,140,716	(246,725)	12,080,812	(1,397,812)	4,026,937	(465,937)
34	Earnings per share (EPS)								
34.1	Basic earnings per share	3,797,620,532	3,619,317,114	1,086,829,089	1,099,105,726	2,784,543,793	3,047,977,641	836,317,953	908,796,085
	Profit attributable to the ordinary shareholders (basic)								
	Weighted average no. of shares outstanding (basic)	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
	Ordinary shares fully outstanding	3.56	3.39	1.02	1.03	2.60	2.85	0.78	0.85
	Earnings per share (EPS)								

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

Notes to the financial statements (Continued)

35 Net asset value per share (NAVPS)

<i>In BDT</i>	Consolidated		Separate	
	31 Mar 2019	30 June 2018	31 Mar 2019	30 June 2018
Net asset value	33,794,091,199	33,378,267,981	30,045,442,254	30,589,625,148
Weighted average number of shares outstanding (basic)	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Net asset value per share (NAVPS)	31.65	31.26	28.14	28.65

36 Net operating cash flows per share (NOCFPS)

<i>In BDT</i>	Consolidated		Separate	
	July 2018 to Mar 2019	July 2017 to Mar 2018 [Restated]	July 2018 to Mar 2019	July 2017 to Mar 2018 [Restated]
Net cash from operating activities	3,504,392,565	3,791,011,380	1,832,095,088	2,774,190,585
Weighted average number of shares outstanding (basic)	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Net operating cash flows per share (NOCFPS)	3.28	3.55	1.72	2.60

37 Reconciliation of profit after income tax with net cash from operating activities

<i>In BDT</i>	Consolidated		Separate	
	July 2018 to Mar 2019	July 2017 to Mar 2018 [Restated]	July 2018 to Mar 2019	July 2017 to Mar 2018 [Restated]
Profit after income tax	5,394,122,959	3,826,216,030	2,784,543,793	3,047,977,641
Adjustments for:				
Depreciation	1,390,204,666	797,855,770	639,473,853	579,011,084
Amortisation	519,948	579,957	519,948	579,957
Finance expenses - Unrealised forex (gain)/loss	(819,383,506)	(903,189,264)	(216,937,348)	(332,403,680)
Income tax expenses - Deferred tax income	6,113,098	(2,076,890)	5,213,651	(1,754,278)
Actuarial gain/(loss) on gratuity valuation	(21,248,250)	(28,331,000)	(16,107,750)	(21,477,000)
Share of profit of equity-accounted investees	291,066,354	374,138,126	-	-
	847,272,310	238,976,699	412,162,354	223,956,084
Adjustments for items that are reclassified to investing and financing activities:				
Other income - (Gain)/loss from disposal of assets	(3,225,046)	(3,700,650)	(3,301,000)	(3,700,650)
Finance income - Interest on FDRs and STDs	(227,603,920)	(184,589,272)	(143,924,629)	(129,829,710)
Finance expenses - Interest on loan	791,297,771	338,554,404	-	-
	560,468,805	150,264,482	(147,225,629)	(133,530,360)
Changes in:				
Inventories	(133,202,727)	(37,013,493)	37,480,787	(13,487,315)
Trade receivables	(3,327,042,216)	186,893,957	(1,051,142,327)	(174,869,479)
Other receivables (except interest on FDR)	-	35,800,791	-	33,958,394
Advances, deposits and prepayments (except AIT)	(249,608,902)	(151,890,693)	(23,560,752)	18,730,932
Deferred liabilities	149,218	8,356,460	(2,421,429)	6,422,960
Trade payables	324,121,398	(613,351,396)	(111,844,180)	(237,908,439)
Other payables and accruals	92,575,362	146,758,544	(61,433,887)	2,940,168
	(3,293,007,867)	(424,445,830)	(1,212,921,788)	(364,212,779)
Cash generated from operating activities	3,508,856,207	3,791,011,380	1,836,558,730	2,774,190,585
Income tax paid	(4,463,642)	-	(4,463,642)	-
Net cash from operating activities	3,504,392,565	3,791,011,380	1,832,095,088	2,774,190,585

Notes to the financial statements (Continued)

38 Related party transactions

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

In BDT	Nature of transaction	Group						Company					
		Transaction value		Balance outstanding at		Transaction value		Balance outstanding at		Transaction value		Balance outstanding at	
		1 July 2018 to 31 Mar 2019	1 July 2017 to 30 June 2018	31 Mar 2019	30 June 2018	1 July 2018 to 31 Mar 2019	1 July 2017 to 30 June 2018	31 Mar 2019	30 June 2018	1 July 2018 to 31 Mar 2019	1 July 2017 to 30 June 2018	31 Mar 2019	30 June 2018
Parent													
SCL	Building maintenance	(10,038,805)	(2,050,945)	(3,119,022)	2,419,783	(10,038,805)	(4,892,106)	(3,119,022)	(3,119,022)	(3,119,022)	(4,892,106)	2,419,783	
Subsidiary													
SBPL	Financial support	-	-	-	-	(18,202,173)	161,169,064	81,431,842	81,431,842	81,431,842	161,169,064	63,229,669	
SNPUJIL	Financial support	-	-	-	-	(50,982,983)	88,748,970	97,270,398	97,270,398	97,270,398	88,748,970	46,287,415	
SCPL	Financial support	-	-	-	-	(20,000)	-	20,000	20,000	20,000	-	-	
AAPL	Financial support	-	-	-	-	103,233,523	249,113,023	14,265,424	14,265,424	14,265,424	249,113,023	117,498,947	
SGIPL	Financial support	-	-	-	-	25,619,362	263,719,258	(50,627,794)	(50,627,794)	(50,627,794)	263,719,258	22,500,340	
Related parties													
SOSCL	HFO consumption	(14,297,221,373)	(9,511,301,016)	(3,727,125,600)	(3,372,377,689)	(1,711,487,351)	(2,259,887,777)	(364,216,289)	(364,216,289)	(364,216,289)	(2,259,887,777)	(466,466,497)	
SOSCL	Tankage handling fee	(119,642,030)	(80,203,664)	(62,255,780)	(25,893,660)	(21,738,214)	(29,089,193)	(4,787,895)	(4,787,895)	(4,787,895)	(29,089,193)	(2,425,065)	
Summit Holdings Limited	Lease rental	(349,148)	(232,765)	1,905,581	2,254,728	(349,148)	(232,765)	1,905,581	1,905,581	1,905,581	(232,765)	2,254,728	
Cosmopolitan	Internet service provider	(1,379,700)	(1,007,400)	(121,800)	(167,900)	(1,001,700)	(731,400)	(111,300)	(111,300)	(111,300)	(731,400)	(121,900)	
Summit Meghmaghat Power Company Limited	Dividend	25,500,000	-	-	-	25,500,000	-	-	-	-	-	-	
Others													
KPCL	Dividend	191,204,226	350,541,004	-	-	191,204,226	350,541,004	-	-	-	350,541,004	-	

Notes to the financial statements (Continued)

39 Significant accounting policies

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

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

A	Basis of consolidated and separate financial statements
B	Property, plant and equipment
C	Intangible assets
D	Leased assets
E	Inventories
F	Provisions
G	Contingencies
H	Employee benefits
I	Taxation
J	Revenue
K	Foreign currency translation
L	Finance income and expenses
M	Financial instruments
N	Impairment
O	Earnings per share (EPS)
P	Dividend
Q	Statement of cash flows
R	Materiality and aggregation
S	Events after the reporting period

A Basis of consolidated and separate financial statements

i) Subsidiaries

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

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

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

SPL also holds 64% shares in Ace Alliance Power Limited.

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

Notes to the financial statements (Continued)

ii) 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 Financial Statements*. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees (that means in any company wherein Summit Power Limited has made investments, if any) are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. However, on 30 June 2018, the Company has no such investments.

iii) Basis of preparation of separate financial statements

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

iv) Disclosure of interests in other entities

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

v) Business combination of subsidiaries with the Group entity

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

B Property, plant and equipment

i) 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.

Applying the requirement of International Financial Reporting Interpretation Committee (IFRIC) 4: *Determining whether an Arrangement contains a Lease*, the Power Purchase Agreement (PPA) between the Company/Group units and BPDB/BREB can be said to contain a lease arrangement. This could be interpreted as resulting in the transfer of substantially all of the risks and rewards incidental to the ownership to the underlying assets (power plant) to the off taker (BPDB/BREB) who would effectively be the lessee. However, management concluded that the PPA does not transfer substantially all risks incidental to ownership as per the requirement of paragraph 17 of BAS 17. As such, all these lease arrangements are considered as an operating lease.

ii) 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.

iii) 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/Group 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 profit or loss as incurred.

iv) Revaluation of land and plant and machinery

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

Notes to the financial statements (Continued)

v) Depreciation

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

Plant and machinery are depreciated from the month in which the asset comes into use or is capitalised other than revalued plant and machinery which are depreciated from the calendar year following the year of revaluation. 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.

Depreciation of power plant has been charged considering 30 years useful life and residual value of 2% of original cost, on straight line basis on the ground that management intends to continue with operation after completion of 5 to 15 years as stated in the Power Purchase Agreement (PPA). According to PPA 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/Group at that stage except Madanganj power plant.

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

<i>In Years</i>	2018	2017
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:		
Main transformer	20	20
Genset	30	30
Electrical substation	20	20
Mechanical parts	30	30
Balance of plant (BOP)	30	30
Critical and capital spare parts	2 to 30	2 to 30

vi) 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 statement of profit or loss and other comprehensive income.

vii) Asset retirement obligations

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

viii) Capital work in progress

Capital work in progress consists of acquisition costs 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 Company/Group, i.e. at the time shipment is confirmed by the supplier.

ix) Spare parts

Spare parts consist of critical and capital spare parts. Critical and capital spare parts are those which are used particularly for scheduled and unscheduled maintenance and overhauling. These are depreciated over their estimated useful lives. For critical spare parts, depreciation starts from the date of acquisition. For capital spare parts, depreciation starts from the date of use as part of plant and machineries.

C Intangible assets

i) Recognition and measurement

Intangible assets that are acquired by the Company/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.

ii) Subsequent costs

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

iii) Amortisation

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

D Leased assets

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.

i) 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 spread equally over the lease term.

ii) Depreciation

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

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 profit or loss and other comprehensive income.

E Inventories

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

Notes to the financial statements (Continued)

F Provisions

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

G Contingencies

i) Contingent liability

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

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

ii) Contingent asset

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

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

H Employee benefits

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

i) Defined benefit plan (gratuity)

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

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

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

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

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

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

Gratuity scheme operated by the Company/Group is not recognised by the National Board of Revenue.

Notes to the financial statements (Continued)

ii) Defined benefit plan (leave encashment)

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

iii) Defined contribution plan (provident fund)

The 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/Group at 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.

iv) Workers' Profit Participation Fund (WPPF)

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

Notes to the financial statements (Continued)

i) Taxation

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except items recognised directly in equity or in other comprehensive income. However, no income tax is payable on gains from power companies share sale.

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

Entity	Name of the plant/facility	Location	Tax provision status	Period	Expiry
Summit Power Limited	Ashulia Power Plant (Unit-1)	Savar, Dhaka	Tax exemption on all income	15 years since commercial operation date	31-Aug-2018
	Ashulia Power Plant (Unit-2)	Savar, Dhaka	Tax exemption on all income	15 years since commercial operation date	3-Dec-2022
	Madhabdi Power Plant (Unit-1)	Narsingdi	Tax exemption on all income	15 years since commercial operation date	31-Aug-2018
	Madhabdi Power Plant (Unit-2)	Narsingdi	Tax exemption on all income	15 years since commercial operation date	15-Dec-2021
	Chandina Power Plant (Unit-1)	Comilla	Tax exemption on all income	15 years since commercial operation date	31-Aug-2018
	Chandina Power Plant (Unit-2)	Comilla	Tax exemption on all income	15 years since commercial operation date	14-Nov-2021
	Maona Power Plant	Gazipur	Tax exemption on all income	15 years since commercial operation date	11-May-2024
	Ullapara Power Plant	Sirajganj	Tax exemption on all income	15 years since commercial operation date	2-Mar-2024
	Jangalia Power Plant	Comilla	Tax exemption on all income	15 years since commercial operation date	8-Jun-2024
	Rupganj Power Plant	Narayanganj	Tax exemption on all income	15 years since commercial operation date	24-Jun-2024
Summit Narayanganj Power Unit II Limited	Madanganj Power Plant (Unit-1)	Narayanganj	Tax exemption on all income	10 years since commercial operation date	31-Mar-2021
	Madanganj Power Plant (Unit-2)	Narayanganj	Tax exemption on income from power generation only	15 years since commercial operation date	28-Feb-2031
Summit Barisal Power Company Limited	Barisal Power Plant	Barisal	Tax exemption on income from power generation only	15 years since commercial operation date	4-Apr-2031
Summit Gazipur II Power Limited	Gazipur Power Plant (Unit-2)	Kodda, Gazipur	Tax exemption on income from power generation only	15 years since commercial operation date	9-May-2033
Ace Alliance Power Limited	Kodda Power Plant (Unit-1)	Gazipur	Tax exemption on income from power generation only	15 years since commercial operation date	12-Jul-2033

* In case of Madanganj (Unit-1) Power Plant, no provision is required for income tax on the Company's profits as the BPDB is responsible for payment of income taxes, other taxes, VAT, duties, levies and all other charges imposed inside Bangladesh on any payments made by BPDB to the Company for a period of 5 years from start of its commercial operation, which has also been extended for further 5 years.

ii) Current tax

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

iii) Deferred tax

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

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

The Company has examined precedents of tax assessments completed for a power company post its tax exemption period, which consistently show accounting depreciation charge to be equal to the tax depreciation charge, implying that there were no temporary differences between accounting net book value and tax written down value of property, plant and equipment. On that basis, the Company has not considered any deferred tax relating to its property, plant and equipment in the preparation of these financial statements.

Notes to the financial statements (Continued)

J Revenue

Revenue is recognised in the profit or loss 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 component of revenue is recognised according to the terms set out in the PPA. Energy component of revenue is calculated based on electricity delivered.

K Foreign currency translation

Foreign currency transactions are translated into functional currency 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. Effects of currency translation are recognised in the statement of profit or loss and other comprehensive income and also presented as currency translation reserve in the statement of financial position.

L Finance income and expenses

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

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

M 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. Accounting policies relating to different type of financial instruments are described below:

i Financial assets

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

The Company/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 include cash and cash equivalents except cash in hand, trade receivables, other receivables, available-for-sale financial assets and deposits.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at banks and fixed deposits receipt which are held and available for use by the Company/Group without any restriction. For the purposes of statement of cash flow, cash and cash equivalents comprise cash in hand, deposits held at financial institutions and short-term highly liquid investments with maturities of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand and form an integral part of the Company's/Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Trade receivables

Trade receivables consists of unpaid bills receivable from Bangladesh Rural Electrification Board ("BREB") and Bangladesh Power Development Board ("BPDB"). Trade receivables are recognised initially at original invoice amount and subsequently measured at the remaining amount less allowances for doubtful receivables at the year-end.

Notes to the financial statements (Continued)

Other receivables

Other receivables are stated at amounts which are considered realisable.

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.

Deposits

Deposits are measured at payment value.

ii Financial liabilities

Financial liabilities are recognised initially on the transaction date at which the Company/Group becomes a party to the contractual provisions of the liability except the amount payable for letter of credit. The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expired.

Financial liabilities include project loan, redeemable preference shares, trade payables, intercompany payables and other current liabilities.

Project loan

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.

Trade and other payables

Trade payables consist of unpaid bills payable to different parties for heavy fuel oil, lubricant consumption and plant maintenance services. Other payables consist of payable for general & administrative transactions. The Company/Group recognises a payable when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying benefits.

The Company has not withheld any tax on its dividend paid to immediate parent company as it has been paid out from tax exempted power generation business. Any distribution received from tax exempted profit will be treated as tax free income in the hands of shareholders. This has been substantiated in the judgment of the Appellate Division of Honourable Supreme Court of Bangladesh in the reported case of Commissioner of Income Tax vs. Masuda Khatun (1982) 34 DLR (AD) 85 and legal opinions from prominent legal counsels."

Redeemable preference shares

Formerly, Summit Purbanchol Power Company Limited and Summit Uttaranchol Power Company Limited (which have been amalgamated with Summit Power Limited) had issued redeemable preference shares in 2010. Later, Summit Barisal Power Limited and Summit Narayanganj Power Unit II Limited also issued redeemable preference shares in 2017. 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. Periodic dividend paid to the holders of such shares are charged to profit or loss as finance expense.

Offsetting financial asset and financial liability

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company/Group has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

N Impairment

i) Financial assets

Receivables are assessed at each reporting date to determine whether there is any objective evidence of impairment. Financial assets are impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably. Objective evidence that financial assets are impaired can include default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, etc.

(ii) Non-financial assets

An asset is impaired when its carrying amount exceeds its recoverable amount. The Company/Group assesses at each reporting date whether there is any indication that an asset or a Cash Generating Unit (CGU) may be impaired. If any such indication exists, the Company/Group estimates the recoverable amount of the asset or CGU. The recoverable amount of an asset or a CGU is the higher of its fair value less costs to sell and its value in use. Carrying amount of the asset is reduced to its recoverable amount by recognising an impairment loss if, and only if, the recoverable amount of the asset is less than its carrying amount. Impairment loss is recognised immediately in profit or loss and other comprehensive income, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset shall be treated as a revaluation decrease. As at 30 September 2018, the assessment of indicators of impairment reveals that impairment testing is not required for the Company/Group.

(iii) Inventories

Inventories are measured at the lower of cost and net realisable value. These are for use in the operation and maintenance of power plants. As inventories are for internal use, the value is unlikely to diminish.

O 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/Group by the weighted average number of ordinary shares outstanding during the year.

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.

P Dividend

Final dividend distribution to the Company's/Group's shareholders are recognised as a liability in the financial statements in the period in which the dividend is approved by the Company's/Group's shareholders at the Annual General Meeting, while interim dividend distribution is recognised in the year in which the dividend is declared and paid.

Q Statement of cash flows

Cash flows from operating activities have been presented under direct method as per BAS 7: *Statement of Cash Flows*.

R Materiality and aggregation

Each material class of similar items is presented separately in the financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

S Events after the reporting period

Amounts recognised in the financial statements are adjusted for events after the reporting period that provide evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for events after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

40 Standards issued but not yet effective

In January 2018 the Institute of Chartered Accountants of Bangladesh (ICAB) has adopted International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as IFRSs. As the ICAB previously adopted such standards as Bangladesh Financial Reporting Standards without any modification, this recent adoption will not have any impact on the financial statements of the Company going forward.

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2018 and earlier application is permitted. However, the Company has not early applied the following new standards in preparing these financial statements.

(i) IFRS 9 Financial Instruments

IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 *Financial Instruments: Recognition and Measurement*. IFRS 9 includes revised guidance on the classification and measurement of the financial instruments, a new expected credit loss model for calculating impairment of financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Company is assessing the potential impact of IFRS 9 on its financial statements.

(ii) IFRS 15 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing recognition guidance, including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and IFRS 13 *Customer Loyalty Programmes*. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted. The Company is assessing the potential impact of IFRS 15 on its financial statements.

(iii) IFRS 16 Leases

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are optional exemptions for short-term leases and leases of low value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance including IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC-15 *Operating Leases—Incentives* and SIC-27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

The standard is effective for annual periods beginning on or after 1 January 2019. Early adoption is permitted for entities that apply IFRS 15 Revenue from Contracts with Customers at or before the date of initial application of IFRS 16. The Company is assessing the potential impact of IFRS 16 on its financial statements.