

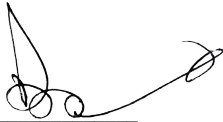
Summit Power Limited

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


Summit Power Limited
Statement of Financial Position

In BDT	Note	Consolidated		Separate	
		31 December 2019	30 June 2019	31 December 2019	30 June 2019
Assets					
Property, plant and equipment	5	40,343,502,774	40,153,454,293	11,282,111,242	11,541,127,388
Intangible assets	6	47,051,814	47,863,446	20,546,814	20,893,446
Investment in subsidiaries	7	-	-	2,550,702,270	2,550,702,270
Investment in associates	8	6,310,404,307	6,084,406,955	3,801,772,452	3,801,772,452
Deferred tax asset	9	61,116,649	43,923,588	44,770,093	31,960,363
Deferred revenue	10	809,314,473	-	(10,375,438)	-
Available-for-sale financial assets	11	3,281,408,732	3,955,793,693	3,281,408,732	3,955,793,693
Non-current assets		50,852,798,749	50,285,441,975	20,970,936,165	21,902,249,612
Inventories	12	654,061,883	684,430,782	398,897,733	396,733,863
Trade receivables	13	10,524,266,569	11,856,589,210	6,964,543,044	6,335,784,314
Other receivables	14	89,405,268	118,564,559	47,822,002	69,205,617
Intercompany receivables	15	-	-	94,515,353	491,831,506
Advances, deposits and prepayments	16	376,954,940	1,348,074,663	127,928,125	675,108,914
Cash and cash equivalents	17	5,339,076,373	5,843,296,539	1,943,906,607	2,146,617,197
Current assets		16,983,765,033	19,850,955,753	9,577,612,864	10,115,281,411
Total assets		67,836,563,782	70,136,397,728	30,548,549,029	32,017,531,023
Equity					
Share capital	18	10,678,772,390	10,678,772,390	10,678,772,390	10,678,772,390
Share premium	19	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639
Revaluation reserve	20	954,282,143	963,843,005	954,282,143	963,843,005
Fair value reserve		(350,426,407)	323,509,578	(350,426,407)	323,509,578
Capital reserve		1,668,093,205	1,668,093,205	1,668,093,205	1,668,093,205
Hedging reserve		(322,438,496)	(333,801,733)	-	-
Currency translation reserve		74,704,811	62,494,928	-	-
Retained earnings		14,049,745,893	14,754,154,182	9,836,361,217	10,590,121,870
Equity attributable to owners of the Company		33,231,831,178	34,596,163,194	29,266,180,187	30,703,437,687
Non-controlling interest	19	6,900,033,687	7,251,258,808	-	-
Total equity		40,131,864,865	41,847,422,002	29,266,180,187	30,703,437,687
Liabilities					
Redeemable preference shares	22	2,363,762,998	1,469,771,322	-	-
Loans and borrowings	23	9,627,098,108	10,088,328,323	-	-
Deferred liabilities	24	831,658,108	813,937,731	274,667,091	233,973,700
Non-current liabilities		12,822,519,214	12,372,037,376	274,667,091	233,973,700
Unclaimed dividends	25	443,654,267	75,475,039	443,654,267	75,475,039
Redeemable preference shares	22	157,874,690	157,509,885	-	-
Loans and borrowings	23	11,301,533,069	10,968,298,719	-	-
Trade payables	26	2,348,158,760	3,896,255,273	465,391,200	398,245,011
Other payables and accruals	27	628,646,685	618,470,229	97,664,492	69,801,685
Intercompany payables	28	2,312,232	200,929,205	991,792	536,597,901
Current liabilities		14,882,179,703	15,916,938,350	1,007,701,751	1,080,119,636
Total liabilities		27,704,698,917	28,288,975,726	1,282,368,842	1,314,093,336
Total equity and liabilities		67,836,563,782	70,136,397,728	30,548,549,029	32,017,531,023
Net asset value per share (NAVPS)	36	31.12	32.40	27.41	28.75

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


Chairman


Director


Managing Director


Chief Financial Officer


Company Secretary


Dated, Dhaka
30 January 2020

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


<i>In BDT</i>	Note	Consolidated				Separate			
		July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018
Revenue	29	12,931,259,969	19,535,520,361	5,693,186,519	7,237,874,719	4,155,986,223	4,895,235,698	2,034,142,369	2,099,351,682
Cost of sales	30	(8,130,698,100)	(15,460,197,191)	(3,382,700,844)	(5,292,823,108)	(2,285,882,363)	(3,075,388,156)	(1,122,447,346)	(1,231,859,108)
Gross profit		4,800,561,869	4,075,323,170	2,310,485,675	1,945,051,611	1,870,103,860	1,819,847,542	911,695,023	867,492,574
Other income	31	285,314,288	207,694,446	283,145,453	201,558,457	1,192,501,010	221,565,506	1,190,649,528	217,647,070
General and administrative expenses	32	(262,461,057)	(263,837,319)	(127,742,810)	(139,749,164)	(207,466,717)	(205,614,561)	(100,452,635)	(111,438,237)
Operating profit		4,823,415,100	4,019,180,297	2,465,888,318	2,006,860,904	2,855,138,153	1,835,798,487	2,001,891,916	973,701,407
Net finance income/(cost)	33	(461,083,755)	(376,955,633)	(502,182,205)	(250,860,992)	137,321,061	118,355,432	85,178,813	58,328,800
Share of profit of equity-accounted investees		251,497,353	209,460,081	101,656,335	47,900,416	-	-	-	-
Profit before income tax		4,613,828,698	3,851,684,745	2,065,362,448	1,803,900,328	2,992,459,214	1,954,153,919	2,087,070,729	1,032,030,207
Income tax expenses		(59,228,691)	(19,345,982)	(39,979,271)	(7,919,711)	(11,105,642)	(5,928,079)	(11,427,187)	(6,928,517)
Profit after income tax		4,554,600,007	3,832,338,763	2,025,383,177	1,795,980,617	2,981,353,572	1,948,225,840	2,075,643,542	1,025,101,690
Other comprehensive income									
Items that will not be reclassified to profit or loss									
Actuarial gain/(loss) on gratuity valuation		(11,594,500)	(14,165,500)	(5,797,250)	(7,082,750)	(9,473,000)	(10,738,500)	(4,736,500)	(5,369,250)
Related tax on gain/(loss) on gratuity valuation		3,110,776	3,884,078	1,555,388	1,942,039	2,368,250	2,684,625	1,184,125	1,342,313
		(8,483,724)	(10,281,422)	(4,241,862)	(5,140,711)	(7,104,750)	(8,053,875)	(3,552,375)	(4,026,937)
Items that may be reclassified subsequently to profit or loss									
Available-for-sale financial assets-net change in fair value	11	(673,935,985)	(154,820,463)	(154,238,040)	(3,414,323,962)	(673,935,985)	(154,820,463)	(154,238,040)	(3,414,323,962)
Effects of currency translation		38,965,739	8,511,917	38,965,739	7,513,073	-	-	-	-
Change in fair value of financial derivative instruments		24,552,682	-	144,656,262	-	-	-	-	-
		(610,417,564)	(146,308,546)	29,383,961	(3,406,810,889)	(673,935,985)	(154,820,463)	(154,238,040)	(3,414,323,962)
Other comprehensive income		(618,901,288)	(156,589,968)	25,142,099	(3,411,951,600)	(681,040,735)	(162,874,338)	(157,790,415)	(3,418,350,899)
Total comprehensive income		3,935,698,719	3,675,748,795	2,050,525,276	(1,615,970,983)	2,300,312,837	1,785,351,502	1,917,853,127	(2,393,249,209)

<i>In BDT</i>	Note	Consolidated				Separate			
		July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018
Profit attributable to:									
Owners of the company		3,031,381,633	2,710,791,446	1,534,620,296	1,278,718,228	-	-	-	-
Non-controlling interests		1,523,218,374	1,121,547,317	490,762,881	517,262,388	-	-	-	-
		4,554,600,007	3,832,338,763	2,025,383,177	1,795,980,616	-	-	-	-
Other comprehensive income attributable to:									
Owners of the Company		(658,143,312)	(160,803,651)	(62,396,929)	(3,416,121,014)	-	-	-	-
Non-controlling interests		39,242,024	4,213,683	87,539,028	4,169,414	-	-	-	-
		(618,901,288)	(156,589,968)	25,142,099	(3,411,951,600)	-	-	-	-
Total comprehensive income attributable to:									
Owners of the Company		2,373,238,321	2,549,987,795	1,472,223,367	(2,137,402,786)	-	-	-	-
Non-controlling interests		1,562,460,398	1,125,761,000	578,301,909	521,431,802	-	-	-	-
Total comprehensive income		3,935,698,719	3,675,748,795	2,050,525,276	(1,615,970,984)	-	-	-	-
Earnings per share									
Basic earnings per share (face value BDT 10)	35	2.84	2.54	1.44	1.20	2.79	1.82	1.94	0.96


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



Chairman



Director



Managing Director



Chief Financial Officer



Company Secretary

Dated, Dhaka
30 January 2020

Summit Power Limited
Consolidated statement of changes in equity

<i>In BDT</i>	Attributable to owners of the Company								Total	Non-controlling interests	Total equity
	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Hedging reserve	Currency translation reserve	Retained earnings			
Balance at 1 July 2019	10,678,772,390	6,479,097,639	963,843,005	323,509,578	1,668,093,205	(333,801,733)	62,494,928	14,754,154,182	34,596,163,194	7,251,258,808	41,847,422,002
Total comprehensive income											
Profit	-	-	-	-	-	-	-	3,031,381,633	3,031,381,633	1,523,218,374	4,554,600,007
Other comprehensive income	-	-	-	(673,935,985)	-	11,363,237	12,209,883	(7,780,447)	(658,143,312)	39,242,024	(618,901,288)
Total comprehensive income	-	-	-	(673,935,985)	-	11,363,237	12,209,883	3,023,601,186	2,373,238,321	1,562,460,398	3,935,698,719
Transaction with owners of the Company											
Cash dividend	-	-	-	-	-	-	-	(3,737,570,337)	(3,737,570,337)	(1,913,685,519)	(5,651,255,856)
Equity capital of non-controlling interest	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	(3,737,570,337)	(3,737,570,337)	(1,913,685,519)	(5,651,255,856)
Transactions recognised directly in equity											
Transfer from revaluation reserve to retained earnings	-	-	(9,560,862)	-	-	-	-	9,560,862	-	-	-
Total transactions recognised directly in equity	-	-	(9,560,862)	-	-	-	-	9,560,862	-	-	-
Balance at 31 December 2019	10,678,772,390	6,479,097,639	954,282,143	(350,426,407)	1,668,093,205	(322,438,496)	74,704,811	14,049,745,893	33,231,831,178	6,900,033,687	40,131,864,865

<i>In BDT</i>	Attributable to owners of the Company								Total	Non-controlling interests	Total equity
	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Hedging reserve	Currency translation reserve	Retained earnings			
Balance at 1 July 2018	10,678,772,390	6,479,097,639	982,964,725	686,641,624	1,668,093,205	-	33,270,616	12,849,427,782	33,378,267,981	3,521,273,883	36,899,541,864
Total comprehensive income											
Profit	-	-	-	-	-	-	-	2,710,791,446	2,710,791,446	1,121,547,317	3,832,338,763
Other comprehensive income	-	-	-	(154,820,463)	-	-	3,162,185	(9,145,374)	(160,803,652)	4,213,683	(156,589,969)
Total comprehensive income	-	-	-	(154,820,463)	-	-	3,162,185	2,701,646,072	2,549,987,794	1,125,761,000	3,675,748,794
Transaction with owners of the Company											
Cash dividend	-	-	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)	-	(3,203,631,717)
Equity capital of non-controlling interest	-	-	-	-	-	-	-	-	-	137,668,000	137,668,000
Total transactions with owners of the Company	-	-	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)	137,668,000	(3,065,963,717)
Transactions recognised directly in equity											
Transfer from revaluation reserve to retained earnings	-	-	(9,560,862)	-	-	-	-	9,560,862	-	-	-
Total transactions recognised directly in equity	-	-	(9,560,862)	-	-	-	-	9,560,862	-	-	-
Balance at 31 December 2018	10,678,772,390	6,479,097,639	973,403,863	531,821,161	1,668,093,205	-	36,432,801	12,357,002,999	32,724,624,058	4,784,702,883	37,509,326,941
Balance at 1 January 2019	10,678,772,390	6,479,097,639	973,403,863	531,821,161	1,668,093,205	-	36,432,801	12,357,002,999	32,724,624,058	4,784,702,883	37,509,326,941
Total comprehensive income											
Profit	-	-	-	-	-	-	-	2,394,005,846	2,394,005,846	1,056,270,794	3,450,276,640
Other comprehensive income	-	-	-	(208,311,583)	-	(333,801,733)	26,062,127	(6,415,521)	(522,466,710)	(174,514,869)	(696,981,579)
Total comprehensive income	-	-	-	(208,311,583)	-	(333,801,733)	26,062,127	2,387,590,325	1,871,539,136	881,755,925	2,753,295,061
Transaction with owners of the Company											
Cash dividend	-	-	-	-	-	-	-	-	-	-	-
Equity capital of non-controlling interest	-	-	-	-	-	-	-	-	-	1,584,800,000	1,584,800,000
Total transactions with owners of the Company	-	-	-	-	-	-	-	-	-	1,584,800,000	1,584,800,000
Transactions recognised directly in equity											
Transfer from revaluation reserve to retained earnings	-	-	(9,560,858)	-	-	-	-	9,560,858	-	-	-
Total transactions recognised directly in equity	-	-	(9,560,858)	-	-	-	-	9,560,858	-	-	-
Balance at 30 June 2019	10,678,772,390	6,479,097,639	963,843,005	323,509,578	1,668,093,205	(333,801,733)	62,494,928	14,754,154,182	34,596,163,194	7,251,258,808	41,847,422,002

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 2019	10,678,772,390	6,479,097,639	963,843,005	323,509,578	1,668,093,205	10,590,121,870	30,703,437,687
Total comprehensive income							
Profit	-	-	-	-	-	2,981,353,572	2,981,353,572
Other comprehensive income	-	-	-	(673,935,985)	-	(7,104,750)	(681,040,735)
Total comprehensive income	-	-	-	(673,935,985)	-	2,974,248,822	2,300,312,837
Transaction with owners of the company							
Cash dividend	-	-	-	-	-	(3,737,570,337)	(3,737,570,337)
Total transactions with owners of the company	-	-	-	-	-	(3,737,570,337)	(3,737,570,337)
Transactions recognised directly in equity							
Transfer from revaluation reserve to retained earnings	-	-	(9,560,862)	-	-	9,560,862	-
Total transactions recognised directly in equity	-	-	(9,560,862)	-	-	9,560,862	-
Balance at 31 December 2019	10,678,772,390	6,479,097,639	954,282,143	(350,426,407)	1,668,093,205	9,836,361,217	29,266,180,187

<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	-	-	-	-	-	1,948,225,840	1,948,225,840
Other comprehensive income	-	-	-	(154,820,463)	-	(8,053,875)	(162,874,338)
Total comprehensive income	-	-	-	(154,820,463)	-	1,940,171,965	1,785,351,502
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	-	-	(9,560,862)	-	-	9,560,862	-
Total transactions recognised directly in equity	-	-	(9,560,862)	-	-	9,560,862	-
Balance at 31 December 2018	10,678,772,390	6,479,097,639	973,403,863	531,821,161	1,668,093,205	8,840,156,675	29,171,344,933
Balance at 1 January 2019	10,678,772,390	6,479,097,639	973,403,863	531,821,161	1,668,093,205	8,840,156,675	29,171,344,933
Total comprehensive income							
Profit	-	-	-	-	-	1,746,559,962	1,746,559,962
Other comprehensive income	-	-	-	(208,311,583)	-	(6,155,625)	(214,467,208)
Total comprehensive income	-	-	-	(208,311,583)	-	1,740,404,337	1,532,092,754
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	-	-	(9,560,858)	-	-	9,560,858	-
Total transactions recognised directly in equity	-	-	(9,560,858)	-	-	9,560,858	-
Balance at 30 June 2019	10,678,772,390	6,479,097,639	963,843,005	323,509,578	1,668,093,205	10,590,121,870	30,703,437,687

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 2019 to Dec 2019	July 2018 to Dec 2018	July 2019 to Dec 2019	July 2018 to Dec 2018
Cash flows from operating activities				
Cash receipts from customers	13,473,247,850	10,878,070,492	3,539,416,146	3,173,548,964
Cash paid to suppliers and employees	(7,865,673,935)	(9,166,354,610)	(1,416,280,533)	(2,142,179,863)
Receipts from other sources	2,595,487	15,996,563	2,142,014	4,227,158
Tax paid	(19,593,168)	(16,585,458)	(3,314,738)	(3,379,796)
Net cash from operating activities	5,590,576,234	1,711,126,987	2,121,962,889	1,032,216,463
Cash flows from investing activities				
Interest received	269,271,086	182,046,761	137,648,950	118,985,011
Dividends received from subsidiaries	-	-	884,482,166	-
Dividends received from associate	25,500,000	-	25,500,000	25,500,000
Dividends received from AFS financial assets	280,796,706	25,733,122	280,796,706	233,122,000
Acquisition of property, plant and equipment	(1,023,371,562)	(1,373,318,934)	(143,942,375)	(240,879,747)
Disposal of property, plant and equipment	29,100	401,000	29,100	401,000
Investment in subsidiaries	-	-	-	(172,520,890)
Payment of related party loans	(199,406,109)	-	(138,289,956)	(146,417,090)
Net cash used in investing activities	(647,180,779)	(1,165,138,051)	1,046,224,591	(414,698,594)
Cash flows from financing activities				
Interest paid	(853,524,976)	(354,052,158)	(497,476)	-
Proceeds from issue of share capital (NCI)	-	137,370,981	-	-
Repayment of loans and borrowings	(512,758,090)	(4,615,203,159)	(1,009,485)	-
Proceeds from loans and borrowings	307,025,265	5,640,896,541	-	-
Proceeds from issue of redeemable preference shares	901,470,888	798,914,617	-	-
Transaction cost	(8,040,635)	-	-	-
Proceeds from/(repayment of) intercompany financing	585,176	351,225,452	-	-
Dividends paid	(5,283,076,628)	(493,932)	(3,369,391,109)	(493,932)
Net cash used in financing activities	(5,448,319,000)	1,958,658,342	(3,370,898,070)	(493,932)
Net changes in cash and cash equivalents	(504,923,545)	2,504,647,278	(202,710,590)	617,023,937
Effects of currency translation	703,379	1,953,288	-	-
Opening cash and cash equivalents	5,843,296,539	4,881,992,406	2,146,617,197	3,070,864,147
Closing cash and cash equivalents	5,339,076,373	7,388,592,972	1,943,906,607	3,687,888,084
Net operating cash flow per share (NOCFPS)	5.24	1.60	1.99	0.97

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

1.3 Ashulia Power Plant (Unit-1), Madhabdi Power Plant (Unit-1) and Chandina Power Plant (Unit-1) - extension of Power Purchase Agreement

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 preparation

2.1 Statement of compliance

The financial statements (consolidated and separate financial statements) have been prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by The International Accounting Standards Board (IASB) and adopted by The Institute of Chartered Accountants of Bangladesh (ICAB) vide letter no 1/1/ICAB-2017 dated 14 December 2017, The Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2.2 Authorisation for issue

The financial statements (both consolidated and separate financial statements) were authorised by the Board of Directors on 30 January 2020 for publication.

2.3 Basis of measurement

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

2.4 Functional and presentational currency and level of precision

These financial statements are presented in Bangladesh Taka (Taka/Tk./BDT) which is both functional currency and presentation currency of the Company/Group, except for 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 three months from 1 July 2019 to 31 December 2019 and is followed consistently.

Statement	Current	Comparative
Financial position	As at 31 December 2019	As at 30 June 2019
Profit or loss and other comprehensive income	1 July 2019 to 31 December 2019	1 July 2018 to 31 December 2018
Changes in equity	1 July 2019 to 31 December 2019	1 July 2018 to 31 December 2018
Cash flows	1 July 2019 to 31 December 2019	1 July 2018 to 31 December 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 2019 is included in the following notes:

Note 5.1 and 39.B(v)	Depreciation
Note 6 and 39.C(iii)	Amortisation
Note 24	Deferred liabilities
Note 27	Other payables and accruals

4 Changes in significant accounting policies

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. Accordingly, the Company/Group has adopted this standard from 1 July 2019.

Notes to the financial statements (Continued)

5 Property, plant and equipment

Consolidated

In BDT	For the six-month period ended 31 December 2019										Written down value at 31 Dec 2019	
	Cost/Revaluation					Rate %	Depreciation					
	Balance at 1 July 2019	Addition/transfer in	Disposal/transfer out	Movement of exchange rate	Balance at 31 Dec 2019		Balance at 1 July 2019	Addition/transfer in	Disposal/transfer out	Movement of exchange rate		Balance at 31 Dec 2019
a) Own assets : i) Cost												
Land and land development	1,173,655,772	114,316,187	-	2,252,781	1,290,224,740	-	-	-	-	-	1,290,224,740	
Furniture and fixtures	35,594,488	3,137,149	-	25,846	38,757,483	10	16,652,754	1,690,817	-	3,027	18,346,598	20,410,885
Office and electrical equipment	87,957,947	1,656,727	-	71,591	89,686,265	20	49,857,581	6,400,382	-	19,963	56,277,926	33,408,339
Office decoration	30,305,028	80,500	-	-	30,385,528	20	29,401,155	468,074	-	-	29,869,229	516,299
Motor vehicles	178,954,353	-	-	122,572	179,076,925	20	93,030,348	12,565,268	-	35,305	105,630,921	73,446,005
Maintenance equipment	33,674,961	-	-	2,097	33,677,058	20	25,604,468	933,253	-	310	26,538,031	7,139,027
Civil works and others	225,786,570	-	-	-	225,786,570	20	199,062,486	7,006,766	-	-	206,069,251	19,717,319
Plant and machineries:												
Ashulia Power Plant (Unit-1)	464,065,823	1,980,955	-	-	466,046,778	3.33 - 10	282,523,800	13,621,216	-	-	296,145,017	169,901,761
Ashulia Power Plant (Unit-2)	1,574,444,331	8,943,861	-	-	1,583,388,192	3.33 - 16.67	614,399,462	43,073,631	-	-	657,473,092	925,915,099
Madhabdi Power Plant (Unit-1)	426,272,453	1,238,909	-	-	427,511,362	3.33 - 10	318,880,033	12,273,232	-	-	331,153,265	96,358,097
Madhabdi Power Plant (Unit-2)	1,058,974,501	6,802,266	-	-	1,065,776,767	3.33 - 16.67	481,472,510	29,555,596	-	-	511,028,106	554,748,661
Chandina Power Plant (Unit-1)	474,045,869	557,781	-	-	474,603,650	3.33 - 10	309,576,071	12,929,004	-	-	322,505,075	152,098,575
Chandina Power Plant (Unit-2)	654,072,598	18,652,963	-	-	672,725,561	3.33 - 16.67	295,751,048	17,784,578	-	-	313,535,627	359,189,934
Jangalia Power Plant	1,577,652,299	17,202,737	-	-	1,594,855,036	3.33 - 16.67	540,769,379	43,006,417	-	-	583,775,796	1,011,079,240
Rupganj Power Plant	1,576,814,156	1,248,133	-	-	1,578,062,290	3.33 - 16.67	550,396,746	35,942,365	-	-	586,339,112	991,723,178
Maona Power Plant	1,513,233,965	3,537,835	-	-	1,516,771,800	3.33 - 16.67	561,147,777	36,615,975	-	-	597,763,752	919,008,049
Ullapara Power Plant	641,176,209	5,490,909	-	-	646,667,118	3.33 - 16.67	231,157,561	18,949,585	-	-	250,107,145	396,559,973
Madanganj Power Plant	5,493,222,130	30,331,364	-	-	5,523,553,494	3.33 - 16.67	1,675,671,897	133,272,616	-	-	1,808,944,512	3,714,608,981
Rupatoli Power Plant	5,472,940,344	63,725,137	-	-	5,536,665,481	3.33 - 5	624,845,446	111,355,080	-	-	736,200,526	4,800,464,955
Madanganj Power Plant (Unit-2)	2,900,264,600	19,397,670	-	-	2,919,662,270	3.33 - 5	325,440,423	60,971,367	-	-	386,411,790	2,533,250,480
Kodda Power Plant (Unit-1)	6,467,936,135	7,639,259	-	30,591,839	6,506,167,233	3.33 - 5	217,953,081	110,237,655	-	1,368,259	329,558,995	6,176,608,238
Kodda Power Plant (Unit-2)	12,967,222,970	296,825,720	-	62,202,147	13,326,250,837	3.33 - 5	517,311,562	226,921,436	-	3,123,174	747,356,172	12,578,894,665
Total (i)	45,028,267,501	602,766,063	-	95,268,873	45,726,302,436		7,960,905,587	935,574,312	-	4,550,038	8,901,029,936	36,825,272,500
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	51,945,714	2,770,440	-	-	54,716,154	111,511,749
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	3,310,422	3.33 - 16.67	1,034,517	55,176	-	-	1,089,693	2,220,729
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	-	161,663,341	3.33 - 10	50,519,284	2,694,360	-	-	53,213,644	108,449,697
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	79,752,991	3.33 - 16.67	24,922,578	1,329,210	-	-	26,251,788	53,501,203
Chandina Power Plant (Unit-1)	146,384,742	-	-	-	146,384,742	3.33 - 10	45,744,780	2,439,720	-	-	48,184,500	98,200,242
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	16,317,466	3.33 - 16.67	5,099,164	271,956	-	-	5,371,120	10,946,346
Total (ii)	1,156,322,955	-	-	-	1,156,322,955		192,268,174	9,560,862	-	-	201,829,036	954,493,919
Total assets (a)	46,184,590,456	602,766,063	-	95,268,873	46,882,625,391		8,153,173,761	945,135,174	-	4,550,038	9,102,858,973	37,779,766,419
b) Spare parts												
Stock in hand**	894,121,445	144,610,671	(133,429,269)	876,020	906,178,867	3.33 - 50	145,684,059	32,946,989	(10,342,193)	84,523	168,373,378	737,805,489
Stock in transit*	121,296,961	206,849,787	(160,828,988)	27,133	167,344,893	-	-	-	-	-	-	167,344,893
Total spare parts (b)	1,015,418,406	351,460,458	(294,258,257)	903,153	1,073,523,760		145,684,059	32,946,989	(10,342,193)	84,523	168,373,378	905,150,382
c) Capital work-in progress												
Capital work in progress	1,252,303,253	446,562,577	(56,693,434)	7,044,378	1,649,216,774	-	-	-	-	-	-	1,649,216,774
Total capital work-in progress (c)	1,252,303,253	446,562,577	(56,693,434)	7,044,378	1,649,216,774		-	-	-	-	-	1,649,216,774
d) Right-of-use assets												
Leased land	-	10,439,311	-	-	10,439,311	-	-	1,070,112	-	-	1,070,112	9,369,199
Total Right-of-use assets (d)	-	10,439,311	-	-	10,439,311		-	1,070,112	-	-	1,070,112	9,369,199
Total (a+b+c+d)	48,452,312,115	1,411,228,409	(350,951,691)	103,216,404	49,615,805,236		8,298,857,820	979,152,274	(10,342,193)	4,634,561	9,272,302,462	40,343,502,774

Notes to the financial statements (Continued)

Consolidated

For the year ended 30 June 2019

In BDT	Cost/Revaluation					Rate %	Depreciation				Written down value at 30 June 2019
	Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out	Movement of exchange rate	Balance at 30 June 2019		Balance at 1 July 2018	Addition/transfer in	Disposal/transfer out	Movement of exchange rate	
a) Own assets : i) Cost											
Land and land development	953,405,952	217,336,968	-	2,912,852	1,173,655,772	-	-	-	-	-	1,173,655,772
Furniture and fixtures	31,506,708	4,119,063	(61,315)	30,032	35,594,488	10	13,369,598	3,321,974	(41,763)	2,945	16,652,754
Office and electrical equipment	73,359,209	15,247,126	(771,855)	123,467	87,957,947	20	40,622,553	9,898,429	(683,081)	19,680	49,857,581
Office decoration	29,704,028	601,000	-	-	30,305,028	20	27,251,039	2,150,116	-	-	29,401,155
Motor vehicles	164,003,784	29,949,535	(15,201,663)	202,697	178,954,353	20	88,226,912	19,966,184	(15,201,663)	38,914	93,030,348
Maintenance equipment	32,885,578	786,896	-	2,487	33,674,961	20	21,240,754	4,363,507	-	207	25,604,468
Civil works and others	224,889,004	897,566	-	-	225,786,570	20	177,549,839	21,512,646	-	-	199,062,486
Plant and machineries:											
Ashulia Power Plant (Unit-1)	457,956,738	6,109,084	-	-	464,065,823	3.33 - 10	255,045,875	27,477,925	-	-	282,523,800
Ashulia Power Plant (Unit-2)	1,480,456,849	93,987,482	-	-	1,574,444,331	3.33 - 16.67	532,101,053	82,298,408	-	-	614,399,462
Madhabdi Power Plant (Unit-1)	421,741,065	4,531,388	-	-	426,272,453	3.33 - 10	293,481,030	25,399,003	-	-	318,880,033
Madhabdi Power Plant (Unit-2)	1,005,495,201	53,479,300	-	-	1,058,974,501	3.33 - 16.67	425,994,874	55,477,636	-	-	481,472,510
Chandina Power Plant (Unit-1)	468,388,956	5,656,913	-	-	474,045,869	3.33 - 10	283,207,909	26,368,162	-	-	309,576,071
Chandina Power Plant (Unit-2)	624,809,281	29,263,317	-	-	654,072,598	3.33 - 16.67	260,824,491	34,926,557	-	-	295,751,048
Jangalia Power Plant	1,519,190,175	58,462,124	-	-	1,577,652,299	3.33 - 16.67	465,775,390	74,993,989	-	-	540,769,379
Rupganj Power Plant	1,512,653,345	64,160,812	-	-	1,576,814,156	3.33 - 16.67	474,028,243	76,368,503	-	-	550,396,746
Maona Power Plant	1,434,339,147	78,894,818	-	-	1,513,233,965	3.33 - 16.67	490,235,218	70,912,559	-	-	561,147,777
Ullapara Power Plant	542,984,339	98,191,870	-	-	641,176,209	3.33 - 16.67	197,227,856	33,929,705	-	-	231,157,561
Madanganj Power Plant	5,309,071,512	184,150,617	-	-	5,493,222,130	3.33 - 16.67	1,390,982,708	284,689,189	-	-	1,675,671,897
Rupatoli Power Plant	5,250,372,185	222,568,159	-	-	5,472,940,344	3.33 - 5	407,000,090	217,845,356	-	-	624,845,446
Madanganj Power Plant (Unit-2)	2,767,035,373	133,229,226	-	-	2,900,264,600	3.33 - 5	215,608,244	109,832,179	-	-	325,440,423
Kodda Power Plant (Unit-1)	-	6,431,616,186	-	36,319,949	6,467,936,135	3.33 - 5	-	216,685,871	1,267,210	-	217,953,081
Kodda Power Plant (Unit-2)	12,780,322,851	68,320,409	-	118,579,710	12,967,222,970	3.33 - 5	72,659,663	441,507,745	3,144,154	-	517,311,562
Total (i)	37,084,571,281	7,801,559,859	(16,034,833)	158,171,194	45,028,267,501		6,132,433,339	1,839,925,645	(15,926,507)	4,473,110	7,960,905,587
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	5,540,876	-	-	51,945,714
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	3,310,422	3.33 - 16.67	924,165	110,352	-	-	1,034,517
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	-	161,663,341	3.33 - 10	45,130,564	5,388,720	-	-	50,519,284
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	79,752,991	3.33 - 16.67	22,264,158	2,658,420	-	-	24,922,578
Chandina Power Plant (Unit-1)	146,384,742	-	-	-	146,384,742	3.33 - 10	40,865,340	4,879,440	-	-	45,744,780
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	16,317,466	3.33 - 16.67	4,555,252	543,912	-	-	5,099,164
Total (ii)	1,156,322,955	-	-	-	1,156,322,955		173,146,454	19,121,720	-	-	192,268,174
Total assets (a)	38,240,894,236	7,801,559,859	(16,034,833)	158,171,194	46,184,590,456		6,305,579,793	1,859,047,365	(15,926,507)	4,473,110	8,153,173,761
b) Spare parts											
Stock in hand**	973,575,986	747,314,944	(827,755,062)	985,576	894,121,445	3.33 - 50	131,745,753	65,401,395	(51,475,183)	12,094	145,684,059
Stock in transit*	192,764,020	1,107,004,962	(1,136,992,575)	14,300	162,790,707	-	-	-	-	-	162,790,707
Total spare parts (b)	1,166,340,006	1,854,319,906	(1,964,747,637)	999,876	1,056,912,152		131,745,753	65,401,395	(51,475,183)	12,094	145,684,059
c) Capital work-in progress											
Capital work in progress	6,082,658,814	1,575,368,407	(6,475,773,387)	28,555,672	1,210,809,506	-	-	-	-	-	1,210,809,506
Total capital work-in progress (c)	6,082,658,814	1,575,368,407	(6,475,773,387)	28,555,672	1,210,809,506		-	-	-	-	1,210,809,506
Total (a+b+c)	45,489,893,057	11,231,248,173	(8,456,555,857)	187,726,742	48,452,312,114		6,437,325,546	1,924,448,760	(67,401,690)	4,485,204	8,298,857,820

Notes to the financial statements (Continued)

Separate

In BDT	Cost/Revaluation				Rate %	Depreciation				Written down value at 31 Dec 2019
	Balance at 1 July 2019	Addition/ transfer in	Disposal/ transfer out	Balance at 31 Dec 2019		Balance at 1 July 2019	Addition/ transfer in	Disposal/ transfer out	Balance at 31 Dec 2019	
	For the six-month period ended 31 December 2019									
a) Own assets : i) Cost										
Land and land development	352,578,242	-	-	352,578,242	-	-	-	-	-	352,578,242
Furniture and fixtures	23,201,020	718,221	-	23,919,241	10	13,942,802	1,008,586	-	14,951,388	8,967,853
Office and electrical equipment	59,289,710	1,361,542	-	60,651,252	20	40,831,811	3,553,544	-	44,385,355	16,265,897
Office decoration	30,025,708	80,500	-	30,106,208	20	27,921,478	440,144	-	28,361,622	1,744,586
Motor vehicles	146,197,977	-	-	146,197,977	20	84,906,147	9,461,154	-	94,367,300	51,830,677
Maintenance equipment	31,839,090	-	-	31,839,090	20	23,094,763	744,772	-	23,839,535	7,999,555
Civil works and others	225,701,485	-	-	225,701,485	20	199,052,541	7,003,256	-	206,055,796	19,645,689
Plant and machineries:										
Ashulia Power Plant (Unit-1)	464,065,823	1,980,955	-	466,046,778	3.33 - 10	282,523,799	13,621,216	-	296,145,015	169,901,763
Ashulia Power Plant (Unit-2)	1,574,444,331	8,943,861	-	1,583,388,192	3.33 - 16.67	614,399,460	43,073,631	-	657,473,091	925,915,101
Madhabdi Power Plant (Unit-1)	426,272,453	1,238,909	-	427,511,362	3.33 - 10	318,880,032	12,273,232	-	331,153,264	96,358,098
Madhabdi Power Plant (Unit-2)	1,058,974,501	6,802,266	-	1,065,776,767	3.33 - 16.67	481,472,509	29,555,596	-	511,028,105	554,748,662
Chandina Power Plant (Unit-1)	474,045,869	557,781	-	474,603,650	3.33 - 10	309,576,071	12,929,004	-	322,505,074	152,098,575
Chandina Power Plant (Unit-2)	654,072,598	18,652,963	-	672,725,561	3.33 - 16.67	295,751,047	17,784,578	-	313,535,626	359,189,935
Rupganj Power Plant	1,576,814,156	17,202,737	-	1,594,016,893	3.33 - 16.67	550,396,746	43,006,417	-	593,403,163	1,000,613,730
Jangalia Power Plant	1,577,652,299	1,248,133	-	1,578,900,432	3.33 - 16.67	540,769,379	35,942,365	-	576,711,744	1,002,188,688
Maona Power Plant	1,513,233,965	3,537,835	-	1,516,771,800	3.33 - 16.67	561,147,776	36,615,975	-	597,763,751	919,008,049
Ullapara Power Plant	641,176,209	5,490,909	-	646,667,118	3.33 - 16.67	231,157,560	18,949,585	-	250,107,145	396,559,973
Madanganj Power Plant	5,493,222,130	30,331,364	-	5,523,553,494	3.33 - 16.67	1,675,671,896	133,272,616	-	1,808,944,512	3,714,608,982
Total (i)	16,322,807,565	98,147,976	-	16,420,955,541		6,251,495,817	419,235,669	-	6,670,731,486	9,750,224,055
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	51,945,713	2,770,440	-	54,716,153	111,511,750
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 16.67	1,034,515	55,176	-	1,089,691	2,220,731
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33 - 10	50,519,283	2,694,360	-	53,213,643	108,449,698
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 16.67	24,922,578	1,329,210	-	26,251,788	53,501,203
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 10	45,744,779	2,439,720	-	48,184,499	98,200,243
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 16.67	5,099,165	271,956	-	5,371,121	10,946,345
Total (ii)	1,156,322,955	-	-	1,156,322,955		192,268,170	9,560,862	-	201,829,032	954,493,922
Total assets (i+ii)	17,479,130,520	98,147,976	-	17,577,278,496		6,443,763,987	428,796,531	-	6,872,560,519	10,704,717,977
b) Spare parts										
Stock in hand	510,562,199	127,316,021	(95,930,715)	541,947,505	3.33 - 50	118,699,009	18,277,345	(8,040,321)	128,936,033	413,011,472
Stock in transit	113,897,668	180,978,139	(139,863,213)	155,012,594	-	-	-	-	-	155,012,594
	624,459,868	308,294,160	(235,793,928)	696,960,099		118,699,009	18,277,345	(8,040,321)	128,936,033	568,024,066
c) Right-of-use assets										
Leased land	-	10,439,311	-	10,439,311	-	-	1,070,112	-	1,070,112	9,369,199
	-	10,439,311	-	10,439,311	-	-	1,070,112	-	1,070,112	9,369,199
Total (a+b)	18,103,590,387	416,881,447	(235,793,928)	18,284,677,906		6,562,462,996	448,143,988	(8,040,321)	7,002,566,664	11,282,111,242

Notes to the financial statements (Continued)

Separate

In BDT	Cost/Revaluation				Rate %	Depreciation				Written down value at 30 June 2019
	Balance at 1 July 2018	Addition/ transfer in	Disposal/ transfer out	Balance at 30 June 2019		Balance at 1 July 2018	Addition/ transfer in	Disposal/ transfer out	Balance at 30 June 2019	
	For the year ended 30 June 2019									
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	1,948,432	(61,315)	23,201,020	10	11,893,027	2,091,538	(41,763)	13,942,802	9,258,218
Office and electrical equipment	49,369,683	10,565,277	(645,250)	59,289,710	20	35,341,187	6,135,874	(645,250)	40,831,811	18,457,899
Office decoration	29,424,708	601,000	-	30,025,708	20	27,143,970	777,508	-	27,921,478	2,104,230
Motor vehicles	141,177,004	20,222,636	(15,201,663)	146,197,977	20	84,095,344	16,012,465	(15,201,663)	84,906,147	61,291,830
Maintenance equipment	31,492,590	346,500	-	31,839,090	20	20,784,448	2,310,316	-	23,094,763	8,744,327
Civil works and others	224,803,919	897,566	-	225,701,485	20	177,546,914	21,505,626	-	199,052,541	26,648,944
Plant and machineries:										
Ashulia Power Plant (Unit-1)	457,956,738	6,109,084	-	464,065,823	3.33 - 10	255,045,874	27,477,925	-	282,523,799	181,542,024
Ashulia Power Plant (Unit-2)	1,480,456,849	93,987,482	-	1,574,444,331	3.33 - 16.67	532,101,052	82,298,408	-	614,399,460	960,044,870
Madhabdi Power Plant (Unit-1)	421,741,065	4,531,388	-	426,272,453	3.33 - 10	293,481,029	25,399,003	-	318,880,032	107,392,421
Madhabdi Power Plant (Unit-2)	1,005,495,201	53,479,300	-	1,058,974,501	3.33 - 16.67	425,994,873	55,477,636	-	481,472,509	577,501,992
Chandina Power Plant (Unit-1)	468,388,956	5,656,913	-	474,045,869	3.33 - 10	283,207,909	26,368,162	-	309,576,071	164,469,798
Chandina Power Plant (Unit-2)	624,809,281	29,263,317	-	654,072,598	3.33 - 16.67	260,824,490	34,926,557	-	295,751,047	358,321,550
Jangalia Power Plant	1,519,190,175	58,462,124	-	1,577,652,299	3.33 - 16.67	465,775,390	74,993,989	-	540,769,379	1,036,882,920
Rupganj Power Plant	1,512,653,345	64,160,812	-	1,576,814,156	3.33 - 16.67	474,028,243	76,368,503	-	550,396,746	1,026,417,410
Maona Power Plant	1,434,339,147	78,894,818	-	1,513,233,965	3.33 - 16.67	490,235,217	70,912,559	-	561,147,776	952,086,189
Ullapara Power Plant	542,984,339	98,191,870	-	641,176,209	3.33 - 16.67	197,227,855	33,929,705	-	231,157,560	410,018,649
Madanganj Power Plant	5,309,071,512	184,150,617	-	5,493,222,130	3.33 - 16.67	1,390,982,707	284,689,189	-	1,675,671,896	3,817,550,233
Total (i)	15,625,537,201	713,178,592	(15,908,228)	16,322,807,565		5,425,709,528	841,674,965	(15,888,676)	6,251,495,817	10,071,311,746
a) 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	5,540,876	-	51,945,713	114,282,190
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 16.67	924,163	110,352	-	1,034,515	2,275,907
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33 - 10	45,130,563	5,388,720	-	50,519,283	111,144,058
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 16.67	22,264,158	2,658,420	-	24,922,578	54,830,413
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 10	40,865,339	4,879,440	-	45,744,779	100,639,963
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 16.67	4,555,253	543,912	-	5,099,165	11,218,301
Total (ii)	1,156,322,955	-	-	1,156,322,955		173,146,450	19,121,720	-	192,268,170	964,054,785
Total assets (i+ii)	16,781,860,156	713,178,592	(15,908,228)	17,479,130,520		5,598,855,978	860,796,685	(15,888,676)	6,443,763,987	11,035,366,530
b) Spare parts										
Stock in hand	714,673,701	469,205,449	(673,316,951)	510,562,199	3.33 - 50	115,623,599	44,981,984	(41,906,574)	118,699,009	391,863,190
Stock in transit	184,046,153	598,431,583	(668,580,068)	113,897,668	-	-	-	-	-	113,897,668
	898,719,854	1,067,637,033	(1,341,897,019)	624,459,868		115,623,599	44,981,984	(41,906,574)	118,699,009	505,760,858
Total (a+b)	17,680,580,010	1,780,815,625	(1,357,805,247)	18,103,590,387		5,714,479,577	905,778,669	(57,795,250)	6,562,462,996	11,541,127,388

Notes to the financial statements (Continued)

5.1 Allocation of depreciation

<i>In BDT</i>	Consolidated		Separate	
	July 2019 to Dec 2019	July 2018 to Dec 2018	July 2019 to Dec 2019	July 2018 to Dec 2018
Cost of sales	938,675,410	886,153,590	416,822,100	396,161,361
General and administrative expenses	30,134,671	31,105,600	23,281,567	25,203,963
	968,810,081	917,259,190	440,103,667	421,365,324

6 Intangible assets

Consolidated

<i>In BDT</i>	For the six-month period ended 31 December 2019									
	Cost/Revaluation				Rate %	Amortisation				Written down value at 31 Dec 2019
	Balance at 1 July 2019	Additions	(Disposals)	Balance at 31 Dec 2019		Balance at 1 July 2019	Additions	(Disposals)	Balance at 31 Dec 2019	
Software	3,803,851	-	-	3,803,851	20	2,364,166	179,964	-	2,544,130	1,259,721
Brand	10,000,000	-	-	10,000,000	3.3333	3,499,994	166,668	-	3,666,662	6,333,338
Software in development	12,953,755	-	-	12,953,755	-	-	-	-	-	12,953,755
Licence*	27,900,000	-	-	27,900,000	3.3333	930,000	465,000	-	1,395,000	26,505,000
Total	54,657,606	-	-	54,657,606		6,794,160	811,632	-	7,605,792	47,051,814

<i>In BDT</i>	For the year ended 30 June 2019									
	Cost				Rate %	Amortisation				Written down value at 30 June 2019
	Balance at 1 July 2018	Additions	(Disposals)	Balance at 30 June 2019		Balance at 1 July 2018	Additions	(Disposals)	Balance at 30 June 2019	
Software	3,803,851	-	-	3,803,851	20	2,004,238	359,928	-	2,364,166	1,439,685
Brand	10,000,000	-	-	10,000,000	3.3333	3,166,658	333,336	-	3,499,994	6,500,006
Software in development	8,546,281	4,407,474	-	12,953,755	-	-	-	-	-	12,953,755
Licence*	30,780,417	-	(2,880,417)	27,900,000	3.3333	-	930,000	-	930,000	26,970,000
Total	53,130,549	4,407,474	(2,880,417)	54,657,606		5,170,896	1,623,264	-	6,794,160	47,863,446

Notes to the financial statements (Continued)

Separate

<i>In BDT</i>	For the six-month period ended 31 December 2019									
	Cost/Revaluation				Rate %	Amortisation				Written down value at 31 Dec 2019
	Balance at 1 July 2019	Additions	(Disposals)/ Transfers	Balance at 31 Dec 2019		Balance at 1 July 2019	Additions	(Disposals)	Balance at 31 Dec 2019	
Software	3,803,851	-	-	3,803,851	20	2,364,166	179,964	-	2,544,130	1,259,721
Brand	10,000,000	-	-	10,000,000	3.3333	3,499,994	166,668	-	3,666,662	6,333,338
Software in development	12,953,755	-	-	12,953,755	-	-	-	-	-	12,953,755
Total	26,757,606	-	-	26,757,606		5,864,160	346,632	-	6,210,792	20,546,814

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

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

7 Investment in subsidiaries

<i>In BDT</i>	<i>Note</i>	No. of shares	% of holding	Value
31 December 2019				
Summit Barisal Power Limited	7.1	50,699,516	49.00%	506,995,160
Summit Narayananj Unit II Power Limited	7.1	27,712,222	49.00%	277,122,220
Summit Chittagong Power Limited	7.1	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	7.1	67,120,000	20.00%	671,200,000
		252,280,227		2,550,702,270
30 June 2019				
Summit Barisal Power Limited	7.1	50,699,516	49.00%	506,995,160
Summit Narayananj Unit II Power Limited	7.1	27,712,222	49.00%	277,122,220
Summit Chittagong Power Limited	7.1	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	7.1	67,120,000	20.00%	671,200,000
		252,280,227		2,550,702,270

Notes to the financial statements (Continued)

- 7.1** 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). IFRS 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 IFRS 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 IFRS 10 to prepare and present its financial statements in consolidation with that of SBPL, SNPL-II, SCPL and SGIPL.
- 7.2** In accordance with paragraph 10 of IAS 27: *Separate Financial Statements*, investments in subsidiaries have been accounted for at cost. Details of holding structure in subsidiaries are described in [Note 39.A.i](#).

8 Investment in associates

<i>In BDT</i>	<i>Note</i>	<i>% of holding</i>	31 Dec 2019	30 June 2019
Consolidated				
Summit Meghnaghat Power Company Limited				
Value of investment under equity method	8.1	30%	6,084,406,955	5,708,245,782
Share of profit			251,497,353	401,661,173
Dividend received			(25,500,000)	(25,500,000)
			6,310,404,307	6,084,406,955
Separate				
Summit Meghnaghat Power Company Limited				
Cost of investment	8.1		3,801,772,452	3,801,772,452
			3,801,772,452	3,801,772,452

- 8.1** 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.

9 Deferred tax asset

<i>In BDT</i>	<i>Note</i>	<i>Carrying amount</i>	<i>Tax base</i>	<i>Taxable/ (deductible) temporary difference</i>
Consolidated				
31 December 2019				
Provision for gratuity	24.1	191,503,372	-	(191,503,372)
Total temporary difference		191,503,372	-	(191,503,372)
Applicable tax rate				25% to 35%
Deferred tax (asset)/ liability				(61,116,649)
30 June 2019				
Provision for gratuity	24.1	162,022,097	-	(162,022,097)
Total temporary difference		162,022,097	-	(162,022,097)
Applicable tax rate				25% to 35%
Deferred tax (asset)/ liability				(43,923,588)

Notes to the financial statements (Continued)

Separate

<i>In BDT</i>	<i>Note</i>	Carrying amount	Tax base	Taxable/ (deductible) temporary difference
31 December 2019				
Provision for gratuity	24.1	179,080,372	-	(179,080,372)
Total temporary difference		179,080,372	-	(179,080,372)
Applicable tax rate				25%
Deferred tax (asset)/ liability				(44,770,093)
30 June 2019				
Provision for gratuity	24.1	127,841,450	-	(127,841,450)
Total temporary difference		127,841,450	-	(127,841,450)
Applicable tax rate				25%
Deferred tax (asset)/ liability				(31,960,363)

10 Deferred revenue

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Impact of straight-lining (IFRS 16)*				
Rupganj Power Plant	(5,270,100)	-	(5,270,100)	-
Jangalia Power Plant	(2,828,256)	-	(2,828,256)	-
Maona Power Plant	(472,422)	-	(472,422)	-
Ullapara Power Plant	(1,804,660)	-	(1,804,660)	-
Barisal Power Plant	13,229,057	-	-	-
Madanganj Power Plant (Unit II)	9,281,252	-	-	-
Kodda Power Plant (Unit I)	308,452,209	-	-	-
Kodda Power Plant (Unit II)	488,727,393	-	-	-
	809,314,473	-	(10,375,438)	-

* See accounting policies in Note 39.L

Notes to the financial statements (Continued)

11 Available-for-sale financial assets

<i>In BDT</i>	No. of shares	Rate per share	Market value at				Change in fair value at		Cost price
			31 Dec 2019	30 June 2019	31 Dec 2018	30 June 2018	31 Dec 2019	31 Dec 2018	
Khulna Power Company Limited	70,108,200	46.70	3,274,052,940	3,947,091,660	4,157,416,260	4,308,467,612	(673,038,720)	(151,051,352)	3,625,296,384
People's Leasing and Financial Services Limited	408,160	3.00	1,224,480	1,673,456	2,285,696	4,040,784	(448,976)	(1,755,088)	20,500,000
Popular Life First Mutual Fund	1,495,442	4.10	6,131,312	7,028,577	6,280,856	8,294,879	(897,265)	(2,014,023)	10,000,000
	72,011,802		3,281,408,732	3,955,793,693	4,165,982,812	4,320,803,275	(674,384,961)	(154,820,463)	3,655,796,384

Allocation:

<i>In BDT</i>	July 2019 to Dec 2019	July 2018 to Dec 2018
Included in profit or loss	(448,976)	-
Included in other comprehensive income	(673,935,985)	(154,820,463)
	(674,384,961)	(154,820,463)

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 17.64%. Since the percentage of ownership in KPCL is below the threshold limit of 20% to recognise KPCL as an associate, management classified such investment as Available-for-Sale (AFS) financial asset.

12 Inventories

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Consumable-others	582,992,588	573,222,558	375,276,290	364,905,647
Lubricant oil, chemicals and general consumables	71,069,295	111,208,225	23,621,443	31,828,216
Closing Balance	654,061,883	684,430,782	398,897,733	396,733,863

Movement over the period

<i>In BDT</i>	Consolidated				Separate			
	Consumable-others		Lubricant oil, chemicals and general consumables		Consumable-others		Lubricant oil, chemicals and general consumables	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Opening Balance	573,222,558	531,213,931	111,208,225	85,029,231	364,905,647	433,464,556	31,828,216	35,253,707
Purchase/transfer	82,785,611	350,007,421	148,067,595	497,737,878	69,010,478	182,519,060	49,845,874	146,496,180
Consumption/transfer	(73,442,857)	(308,518,341)	(188,431,996)	(472,079,280)	(58,639,836)	(251,077,969)	(58,052,646)	(149,921,671)
Exchange rate movement	427,277	519,546	225,471	520,395	-	-	-	-
Closing Balance	582,992,588	573,222,558	71,069,295	111,208,225	375,276,290	364,905,647	23,621,443	31,828,216

Notes to the financial statements (Continued)

13 Trade receivables

In BDT	Note	Consolidated		Separate	
		31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Bangladesh Rural Electrification Board (BREB):					
Ashulia Power Plant		166,152,160	104,089,773	166,152,160	104,089,773
Ashulia Power Plant (expansion)	13.1	2,447,735,249	2,267,338,157	2,447,735,249	2,267,338,157
Madhabdi Power Plant		170,070,129	106,869,747	170,070,129	106,869,747
Madhabdi Power Plant (expansion)	13.1	1,825,553,145	1,684,217,915	1,825,553,145	1,684,217,915
Chandina Power Plant		167,540,805	105,577,734	167,540,805	105,577,734
Chandina Power Plant (expansion)	13.1	997,393,208	926,846,735	997,393,208	926,846,735
Rupganj Power Plant		161,835,091	155,543,002	161,835,091	155,543,002
Maona Power Plant		160,065,974	156,602,151	160,065,974	156,602,151
Ullapara Power Plant		48,596,714	47,347,785	48,596,714	47,347,785
Bangladesh Power Development Board (BPDB):					
Jangalia Power Plant		180,047,649	170,637,526	180,047,649	170,637,526
Madanganj Power Plant	13.2	808,311,323	779,472,192	808,311,323	779,472,192
Barisal Power Plant		695,238,075	1,262,278,627	-	-
Narayanganj Unit II Power Plant		388,658,662	426,953,219	-	-
Kodda Power Plant (Unit I)		979,600,318	1,756,743,202	-	-
Kodda Power Plant (Unit II)		1,496,226,470	2,074,829,848	-	-
		10,693,024,972	12,025,347,613	7,133,301,447	6,504,542,717
Less: Provision for doubtful debt		(168,758,403)	(168,758,403)	(168,758,403)	(168,758,403)
		10,524,266,569	11,856,589,210	6,964,543,044	6,335,784,314

- 13.1 Out of total receivables from BREB, invoices amounting to 5,110,895,363, raised by the Company, pertaining to the three Expansion Power Plants, have yet not been accepted by BREB due to using different unit rate in calculating revenue. As per contracts for supply of electricity and Government's gazette notification, the Company has been raising invoices at the rate of Taka 3.1141 per kWh from December 2011 to January 2012, for February 2012 at the rate of Taka 3.3741, from March to August 2012 at the rate of Taka 3.6216 per kWh, from September 2012 to August 2015 at the rate of Taka 4.2316 per kWh and September 2015 onward at the rate of Taka 4.4791 per kWh due to rise in BST (Bulk Supply Tariff). BREB has been paying at the rate 2.8333 per kWh. In order to resolve the above matter, the Company went for arbitration in Bangladesh Energy Regulatory Commission (BERC) and a verdict was given in favour of the Company. Later on, due to application by BREB, the verdict was reviewed by BERC and the reviewed verdict was also in favour of the Company. After this, BREB submitted a writ petition in the High Court Division of Supreme Court of Bangladesh on 8 September 2016. On 17 August 2017 the Honourable High Court Division of Supreme Court of Bangladesh was pleased to pass a judgement discharging the rule issued in the writ petitions.

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

After submission of concise statements by both parties, the case was heard in the Court of Chamber Judge on 25 July 2019. The Learned Judge has fixed the date of appearance in the full bench list of Appellate Division on 4 March 2020. Consequently, legal counsels of SPL have applied for modification of order of "status quo" given by the Chamber Judge. Followed by representation at the Court of Chamber Judge, the case was sent for hearing to the full bench on 29 October 2019. The case has been listed for hearing in the full court of Appellate Division which appeared in the cause list on 14 January 2020. The hearing is likely to take place in the immediate future. 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.

- 13.2 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. Subsequently, an application was made on 23 February 2016 to Bangladesh Energy Regulatory Commission (BERC) to take up the matter and commence an arbitration proceedings for full and final settlement of the dispute between the parties as per law after vacating the order of injunction.

A few hearings have already taken place in BERC. BERC requested for additional information from Bangladesh Petroleum Corporation (BPC) which has also been submitted by BPC. A hearing on all submissions have taken place recently. Meanwhile, BERC has instructed BPDB, not to deduct the pending amount from the invoices of the power plant for additional period up to 31 January 2020. The arbitration process is still ongoing. The latest hearing took place on 7 January 2020. After deliberate hearing from both sides, the Arbitration Tribunal directed both parties to make an attempt for amicable settlement. Accordingly, both parties had a meeting on 9 January 2020. The parties could not arrive at an amicable settlement which was conveyed to the Arbitration Tribunal conducted by BERC. It is now under further process at BERC. However, the Company has made a provision for doubtful debt on said amount of BDT 164.30 million.

14 Other receivables

In BDT	Note	Consolidated		Separate	
		31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Insurance claims		19,366,661	47,372,496	19,366,661	47,372,496
Interest on FDRs		67,454,686	61,663,831	28,455,341	21,833,121
Summit Oil & Shipping Company Limited		-	6,944,311	-	-

Notes to the financial statements (Continued)

SSS Soil Engineers	2,583,921	2,583,921	-	-
	89,405,268	118,564,559	47,822,002	69,205,617

15 Inter company receivables

In BDT	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Summit Barisal Power Limited	-	-	11,650,282	228,390,780
Summit Narayanganj Power Unit II Limited	-	-	2,865,071	156,585,774
Ace Alliance Power Limited	-	-	80,000,000	36,012,953
Summit Gazipur II Power Limited	-	-	-	70,841,999
	-	-	94,515,353	491,831,506

16 Advances, deposits and prepayments

In BDT	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019

Advances

Managham Agencies Ltd.	16,428,831	3,011,949	13,560,799	2,688,799
Projukti Annasha	7,018,857	1,205,000	6,125,000	1,025,000
Desh Bangla Enterprise	3,197,249	1,762,195	1,472,000	1,180,000
Energypac Engineering Limited	1,645,540	1,645,540	1,645,540	1,645,540
M/s. R.M. Trade International	10,025,000	10,025,000	7,775,000	7,775,000
Jakir Construction Limited	1,596,091	1,588,571	-	-
SBS International Business Limited	31,569,968	47,800,931	-	-
Autocon Engineering Limited	683,000	-	683,000	-
Paiker Bangladesh	665,000	-	665,000	-
Padma Oil Company Limited	735,309	1,152,205	-	-
Navana Petroleum Limited	-	101,224	-	-
Navana Furniture Limited	1,050,001	-	-	-
Bangladesh Centre for Advanced Studies (BCAS)	2,047,991	751,791	-	-
Bangla Trac Limited	159,899	-	159,899	-
BRAC Net Limited	300,742	-	300,742	-
Bureau Veritas (Bangladesh) Private Limited	243,500	-	200,000	-
Binary Source	1,810,913	-	-	-
Alternator	910,030	-	-	-
AEG Engineering Limited	2,264,373	1,700,000	1,700,000	1,700,000
ABB Limited	396,000	-	396,000	-
ABB Pte Limited	7,057,464	7,057,464	7,057,464	7,057,464
Monowara Trade International	2,033,594	-	-	-
Scientech Engineering and Services	143,752	-	-	-
Center for Management Development	350,000	350,000	350,000	350,000
Pulse Engineering Ltd.	937,868	-	937,868	-
Bangladesh Economic Zones Authority (BEZA)	231,400	1,320,907	-	-
Jamuna Oil Company Limited	4,785,332	1,125,180	-	1,125,180
Ansar & VDP	971,520	633,060	-	-
Otobi Limited	537,590	535,057	-	-
Resources & Solutions Limited	150,000	213,000	150,000	213,000
Land lord	1,309,507	319,999	220,000	319,999
Environmental consultancy	-	1,717,637	-	-
Tax advisor	455,000	455,000	250,000	250,000
Issue of redeemable preference shares	-	3,046,621	-	-
Issue of long term loan	27,017,130	15,451,332	-	-
Car purchase	1,413,353	1,653,347	1,413,353	1,653,347
Employees	11,557,424	27,070,944	3,551,966	2,744,358
A & Company	-	44,288,268	-	-
Trazz Bd	336,068	12,584,648	-	-
Turbomech-Snipro JV	5,467,244	5,441,486	-	-
Weber Power Solutions Ltd.	-	416,246	-	-
Techno In Time	1,465,000	-	1,465,000	-
Energysield Engineering Ltd.	-	1,438,495	-	-
Mitra S.K. Bangladesh (Pvt.) Limited	-	145,320	-	-
Corona International	480,737	353,134	60,000	-
Hermitage of Management & Standards Limited	1,471,566	511,111	-	-
Linde Bangladesh Limited	406,227	61,136	344,800	-
Dhaka University of Engineering & Technology	147,292	-	-	-
Advance income tax	99,433,807	79,699,025	24,322,066	21,007,328
Others	4,239,820	4,076,471	2,723,679	2,675,267
	255,146,988	280,709,292	77,529,176	53,410,282
Less: Provision for doubtful advance	(445,000)	(445,000)	(445,000)	(445,000)
	254,701,988	280,264,292	77,084,176	52,965,282

Deposits

Security deposit (non-interest bearing)	3,089,452	3,083,615	1,389,045	1,389,045
Bank guarantee margin:				
Controller of Import and Export (SJIBL)	1,545,053	1,545,053	1,545,053	1,545,053

Notes to the financial statements (Continued)

Pashchimanchal Gas Co. Ltd.	1,403,951	823,441	1,403,951	823,441
Bakhrabad Gas System Ltd.	2,990,889	2,990,889	2,990,889	2,990,889
Bangladesh Power Development Board (BPDB)	1,968,412	1,968,412	1,968,412	1,968,412
Commissioner of Customs, Custom House	7,239,787	7,239,787	7,239,787	7,239,787
Bangladesh Rural Electrification Board (BREB)	4,630,179	4,630,179	4,630,179	4,630,179
Titas Gas Transmission and Distribution Co. Ltd.	5,262,451	5,262,451	5,262,451	5,262,451
	28,130,174	27,543,827	26,429,767	25,849,257

Prepayments

Annual license fees	1,994,563	2,458,731	302,747	185,181
Standby letter of credit commission	4,016,842	4,152,906	358,377	3,219,834
Bank guarantee/operation bond commission	6,803,667	10,820,123	4,468,928	5,469,846
Agency fee	17,427,804	8,386,374	-	-
Insurance premium	61,543,443	80,827,064	16,958,205	34,769,683
Land lease rental	133,303	860,633	133,303	860,633
Others	10,534	10,485	-	-
	91,930,156	107,516,316	22,221,560	44,505,177

Related party transactions

Summit Holdings Limited	1,556,433	1,789,198	1,556,433	1,789,198
Summit Corporation Limited	636,189	-	636,189	-
Summit Oil & Shipping Company Limited	-	930,961,030	-	550,000,000
	2,192,622	932,750,228	2,192,622	551,789,198
	376,954,940	1,348,074,663	127,928,125	675,108,914

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

17 **Cash and cash equivalents**

In BDT	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Cash in hand	3,163,128	2,768,655	1,964,226	1,568,655
Cash at bank				
Bank Asia Limited	370,680,595	160,817,155	283,165,612	119,648,609
BRAC Bank Limited	771,321,959	930,344,066	1,487,885	6,851,366
Commercial Bank of Ceylon Limited	2,027,289	2,027,289	2,027,289	2,027,289
Dhaka Bank Limited	7,675,615	4,694,601	7,675,615	4,694,600
Dutch-Bangla Bank Limited	22,519,978	32,631,324	14,433,051	24,496,576
Exim Bank Limited	198,137	197,683	198,137	197,683
One Bank Limited	715,835	369,419	715,835	291,637
The Premier Bank Limited	21,205,381	21,779,178	21,205,381	21,779,178
Rupali Bank Limited	-	20,002	-	20,002
Shahjalal Islami Bank Limited	883,985	884,830	883,985	884,830
Sonali Bank Limited	161,569	999,753	161,569	999,753
Southeast Bank Limited	246,604	246,604	246,604	246,604
Standard Chartered Bank	3,051,893	3,715,541	2,624,623	3,601,118
Meghna Bank Ltd.	726,626	-	-	-
Jamuna Bank Limited	3,897	3,897	3,897	3,897
The City Bank Limited	621,044,155	383,856,894	4,046,458	16,446
Eastern Bank Limited	3,849,214	3,985,382	-	-
Mutual Trust Bank Limited	45,873,228	6,131,609	5,367,611	1,951,681
Prime Bank Limited	4,928,222	10,681,666	-	-
Trust Bank Limited	2,809	2,809	-	-
	1,877,116,992	1,563,389,702	344,243,552	187,711,269
Fixed deposit receipts (FDR)				
Al-Arafah Islami Bank Limited	100,000,000	51,225,000	100,000,000	51,225,000
AB Bank Limited	50,000,000	-	-	-
Bank Asia Limited	70,838,701	419,032,637	15,239,650	165,217,695
BRAC Bank Limited	250,000,000	200,000,000	-	-
Exim Bank Limited	100,000,000	152,250,000	-	152,250,000
First Security Islami Bank Limited	250,000,000	-	200,000,000	-
Meghna Bank Limited	363,177,496	101,187,500	163,177,496	101,187,500
Mercantile Bank Limited	50,000,000	102,602,740	50,000,000	102,602,740
Modhumoti Bank Limited	150,000,000	182,035,000	150,000,000	182,035,000
IFIC Bank Limited	150,000,000	70,000,000	100,000,000	70,000,000
Mutual Trust Bank Limited	60,140,000	60,140,000	60,140,000	10,140,000
Dhaka Bank Limited	-	154,200,694	-	154,200,694
Eastern Bank Limited	405,100,000	136,300,000	405,100,000	136,300,000
Bangladesh Commerce Bank Limited	-	101,975,000	-	101,975,000
One Bank Limited	154,041,683	101,250,000	154,041,683	101,250,000
The Premier Bank Limited	202,659,375	284,534,720	100,000,000	234,534,721
Southeast Bank Limited	50,000,000	191,900,000	50,000,000	191,900,000
NRB Bank Ltd.	50,000,000	-	-	-

Notes to the financial statements (Continued)

National Bank Limited	100,083,333	-	-	-
Standard Bank Limited	50,000,000	100,000,000	50,000,000	100,000,000
United Commercial Bank Limited	-	100,000,000	-	-
NCC Bank Limited	102,755,664	50,000,000	-	-
Trust Bank Limited	-	50,000,000	-	50,000,000
IPDC Finance Limited	350,000,000	152,518,921	-	52,518,923
LankaBangla Finance Limited	50,000,000	-	-	-
The City Bank Limited	350,000,000	1,515,985,970	-	-
	3,458,796,253	4,277,138,182	1,597,698,829	1,957,337,273
	5,339,076,373	5,843,296,539	1,943,906,607	2,146,617,197

18 Share capital

In BDT	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
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 8.1.

** 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.

18.1 Shareholding position

Name of shareholders	Percentage of shareholdings		Number of shares	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
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	22.04%	21.04%	235,361,992	224,699,708
General public	11.12%	12.12%	118,782,195	129,444,479
	100%	100%	1,067,877,239	1,067,877,239

18.2 Classification of shareholders by holding:

	31 December 2019		30 June 2019	
	No. of holders	% of ownership	No. of holders	% of ownership
Less than 500 shares	21,525	0.34%	22,132	0.35%
500 to 5,000 shares	10,285	1.72%	10,413	1.74%
5,001 to 10,000 shares	1,772	1.16%	1,767	1.16%
10,001 to 20,000 shares	739	0.99%	681	0.92%
20,001 to 30,000 shares	220	0.52%	228	0.54%
30,001 to 40,000 shares	106	0.35%	116	0.38%
40,001 to 50,000 shares	82	0.37%	79	0.35%
50,001 to 100,000 shares	165	1.17%	153	1.07%
100,001 to 1,000,000 shares	200	6.13%	219	6.62%
Over 1,000,000 shares	56	87.25%	59	86.86%
	35,150	100%	35,847	100%

Notes to the financial statements (Continued)

19 Share premium

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

* Details are given in the Note 8.1.

20 Revaluation reserve

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Opening balance	963,843,005	982,964,725	963,843,005	982,964,725
Transfer to retained earnings for depreciation	(9,560,862)	(19,121,720)	(9,560,862)	(19,121,720)
Closing balance	954,282,143	963,843,005	954,282,143	963,843,005

21 Non-controlling interests

In BDT	31 December 2019					Total
	SBPL	SNPL-II	SCPL	AAPL	SIIPL	
NCI percentage	51%	51%	51%	36%	80%	
Non-current assets	5,101,800,489	2,885,382,120	154,395	7,442,590,189	14,467,500,807	29,897,428,000
Current assets	1,189,231,400	644,253,669	9,629,155	2,193,967,098	3,498,604,528	7,535,685,850
Non-current liabilities	(3,484,956,107)	(1,998,757,736)	-	(6,172,120,417)	(892,017,863)	(12,547,852,123)
Current liabilities	(959,996,340)	(578,422,560)	(24,300)	(1,213,161,723)	(11,252,406,724)	(14,004,011,647)
Net assets	1,846,079,442	952,455,493	9,759,250	2,251,275,147	5,821,680,748	10,881,250,080
Net assets attributable to NCI	941,500,516	485,752,302	4,977,218	810,459,053	4,657,344,598	6,900,033,687
Less: Intra-group elimination	-	-	-	-	-	-
	941,500,516	485,752,302	4,977,218	810,459,053	4,657,344,598	6,900,033,687
Revenue	1,652,347,991	825,754,113	-	2,650,205,700	3,646,965,942	8,775,273,746
Profit	253,532,059	116,207,261	-	352,986,853	1,509,470,068	2,232,196,241
Other comprehensive income (OCI)	17,616,960	10,007,259	-	5,587,523	28,927,705	62,139,447
Total Comprehensive Income	271,149,019	126,214,520	-	358,574,376	1,538,397,772	2,294,335,688
Profit allocated to NCI	129,301,350	59,265,703	-	127,075,267	1,207,576,054	1,523,218,374
OCI allocated to NCI	8,984,650	5,103,702	-	2,011,508	23,142,164	39,242,024
						1,562,460,398

In BDT	30 June 2019					Total
	SBPL	SNPL Unit II	SCPL	AAPL	SIIPL	
NCI percentage	51.00%	51.00%	51.00%	36%	80%	
Non-current assets	5,194,286,912	2,938,109,899	154,395	6,993,269,319	13,498,469,609	28,624,290,134
Current assets	2,455,705,396	1,144,629,159	9,660,655	3,103,600,430	3,885,110,208	10,598,705,848
Non-current liabilities	(3,681,981,739)	(2,096,566,292)	-	(6,359,515,645)	-	(12,138,063,676)
Current liabilities	(1,668,801,346)	(764,042,908)	(55,800)	(1,844,653,333)	(11,422,296,841)	(15,699,850,228)
Net assets	2,299,209,223	1,222,129,858	9,759,250	1,892,700,771	5,961,282,976	11,385,082,078
Net assets attributable to NCI	1,172,596,703	623,286,228	4,977,218	681,372,278	4,769,026,381	7,251,258,808
Less: Intra-group elimination	-	-	-	-	-	-
	1,172,596,703	623,286,228	4,977,218	681,372,278	4,769,026,381	7,251,258,808

In BDT	31 December 2018					Total
	SBPL	SNPL Unit II	SCPL	AAPL	SIIPL	
Revenue	2,772,116,133	1,722,075,089	-	3,175,709,560	6,970,383,881	14,640,284,663
Profit	235,407,750	123,876,357	-	305,414,922	1,035,453,813	1,700,152,842
Other comprehensive income (OCI)	(1,546,025)	(681,524)	-	3,317,730	5,194,187	6,284,368
Total Comprehensive Income	233,861,725	123,194,833	-	308,732,652	1,040,648,000	16,346,721,873
Profit allocated to NCI	120,057,953	63,176,942	-	109,949,372	828,363,050	1,121,547,317
OCI allocated to NCI	(788,473)	(347,577)	-	1,194,383	4,155,350	4,213,683
Less: Intra-group elimination	-	-	-	-	-	-
						1,125,761,000

22 Redeemable preference shares

In BDT	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Opening balance	1,627,281,207	983,677,920	-	-
Addition	901,470,888	800,479,615	-	-
Exchange rate movement	(1,470,888)	4,520,385	-	-
	2,527,281,207	1,788,677,920	-	-
Transaction cost	(7,957,513)	(5,772,608)	-	-
Amortisation of transaction cost	2,361,892	4,405,479	-	-
Exchange rate movement	(47,898)	(29,584)	-	-
Repayment/settlement of installment	-	(160,000,000)	-	-
	2,521,637,688	1,627,281,207	-	-
Non-current	2,363,762,998	1,469,771,322	-	-
Current	157,874,690	157,509,885	-	-
	2,521,637,688	1,627,281,207	-	-

Notes to the financial statements (Continued)

In FY 2017, the redeemable preference shares were fully issued by Summit Barisal Power Limited and Summit Narayananj Power Unit II Limited, face value of which were BDT 640,000,000 and BDT 360,000,000 respectively. These shares were subscribed and paid up by different institutional institutions on 29 June 2017 bearing dividend @ 8.25% per annum payable yearly commencing from June 2018. Preference shares will be redeemed over 7 years or by 6 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, face value of which is BDT 805,000,000, as fully subscribed and paid up on 11 December 2018 bearing dividend @ 9.5% to 10% per annum payable yearly commencing from December 2019. Preference shares are to be redeemed over 6-7 years or by 5-6 instalments payable at the end of each year commencing from December 2020.

In FY 2020, the preference shares were issued by Summit Gazipur II Power Limited, face value of which is BDT 900,000,000, as fully subscribed and paid up on 30 September 2019 bearing dividend @ 10% per annum payable yearly commencing from December 2020. Preference shares are to be redeemed over 6-8 years or by 5-7 instalments payable at the end of each year commencing from December 2020.

23 Loans and borrowings

In BDT	Note	Consolidated		Separate	
		31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Non-current					
Project loan	23.1	9,627,098,108	10,088,328,323	-	-
		9,627,098,108	10,088,328,323	-	-
Current					
Project loan	23.1	1,005,097,161	967,867,805	-	-
Short term loan	23.2	790,000,000	-	-	-
Deferred letter of credit	23.3	9,506,435,908	10,000,430,914	-	-
		11,301,533,069	10,968,298,719	-	-

23.1 Project loan

In BDT	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Opening balance	11,056,196,128	5,995,714,273	-	-
Drawdown				
Infrastructure Development Company Limited ("IDCOL")	-	2,041,819,650	-	-
Islamic Corporation for the Development of the Private Sector ("ICD")	-	2,041,819,650	-	-
OPEC Fund for International Development ("OFID")	-	1,680,510,000	-	-
	11,056,196,128	11,759,863,573	-	-
Repayment	(495,568,228)	(696,523,778)	-	-
Transaction cost	(83,121)	(118,676,841)	-	-
Amortisation of transaction cost	17,622,509	20,789,989	-	-
Exchange rate fluctuation effect	54,027,980	90,743,185	-	-
	10,632,195,269	11,056,196,128	-	-
Non-current	9,627,098,108	10,088,328,323	-	-
Current	1,005,097,161	967,867,805	-	-
	10,632,195,268	11,056,196,128	-	-

IDCOL provided USD 30,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 12 years including 1 year grace period, repayable quarterly starting on 15 March 2018, and ICD also provided USD 20,000,000 as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 10.5 years including 6 months grace period, repayable quarterly starting on 15 September 2017 for Summit Barisal Power Limited ("SBPL"). The Group/Company has incurred an amount of BDT 85,409,504 as transaction costs till 30 June 2019, which has been capitalised and is being amortised over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company. 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%.

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 ("SNPUII"). The Group/Company has incurred an amount of BDT 61,878,752 as transaction costs till 30 June 2019, which has been capitalised and is being amortised over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company. 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. SNPUII is exposed to changes in the USD LIBOR interest rate. To reduce the exposure, SNPUII entered into a 5-year interest rate swap agreement on 12 September 2018, to hedge interest rate exposure on its USD 25,774,300 floating rate borrowing with fixed rate of 3.08%.

IDCOL, ICD and OFID provided USD 24,300,000, USD 24,300,000 and USD 20,000,000 respectively as long term project loan @ 4.25% per annum plus 3 months' LIBOR for a period of 11 years 9 months (including 3 months grace period), repayable quarterly starting on 15 June 2019, for Ace Alliance Power Limited ("AAPL"). On receipt of the loans, the Group/Company had incurred an amount of Taka 117,340,630 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 11-year 6 months interest rate swap agreement on 15 March 2019, to hedge interest rate exposure on its USD 68,600,000 floating rate borrowing with fixed rate of 2.87%.

Notes to the financial statements (Continued)

23.2 Short term loan

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Meghna Bank Limited	360,000,000	-	-	-
Mutual Trust Bank Limited	210,000,000	-	-	-
The City Bank Limited	220,000,000	-	-	-
	790,000,000	-	-	-

23.3 Deferred letter of credit

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Mutual Trust Bank Limited	1,778,485,407	-	-	-
Prime Bank Limited	2,285,309,711	-	-	-
Bank Asia Limited	2,664,525,381	2,948,549,217	-	-
The City Bank Limited	2,778,115,409	2,319,209,728	-	-
Eastern Bank Limited	-	2,809,418,453	-	-
One Bank Limited	-	1,923,253,516	-	-
	9,506,435,908	10,000,430,914	-	-

24 Deferred liabilities

<i>In BDT</i>	Note	Consolidated		Separate	
		31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Gratuity fund	24.1	191,503,372	162,022,097	191,503,372	162,022,097
Liability for assets retirement obligation	24.2	73,739,625	71,951,603	73,739,625	71,951,603
Lease liability	24.3	9,424,094	-	9,424,094	-
Other financial liability	24.4	556,991,017	579,964,031	-	-
		831,658,108	813,937,731	274,667,091	233,973,700

24.1 Gratuity fund

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Opening balance	162,022,097	133,881,298	162,022,097	120,370,298
Service cost				
- Included in profit or loss	20,994,000	41,988,000	10,692,500	21,385,000
- Included in other comprehensive income	11,594,500	23,189,000	9,473,000	18,946,000
Payment during the period	(3,107,225)	(37,036,201)	(3,107,225)	(32,859,848)
	191,503,372	162,022,097	179,080,372	127,841,450
Transfer from subsidiaries	-	-	12,423,000	34,180,647
	191,503,372	162,022,097	191,503,372	162,022,097

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.

24.2 Liability for assets retirement obligation

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Opening balance	71,951,603	68,375,562	71,951,603	68,375,562
Provision made during the year/period	1,788,022	3,576,041	1,788,022	3,576,041
Adjustment/payment made during the year/period	-	-	-	-
Closing balance	73,739,625	71,951,603	73,739,625	71,951,603

24.3 Lease obligation

This pertains to land leased from BREB for Maona power plant and Ullapara power plant.

Notes to the financial statements (Continued)

24.4 Other financial liability

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Interest rate swap				
Summit Barisal Power Limited	139,025,169	157,534,903	-	-
Summit Narayanganj Power Unit II Limited	81,139,948	91,633,407	-	-
Ace Alliance Power Limited	336,825,900	330,795,721	-	-
Closing balance	556,991,017	579,964,031	-	-

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

25 Unclaimed dividends

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Opening balance	75,475,039	58,429,846	75,475,039	58,429,846
Cash dividend declared during the period	3,737,570,337	3,203,631,717	3,737,570,337	3,203,631,717
Cash dividend paid during the period	(3,369,391,109)	(3,186,586,524)	(3,369,391,109)	(3,186,586,524)
Closing balance	443,654,267	75,475,039	443,654,267	75,475,039

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

26 Trade payables

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Gas:				
Titas Gas Transmission & Distribution Company Limited				
Ashulia Power Plant	5,764,954	3,004,888	5,764,954	3,004,888
Ashulia Power Plant (Expansion)	20,422,770	15,831,900	20,422,770	15,831,900
Madhabdi Power Plant	8,229,304	4,466,297	8,229,304	4,466,297
Madhabdi Power Plant (Expansion)	16,595,707	8,698,090	16,595,707	8,698,090
Rupganj Power Plant	26,738,855	16,423,651	26,738,855	16,423,651
Maona Power Plant	27,104,512	17,552,966	27,104,512	17,552,966
Bakhrabad Gas Distribution Company Limited				
Chandina Power Plant	6,592,486	4,472,181	6,592,486	4,472,181
Chandina Power Plant (Expansion)	6,695,236	5,980,983	6,695,236	5,980,983
Jangalia Power Plant	15,063,346	13,712,977	15,063,346	13,712,977
Pashchimanchal Gas Company Limited				
Ullapara Power Plant	7,314,597	4,818,604	7,314,597	4,818,604
Heavy furnace oil (HFO):				
Summit Oil & Shipping Company Limited				
Madanganj Power Plant	301,924,457	276,613,410	301,924,457	276,613,410
Barisal Power Plant	345,558,557	882,478,867	-	-
Madanganj Power Plant (Unit II)	203,257,516	253,481,231	-	-
Kodda Power Plant (Unit I)	638,450,207	1,345,939,586	-	-
Kodda Power Plant (Unit II)	664,472,773	1,006,753,079	-	-
Mobile Jamuna Lubricants Bangladesh Limited	7,756,146	10,613,865	7,756,146	10,613,865
ABB Limited	2,249,269	2,249,269	2,249,269	2,249,269
Navana Petroleum Limited	1,370	7,848,720	-	2,568,720
Jamuna Oil Company Limited	-	1,125,180	-	1,125,180
Ranks Petroleum Limited	25,562	25,562	-	-
Wartsila Bangladesh Limited	42,883,546	11,897,739	12,023,356	8,920,463
Bangla Trac Limited	168,309	-	119,309	-
Energypac Engineering Limited	244,800	288,506	244,800	288,506
Waterchem Technology	-	725,118	-	-
Others	644,480	1,252,604	552,096	903,062
	2,348,158,760	3,896,255,273	465,391,200	398,245,011

Notes to the financial statements (Continued)

27 Other payables and accruals

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Provision for income tax	203,800,301	130,378,343	65,656,011	44,108,889
Liability for withholding tax and VAT	30,589,185	17,683,355	2,537,533	5,559
Summit Oil & Shipping Company Limited	98,135,969	35,357,433	7,920,496	2,398,676
Cosmopolitan Communications Limited	31,500	142,800	-	111,300
Provision for C & F agents	7,346,405	3,521,247	950,000	-
Resources & Solutions Limited	311,961	559,603	311,961	559,603
Audit and certification fees	-	2,334,500	-	862,500
Security services	2,551,564	2,181,148	1,450,152	1,499,699
Liability for earned leave	24,461,773	26,279,102	17,757,803	19,289,949
Energyshield Engineering Ltd.	479,498	-	-	-
Bangladesh Securities and Exchange Commission	1,670,000	1,684,955	-	-
Green Delta Insurance Company Limited	5,300,650	868,262	-	-
Pioneer Insurance Co. Ltd.	-	1,411,285	-	-
Interest on project loan	37,635,476	37,078,150	-	-
Short term interest payable	138,854,459	303,048,207	-	-
Dividend on redeemable preference shares	57,376,027	40,226,027	-	-
Provision for bonus to employees	4,030,539	4,077,608	-	-
Asset purchase	6,412,181	7,557,310	1,049,535	94,281
Legal and professional fees payable	22,712	1,328,250	-	822,250
Security deposit retained from vendors	7,535,161	2,464,376	31,000	31,000
NCSL	1,097,655	-	-	-
Others	1,003,669	288,267	-	17,978
	628,646,685	618,470,229	97,664,492	69,801,685

28 Intercompany payables

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Summit Power International Limited	1,075,026	-	-	-
Summit Corporation Limited	1,237,206	200,929,205	991,792	200,397,901
Ace Alliance Power Limited	-	-	-	36,200,000
Summit Gazipur II Power Ltd.	-	-	-	300,000,000
	2,312,232	200,929,205	991,792	536,597,901

Notes to the financial statements (Continued)

29 Revenue

<i>In BDT</i>	Consolidated				Separate			
	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018
Sales revenue - Electricity								
Ashulia Power Plant	101,328,918	90,582,694	51,617,977	44,637,742	101,328,918	90,582,694	51,617,977	44,637,742
Ashulia Power Plant (expansion)	503,030,621	485,712,162	241,859,910	239,135,151	503,030,621	485,712,162	241,859,910	239,135,151
Madhabdi Power Plant	107,104,364	98,941,575	53,705,871	48,637,905	107,104,364	98,941,575	53,705,871	48,637,905
Madhabdi Power Plant (expansion)	354,526,255	338,078,690	182,031,181	170,854,141	354,526,255	338,078,690	182,031,181	170,854,141
Chandina Power Plant	98,639,452	92,021,656	49,499,807	43,789,418	98,639,452	92,021,656	49,499,807	43,789,418
Chandina Power Plant (expansion)	196,837,434	191,782,484	94,310,464	93,295,779	196,837,434	191,782,484	94,310,464	93,295,779
Rupganj Power Plant	478,723,733	403,703,066	246,339,417	200,495,468	478,723,733	403,703,066	246,339,417	193,535,847
Jangalia Power Plant	414,224,844	366,762,845	175,016,237	156,595,626	414,224,844	366,762,845	175,016,237	163,555,247
Maona Power Plant	486,374,406	411,257,289	241,257,748	206,010,608	486,374,406	411,257,289	241,257,748	206,010,608
Ullapara Power Plant	145,667,863	127,473,018	73,419,265	59,281,146	145,667,863	127,473,018	73,419,265	59,281,146
Madanganj Power Plant	680,837,347	693,108,221	341,195,995	340,573,759	680,837,347	693,108,221	341,195,995	340,573,759
Barisal Power Plant	621,096,993	637,918,670	307,203,521	304,349,320	-	-	-	-
Madanganj Power Plant (Unit II)	325,958,405	345,325,317	162,300,858	169,599,235	-	-	-	-
Kodda Power Plant (Unit I)	583,005,850	571,071,865	279,181,514	280,852,894	-	-	-	-
Kodda Power Plant (Unit II)	1,592,691,107	1,647,155,409	793,821,139	800,606,304	-	-	-	-
	6,690,047,592	6,500,894,961	3,292,760,904	3,158,714,496	3,567,295,237	3,299,423,700	1,750,253,872	1,603,306,743
Sales revenue - HFO								
Madanganj Power Plant	599,066,424	1,595,811,998	301,108,798	496,044,939	599,066,424	1,595,811,998	301,108,798	496,044,939
Barisal Power Plant	1,018,021,941	2,134,197,463	343,394,446	561,752,719	-	-	-	-
Madanganj Power Plant (Unit II)	490,514,456	1,376,749,772	202,350,556	540,617,816	-	-	-	-
Kodda Power Plant (Unit I)	1,759,699,156	2,604,637,695	592,869,348	886,299,527	-	-	-	-
Kodda Power Plant (Unit II)	1,567,055,072	5,323,228,472	633,008,478	1,594,445,222	-	-	-	-
	5,434,357,049	13,034,625,400	2,072,731,626	4,079,160,223	599,066,424	1,595,811,998	301,108,798	496,044,939
Impact of straight-lining (IFRS 16)*								
Rupganj Power Plant	(5,270,100)	-	(6,112,119)	-	(5,270,100)	-	(6,112,119)	-
Jangalia Power Plant	(2,828,256)	-	(5,085,930)	-	(2,828,256)	-	(5,085,930)	-
Maona Power Plant	(472,422)	-	(3,947,010)	-	(472,422)	-	(3,947,010)	-
Ullapara Power Plant	(1,804,660)	-	(2,075,242)	-	(1,804,660)	-	(2,075,242)	-
Barisal Power Plant	13,229,057	-	(1,020,281)	-	-	-	-	-
Madanganj Power Plant (Unit II)	9,281,252	-	432,292	-	-	-	-	-
Kodda Power Plant (Unit I)	307,500,694	-	140,532,466	-	-	-	-	-
Kodda Power Plant (Unit II)	487,219,763	-	204,969,813	-	-	-	-	-
	806,855,328	-	327,693,989	-	(10,375,438)	-	(17,220,301)	-
	12,931,259,969	19,535,520,361	5,693,186,519	7,237,874,719	4,155,986,223	4,895,235,698	2,034,142,369	2,099,351,682

Notes to the financial statements (Continued)

30 Cost of sales

<i>In BDT</i>	Note	Consolidated				Separate			
		July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018
Gas consumption:									
Ashulia Power Plant		42,026,597	27,866,030	21,489,048	13,690,147	42,026,597	27,866,030	21,489,048	13,690,147
Ashulia Power Plant (expansion)		140,216,001	89,909,350	67,693,477	43,842,924	140,216,001	89,909,350	67,693,477	43,842,924
Madhabdi Power Plant		47,666,989	34,782,490	23,892,093	17,328,296	47,666,989	34,782,490	23,892,093	17,328,296
Madhabdi Power Plant (expansion)		98,160,709	64,813,174	50,883,158	33,117,812	98,160,709	64,813,174	50,883,158	33,117,812
Chandina Power Plant		38,796,686	28,228,457	19,413,484	13,125,553	38,796,686	28,228,457	19,413,484	13,125,553
Chandina Power Plant (expansion)		49,464,199	35,102,522	24,127,679	16,971,524	49,464,199	35,102,522	24,127,679	16,971,524
Rupganj Power Plant		163,026,500	108,678,514	83,370,297	49,615,397	163,026,500	93,754,190	83,370,297	34,691,073
Jangalia Power Plant		130,375,846	93,754,190	49,266,676	37,664,436	130,375,846	108,678,514	49,266,676	52,588,760
Maona Power Plant		169,269,745	112,120,857	82,538,063	54,828,247	169,269,745	112,120,857	82,538,063	54,828,247
Ullapara Power Plant		45,673,586	33,437,837	22,463,066	13,983,703	45,673,586	33,437,837	22,463,066	13,983,703
HFO consumption:									
Madanganj Power Plant		599,066,424	1,595,811,998	301,108,798	496,044,939	599,066,424	1,595,811,998	301,108,798	496,044,939
Barisal Power Plant		1,018,021,941	2,134,197,463	343,394,446	561,752,719	-	-	-	-
Madanganj Power Plant (Unit II)		490,514,456	1,376,749,772	202,350,556	540,617,816	-	-	-	-
Kodda Power Plant (Unit I)		1,759,623,031	2,604,637,695	592,793,223	886,299,527	-	-	-	-
Kodda Power Plant (Unit II)		1,567,055,072	5,323,228,472	633,008,478	1,594,445,222	-	-	-	-
Tankage handling charge		102,018,566	73,356,611	52,309,597	39,000,458	17,569,321	14,555,640	10,351,570	7,240,122
Depreciation on plant and machineries	5.1	938,675,410	886,153,590	469,254,026	450,164,471	416,822,100	396,161,361	206,721,150	202,915,269
General consumables		99,778,715	205,815,612	46,214,365	126,655,289	58,897,392	149,824,277	27,995,749	91,224,502
Lubricant oil and testing expenses		153,820,623	274,957,875	59,908,995	129,254,454	53,234,683	91,089,882	25,985,669	44,381,913
Diesel consumption		31,111,587	3,434,461	19,404,032	2,943,482	3,349,906	1,476,234	2,481,818	204,665
Salaries and allowances		210,071,741	175,678,673	94,943,319	80,507,082	117,883,410	107,486,815	53,561,543	48,322,554
Insurance premium		77,983,601	68,559,447	40,200,922	34,375,067	20,807,819	17,725,990	10,407,751	8,862,995
Daily labor charges		15,091,677	16,995,025	7,493,301	7,733,496	8,849,173	9,924,965	4,408,016	4,504,920
Lease land rental		2,009,447	2,569,501	712,096	1,284,503	2,009,447	2,569,501	712,096	1,284,503
Security service expenses		12,167,080	12,898,496	6,299,162	6,382,210	5,107,646	6,219,680	3,019,017	3,094,305
BERC license fees		807,873	752,384	403,652	110,365	218,234	476,384	108,410	110,365
Environmental compliance		7,437,501	729,809	4,801,105	319,999	1,368,231	479,660	346,360	315,030
ISO certification		88,780	159,333	-	91,833	88,780	112,500	-	45,000
Plant maintenance		120,143,261	74,513,988	62,753,138	40,477,094	55,745,163	52,575,631	30,009,346	29,002,524
Technical assistance fee		76,575	-	76,575	-	-	-	-	-
Employee welfare		457,882	303,565	134,018	195,044	187,775	204,216	93,011	137,463
		8,130,698,100	15,460,197,191	3,382,700,844	5,292,823,108	2,285,882,363	3,075,388,156	1,122,447,346	1,231,859,108

31 Other income, net

<i>In BDT</i>	Consolidated				Separate			
	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018
Sale of empty lube oil drums and HFO sludge	4,937,458	15,883,978	2,683,553	10,196,989	2,142,014	4,179,158	205,462	709,722
Gain/(loss) from disposal of assets	29,100	325,120	29,100	(75,880)	29,100	401,000	29,100	-
Dividend income	280,796,706	191,437,348	280,432,800	191,437,348	1,190,778,872	216,937,348	1,190,414,966	216,937,348
Impairment loss	(448,976)	-	-	-	(448,976)	-	-	-
Miscellaneous, net of expenses	-	48,000	-	-	-	48,000	-	-
	285,314,288	207,694,446	283,145,453	201,558,457	1,192,501,010	221,565,506	1,190,649,528	217,647,070

Notes to the financial statements (Continued)

32 General and administrative expenses

<i>In BDT</i>	Note	Consolidated				Separate			
		July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018
Salaries and allowances		68,503,532	53,465,841	29,423,890	23,699,108	63,363,812	48,758,590	27,061,283	21,587,674
Gratuity		20,987,823	9,074,500	10,490,823	4,537,250	10,692,500	8,003,500	5,346,250	4,001,750
Directors and CEO's remuneration		23,619,104	21,426,068	11,639,563	11,731,946	23,619,104	21,426,068	11,639,563	11,731,946
Tax on directors remuneration		8,347,754	7,548,624	3,506,441	4,590,885	8,347,754	7,548,624	3,506,441	4,590,885
Security service and contractual workers		19,364,427	19,846,098	8,586,491	10,655,215	17,128,943	16,780,152	7,576,279	9,340,086
Education and training		805,329	812,554	483,944	515,415	609,706	745,169	475,851	510,580
Employee welfare		309,536	61,062	305,662	11,764	309,536	56,879	305,662	10,061
Annual General Meeting expenses		2,612,047	3,462,328	2,612,047	3,462,328	2,583,386	3,462,328	2,583,386	3,462,328
Board meeting attendance fees		2,508,902	2,171,859	1,111,142	2,171,859	1,275,540	894,425	437,772	894,425
Board meeting - others		43,997	59,976	9,997	59,976	24,000	20,000	-	20,000
Audit committee meeting attendance fees		768,975	626,566	337,867	626,566	317,776	305,551	146,666	305,551
Communication		4,155,535	4,814,966	2,471,464	2,815,674	3,354,526	3,600,117	2,056,788	2,229,305
Travelling and conveyance		4,494,948	4,795,875	1,988,756	1,957,464	2,665,848	2,177,078	1,760,273	956,998
Vehicle fuel and maintenance		11,469,975	8,852,091	6,887,276	4,715,803	9,071,113	6,548,715	5,693,688	3,554,749
Entertainment		6,944,830	9,807,713	3,211,437	4,593,864	4,064,950	5,874,982	1,923,990	2,930,191
Food and lodging		726,406	1,736,871	335,574	574,916	537,498	464,214	261,004	210,838
Printing and stationery		1,333,787	1,638,671	556,849	925,440	816,179	1,247,514	381,964	685,255
Office expenses		315,566	1,152,577	259,248	760,954	281,274	962,415	240,458	589,590
General repair and maintenance		16,804,216	15,529,159	9,680,106	8,097,792	12,226,485	11,366,415	6,636,355	5,646,239
Land lease rental		-	15,367	-	7,683	-	15,367	-	7,683
Rent, rates and taxes		4,556,495	3,899,787	1,965,976	1,705,646	2,196,047	2,110,733	598,978	896,071
Utility expenses		1,974,949	2,167,961	1,000,779	1,105,654	1,451,820	1,535,194	722,639	723,508
Insurance premium		1,337,585	1,374,283	526,180	744,389	1,248,502	1,374,283	481,100	744,389
Advertisement and publicity		1,297,738	3,443,327	787,742	3,173,610	1,042,445	2,976,912	652,862	2,707,195
Gift and compliments		378,923	344,637	172,996	105,542	223,461	164,650	112,006	50,500
Donation and subscription		9,362,640	23,389,014	4,889,051	10,697,023	7,679,590	14,708,244	4,714,657	8,671,813
Legal and professional consultancy fees		4,739,577	10,402,702	3,528,155	6,157,807	2,311,233	6,551,286	1,410,343	3,878,514
Uniform and liveries		637,269	4,054,804	285,509	3,603,324	280,779	2,203,717	251,229	2,084,637
Credit rating fees		644,337	695,116	644,337	427,616	215,000	-	215,000	-
Depreciation	5.1	30,134,671	31,105,600	14,487,558	15,704,639	23,281,567	25,203,963	11,057,909	12,618,669
Amortisation	6	811,632	346,632	405,816	173,316	346,632	346,632	173,316	173,316
Annual fees		2,653,141	5,346,907	559,265	3,871,001	946,191	3,078,310	72,268	2,333,311
Technical assistance fee		136,955	-	10,199	-	-	-	-	-
Business Development expenses		9,662,158	8,959,732	4,565,374	5,339,456	4,953,520	5,102,418	1,956,655	3,290,122
Inauguration Ceremony		-	1,376,942	-	400,188	-	-	-	-
Miscellaneous		16,298	31,109	15,297	28,051	-	116	-	58
		262,461,057	263,837,319	127,742,810	139,749,164	207,466,717	205,614,561	100,452,635	111,438,237

Notes to the financial statements (Continued)

33 Net finance costs

<i>In BDT</i>	Consolidated				Separate			
	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018
Finance Income								
Interest on FDR	255,810,850	167,768,423	142,627,339	73,629,968	135,200,631	114,159,082	79,226,346	51,888,370
Interest on STD	33,454,628	15,211,536	28,967,004	13,242,360	9,070,539	8,683,467	9,070,539	8,669,371
Foreign exchange gain/(loss)	91,915,527	46,594,255	(218,969,016)	(19,896,546)	1,267,722	554,795	1,267,722	700,271
	381,181,005	229,574,214	(47,374,673)	66,975,782	145,538,892	123,397,344	89,564,607	61,258,012
Finance expenses								
Interest on loan								
Bank loan and overdraft	14,592,638	227,963,314	14,462,471	110,612,216	497,476	-	497,476	-
Foreign project loan	590,656,373	217,025,979	291,501,488	112,022,587	-	-	-	-
Dividend on redeemable preference shares	97,076,577	41,250,000	59,751,583	20,625,000	-	-	-	-
	702,325,588	486,239,293	365,715,542	243,259,803	497,476	-	497,476	-
Others								
Bank charges and others	8,224,650	6,517,903	3,487,068	4,597,077	3,368,600	2,082,129	1,539,884	1,404,975
Bank guarantee commission	3,750,990	2,448,955	1,931,795	1,759,969	1,498,932	789,409	698,321	535,121
Amortisation on ARO	1,788,022	1,550,280	894,011	775,140	1,788,022	1,550,280	894,011	775,140
Operation and insurance bond commission	316,024	620,094	158,012	213,976	316,024	620,094	158,012	213,976
Amortisation of transaction costs	114,191,222	103,733,512	75,387,799	64,514,007	463,993	-	463,993	-
Unwinding discount on lease arrangement	284,783	-	134,097	-	284,783	-	134,097	-
Agency fees	11,383,480	5,419,810	7,099,207	2,716,802	-	-	-	-
	139,939,171	120,290,554	89,091,989	74,576,971	7,720,354	5,041,912	3,888,318	2,929,212
Finance expenses	842,264,759	606,529,847	454,807,532	317,836,774	8,217,830	5,041,912	4,385,794	2,929,212
Net finance income/(costs)	(461,083,755)	(376,955,633)	(502,182,205)	(250,860,992)	137,321,061	118,355,432	85,178,813	58,328,800

34 Income tax expenses

<i>In BDT</i>	Note	Consolidated				Separate			
		July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018
Current tax expenses		73,273,536	12,614,932	43,074,749	800	21,547,122	-	12,722,063	-
Deferred tax expense/(income) recognised directly in profit	34.1	(14,044,845)	6,731,050	(3,095,478)	7,918,911	(10,441,480)	5,928,079	(1,294,876)	6,928,517
		59,228,691	19,345,982	39,979,271	7,919,711	11,105,642	5,928,079	11,427,187	6,928,517

Notes to the financial statements (Continued)

34.1 Deferred tax expense/(income)

<i>In BDT</i>	Note	Consolidated				Separate			
		July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018
Deferred tax assets/(liabilities)									
Opening balance		43,923,588	34,821,425	56,428,343	37,951,325	31,960,363	30,092,575	42,291,092	32,435,325
Closing balance		61,116,649	31,974,453	61,116,649	31,974,453	44,770,093	26,849,121	44,770,093	26,849,121
		(17,193,061)	2,846,972	(4,688,306)	5,976,872	(12,809,730)	3,243,454	(2,479,001)	5,586,204
Deferred tax attributable to actuarial (gain)/loss recognised directly in equity	34.2	3,110,776	3,884,078	1,555,388	1,942,039	2,368,250	2,684,625	1,184,125	1,342,313
Exchange rate movement		37,440	-	37,440	-	-	-	-	-
		(14,044,845)	6,731,050	(3,095,478)	7,918,911	(10,441,480)	5,928,079	(1,294,876)	6,928,517

34.2 Other comprehensive income - net of tax

<i>In BDT</i>	Note	Consolidated				Separate			
		July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018
Actuarial (gain)/loss on defined benefit plans	24.1	11,594,500	14,165,500	5,797,250	7,082,750	9,473,000	10,738,500	4,736,500	5,369,250
Deferred tax expense/(income) for actuarial loss on defined benefit plans		(3,110,776)	(3,884,078)	(1,555,388)	(1,942,039)	(2,368,250)	(2,684,625)	(1,184,125)	(1,342,313)
		8,483,724	10,281,422	4,241,862	5,140,711	7,104,750	8,053,875	3,552,375	4,026,937

35 Earnings per share (EPS)

35.1 Basic earnings per share

<i>In BDT</i>	Consolidated				Separate			
	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018	July 2019 to December 2019	July 2018 to December 2018	October 2019 to December 2019	October 2018 to December 2018
Profit attributable to the ordinary shareholders (basic)	3,031,381,633	2,710,791,446	1,534,620,296	1,278,718,228	2,981,353,572	1,948,225,840	2,075,643,542	1,025,101,690
<i>Weighted average number of shares outstanding (basic)</i>								
Ordinary shares fully outstanding	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
Earnings per share (EPS)	2.84	2.54	1.44	1.20	2.79	1.82	1.94	0.96

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.

The Company/Group has adopted IFRS 16: *Leases* in the preparation of financial statements from 1st July 2019. EPS thus reflects the effect of changes in accounting standard accordingly.

Notes to the financial statements (Continued)

36 Net asset value per share (NAVPS)

<i>In BDT</i>	Consolidated		Separate	
	31 Dec 2019	30 June 2019	31 Dec 2019	30 June 2019
Net asset value	33,231,831,178	34,596,163,194	29,266,180,187	30,703,437,687
Weighted average number of shares outstanding (basic)	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Net asset value per share (NAVPS)	31.12	32.40	27.41	28.75

37 Cash flow disclosures

37.1 Net operating cash flows per share (NOCFPS)

<i>In BDT</i>	Consolidated		Separate	
	July 2019 to December 2019	July 2018 to December 2018	July 2019 to December 2019	July 2018 to December 2018
Net cash from operating activities	5,590,576,234	1,711,126,987	2,121,962,889	1,032,216,463
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)	5.24	1.60	1.99	0.97

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

<i>In BDT</i>	Consolidated		Separate	
	July 2019 to December 2019	July 2018 to December 2018	July 2019 to December 2019	July 2018 to December 2018
Profit after income tax	4,554,600,007	3,832,338,763	2,981,353,572	1,948,225,840
Adjustments for:				
Depreciation	5.1	968,810,081	917,259,190	440,103,667
Amortisation	6	811,632	346,632	346,632
Finance expenses - Unrealised forex (gain)/loss	33	(299,456,752)	(273,746,297)	14,959,201
Finance expenses - Amortisation of ARO	33	1,788,022	-	1,788,022
Finance expenses - Unwinding of lease liability	33	284,783	-	284,783
Income tax expenses - Deferred tax income	34.1	(14,044,845)	6,731,050	(10,441,480)
Actuarial gain/(loss) on gratuity valuation	34.2	(11,594,500)	(14,165,500)	(9,473,000)
Share of profit of equity-accounted investees	8	251,497,353	209,460,081	-
		898,095,774	845,885,156	437,567,825
Adjustments for items that are reclassified to investing and financing activities:				
Other income (except sale of HFO sludge)	31	(280,376,830)	(325,120)	(1,190,358,996)
Finance income - Interest on FDRs and STDs	33	(289,265,478)	(182,979,959)	(144,271,170)
Finance expenses - Interest on loan	33	702,325,588	486,239,293	497,476
		132,683,280	302,934,214	(1,334,132,690)

Notes to the financial statements (Continued)

Changes in:					
Deferred revenue	10	(809,314,473)	-	10,375,438	-
Inventories	12	30,368,899	(70,250,839)	(2,163,870)	41,578,691
Trade receivables	13	1,332,322,641	(8,656,160,877)	(628,758,730)	(1,722,241,529)
Other receivables (except interest on FDR and insurance claim)	14	6,944,311	(191,204,226)	-	(191,204,226)
Advances, deposits and prepayments	16	971,119,723	(296,578,389)	547,180,789	443,558
Deferred liabilities	24	31,269,297	(10,290,738)	18,846,297	(11,423,537)
Trade payables	26	(1,548,096,513)	5,933,009,370	67,146,189	736,842,826
Other payables and accruals	27	10,176,456	38,030,011	27,862,807	(56,235,734)
		24,790,341	(3,253,445,688)	40,488,920	(1,202,239,951)
Cash generated from operating activities		5,610,169,402	1,727,712,445	2,125,277,627	1,035,596,259
Income tax paid		(19,593,168)	(16,585,458)	(3,314,738)	(3,379,796)
Net cash from operating activities		5,590,576,234	1,711,126,987	2,121,962,889	1,032,216,463
		-	-	-	-

Notes to the financial statements (Continued)

38 Related party transactions

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

<i>In BDT</i>	Nature of transaction	Group				Company			
		Transaction value		Balance outstanding at		Transaction value		Balance outstanding at	
		1 July 2019 to 31 Dec 2019	1 July 2018 to 30 June 2019	31 Dec 2019	30 June 2019	1 July 2019 to 31 Dec 2019	1 July 2018 to 30 June 2019	31 Dec 2019	30 June 2019
Parent									
SCL	Building maintenance	(6,680,018)	(13,510,258)	636,189	(929,205)	(6,680,018)	(5,786,975)	636,189	-
	Software maintenance	(991,792)	-	(1,237,206)	-	(991,792)	-	(991,792)	(397,901)
	Financial support	-	(200,000,000)	-	(200,000,000)	-	(200,000,000)	-	(200,000,000)
Subsidiary									
SBPL	Financial support	-	-	-	-	(32,639,030)	165,161,111	11,650,282	228,390,780
	Dividend	-	-	-	-	354,896,612	-	-	-
SNPUIIL	Financial support	-	-	-	-	(17,462,851)	110,298,359	2,865,071	156,585,774
	Dividend	-	-	-	-	193,985,554	-	-	-
AAPL	Financial support	-	-	-	-	(110,850,030)	36,012,953	80,000,000	36,012,953
SGIPL	Financial support	-	-	-	-	(42,572,723)	48,341,659	-	70,841,999
	Dividend	-	-	-	-	335,600,000	-	-	-
Related parties									
SOSCL	HFO consumption	(5,434,280,924)	(17,733,007,967)	(2,153,663,510)	(3,765,266,173)	(599,066,424)	(1,986,649,484)	(301,924,457)	(276,613,410)
SOSCL	Tankage handling fee	(102,018,566)	(163,743,938)	(98,135,969)	(35,357,433)	(17,569,321)	(28,945,619)	(7,920,496)	(2,398,676)
	Financial support	-	937,905,341	-	937,905,341	-	-	-	-
Summit Holdings Limited	Lease rental	(116,383)	(465,530)	1,556,433	1,789,198	(116,383)	(465,530)	1,556,433	1,789,198
Cosmopolitan									
Communications Limited	Internet service provider	(934,283)	(1,752,000)	(31,500)	(142,800)	(680,400)	(1,335,600)	-	(111,300)
Others									
KPCL	Dividend	280,432,800	191,204,184	-	-	280,432,800	191,204,184	-	-

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	Revenue
J	Foreign currency translation
K	Finance income and expenses
L	Deferred revenue
M	Taxation
N	Financial instruments
O	Impairment
P	Earnings per share (EPS)
Q	Dividend
R	Statement of cash flows
S	Materiality and aggregation
T	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 IFRS 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 IFRS 10: *Consolidated Financial Statements*. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees (that means in any company wherein Summit Power Limited has made investments, if any) are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. However, on 31 December 2019, 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 IFRS 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 IFRS 3: *Business Combinations*, this is a common control transaction where control is not transitory. IFRS is silent in case of common control transaction. Therefore, in such cases, all assets and liabilities from the amalgamating company are transferred to the books of the Group entity applying book value (carry-over basis) accounting instead of fair value under acquisition accounting approach as described in IFRS 3. Any difference between the consideration paid and interest acquired is recognised directly in equity.

B Property, plant and equipment

i) Recognition and measurement

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 IFRS 16, *Leases*, 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 62 of IFRS 16. 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 IAS 23 *Borrowing Costs*. Capitalisation of borrowing costs ceases upon receipt of independent engineers' report which, in accordance with Power Purchase Agreement, confirms the availability of plants for use.

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>	2020	2019
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.

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 IAS 38: *Intangible assets* are met. The cost of an intangible asset comprises its purchase price, import duties and non-refundable taxes and any directly attributable cost of preparing the asset for its intended use.

ii) Subsequent costs

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in 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

Group as lessor

Power Purchase Agreements

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

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

Group as lessee

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

i) Recognition and measurement

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

ii) Depreciation

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.

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.

I 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.

Capacity revenue

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

J 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. Foreign currency differences arising on retranslation are recognised in the statement of profit or loss and other comprehensive income.

K 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 IAS 23: *Borrowing costs*.

L Deferred revenue

Deferred revenue comprises the difference between capacity revenue received from customers (i.e. BREB and BPDB) and capacity revenue recognised in "Statement of profit or loss and other comprehensive income" in relation to the PPAs. The amount is recognised in "Statement of profit or loss and other comprehensive income" on a straight-line basis over the term of the respective PPAs.

Notes to the financial statements (Continued)

M 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 applicable	15 years since commercial operation date*	31-Aug-2018
	Ashulia Power Plant (Unit-2)	Savar, Dhaka	Tax applicable	15 years since commercial operation date*	31-Aug-2018
	Madhabdi Power Plant (Unit-1)	Narsingdi	Tax applicable	15 years since commercial operation date*	31-Aug-2018
	Madhabdi Power Plant (Unit-2)	Narsingdi	Tax exemption	15 years since commercial operation date	3-Dec-2022
	Chandina Power Plant (Unit-1)	Comilla	Tax exemption	15 years since commercial operation date	15-Dec-2021
	Chandina Power Plant (Unit-2)	Comilla	Tax exemption	15 years since commercial operation date	14-Nov-2021
	Maona Power Plant	Gazipur	Tax exemption	15 years since commercial operation date	11-May-2024
	Ullapara Power Plant	Sirajganj	Tax exemption	15 years since commercial operation date	2-Mar-2024
	Jangalia Power Plant	Comilla	Tax exemption	15 years since commercial operation date	8-Jun-2024
	Rupganj Power Plant	Narayanganj	Tax exemption	15 years since commercial operation date	24-Jun-2024
	Madanganj Power Plant (Unit-1)	Narayanganj	Tax exemption	10 years since commercial operation date	31-Mar-2021
Summit Narayanganj Power Unit II Limited	Madanganj Power Plant (Unit-2)	Narayanganj	Tax exemption	15 years since commercial operation date	28-Feb-2031
Summit Barisal Power Limited	Barisal Power Plant	Barisal	Tax exemption	15 years since commercial operation date	4-Apr-2031
Ace Alliance Power Limited	Kodda Power Plant (Unit-1)	Gazipur	Tax exemption	15 years since commercial operation date	11-Jul-2033
Summit Gazipur II Power Limited	Gazipur Power Plant (Unit-2)	Kodda, Gazipur	Tax exemption	15 years since commercial operation date	9-May-2033

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

i) Current tax

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

ii) Deferred tax

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

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

Until 31 December 2019, all of the Company's power plants operated under tax exemption regime. 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.

N Financial instruments

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

i. Recognition and initial measurement

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

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets – Policy applicable from 1 July 2018

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment: Policy applicable from 1 July 2018

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management; the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Notes to the financial statements (Continued)

Financial assets – Subsequent measurement and gains and losses: Policy applicable from 1 July 2018

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial assets include cash and cash equivalents except cash in hand, trade receivables, other receivables, intercompany 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.

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.

iii. 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, derivative financial instruments, 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.

Notes to the financial statements (Continued)

Redeemable preference shares

All the subsidiaries (i.e. SBPL, SNPUIL, AAPL and SGIPL) have issued redeemable preference shares in different years. As per IAS 32: *Financial Instruments: Presentation*, the substance of a financial instrument rather than its legal form governs its classification on the entity's financial statements. Accordingly, the redeemable preference shares which, in substance, meet the conditions of a financial liability, have been classified as liabilities in these financial statements. Periodic dividend paid to the holders of such shares are charged to profit or loss as finance expense.

Derivative financial instruments and hedge accounting

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Company holds derivative financial instruments to hedge its interest rate risk exposures and designates its derivatives as hedging instruments to hedge the variability in interest rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

Trade and other payables

Trade payables consist of unpaid bills payable to different parties for heavy fuel oil, lubricant consumption and plant maintenance services. Other payables consist of payable for general & administrative transactions. The 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."

iv. 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.

O 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 31 December 2019, the assessment of indicators of impairment reveals that impairment testing is not required for the Company/Group.

Notes to the financial statements (Continued)

(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.

P 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 adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares.

Q 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.

R Statement of cash flows

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

S 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.

T 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.