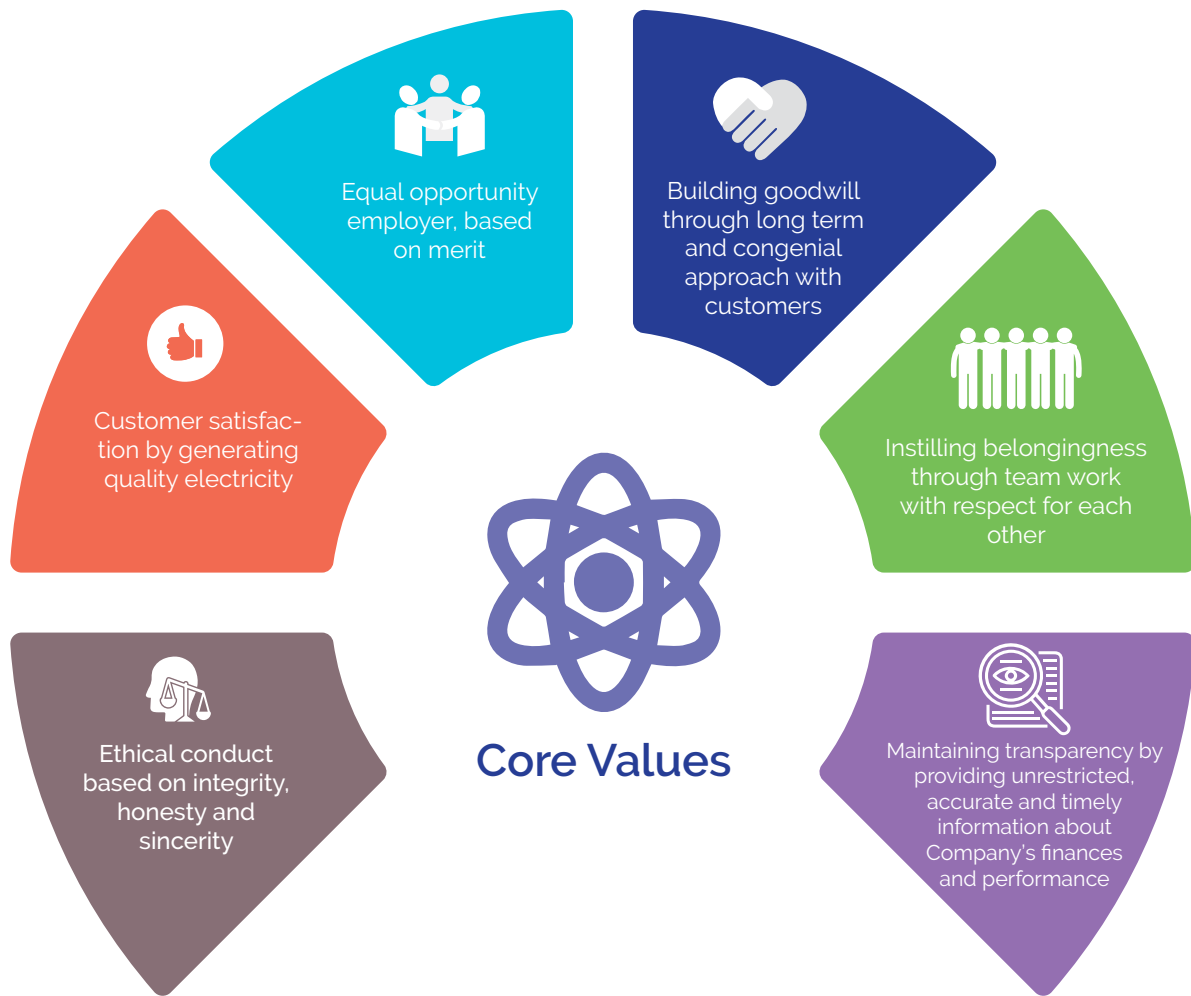


SUMMIT POWER LIMITED ANNUAL REPORT | 2020-21



Power for Growth



DECLARATION OF INTEGRATED REPORTING

WELCOME!

Our heartiest welcome to our stakeholders to our Annual Report for the year 2020-21. We ensure that the printed version of the Integrated Annual Report is forwarded to the regulators well before holding the Annual General Meeting. As we promote less paper usage environment friendly policy, the soft copy of the report is available for all at our website www.summitpowerinternational.com/SPL.

Scope and Boundary

This Annual Report covers the operations and activities of Summit Power Limited (SPL) for the financial year 2020-21. The report unfolds a range of comprehensive financial and non-financial information to enable our stakeholders to make informed decisions by analysing the Company's past performance and future opportunities.

Reporting Approach

In compiling this report, we have considered information included in previous reports, legislative reporting requirements and the International Integrated Reporting Council's (IIRC's) Framework, International Accounting Standards Board (IASB) and BSEC listings requirements. A Qasem & Co., Chartered Accountants, has audited our consolidated annual financial statements as on and for the year ended on 30th June 2021 and provided an unmodified opinion thereon.

SPL considers the six capitals in developing the content of this report as per Integrated Reporting Framework (IR Framework).

Integrated Reporting

- Integrated Reporting Framework issued by the International Integrated Reporting Council (IIRC)

Regulations

- The Companies Act, 1994
- Securities and Exchange Ordinance, 1969
- BSEC's Laws, Orders, Notifications, Directives, Guidelines etc.
- The Income Tax Ordinance, 1984
- Other relevant laws and regulations of the land

Financial Reporting

- International Financial Reporting Standards
- International Accounting Standards
- Corporate Governance Code issued by BSEC in 2018
- Financial Reporting Act, 2015

Assurance

The assurance package of SPL is obtained from the management, as well as from internal and external assurance providers. SPL's assurance package is used to assess the effectiveness of controls and mitigate the risks. These assessments are used to maintain a continual improvement system. Following table shows the assurance package of SPL:

Area of Assurance	Assurance Provider
Consolidated and separate financial statements	A. Gasem & Co., Chartered Accountants (Member firm of ECOVIS International) Rahman Rahman Huq, Chartered Accountants (Member firm of KPMG International) Mak & Co., Chartered Accountants (Member Firm of Santa Fe Associates International, USA.)
Corporate governance compliance	Mak & Co., Chartered Accountants (Member Firm of Santa Fe Associates International, USA.)
Integrated Management System	Bureau Veritas Bangladesh
Provident fund	Mak & Co., Chartered Accountants (Member Firm of Santa Fe Associates International, USA.)
Employee insurance	Pragati Life Insurance Ltd
Credit rating	Credit Rating Information & Services Limited (CRISL)

Board Approval

The Audit Committee assisted the Board for the integrity and completeness of this report. The Board reviewed the Annual Report and is satisfied that it is a fair and accurate representation of the Company's performance and future prospects.

Request for Feedback

We would appreciate the valuable views, comments, questions and opinions from our stakeholders on the Integrated Annual Report 2020-21 at investorrelations@summit-centre.com

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NOTICE AND MESSAGE FROM THE CHAIRMAN

- 1.1 Notice of the 24th Annual General Meeting (AGM)
- 1.2 23rd Annual General Meeting (AGM)
- 1.3 Message from the Chairman

1.1 Notice of the 24th Annual General Meeting (AGM)



SUMMIT POWER LIMITED

Summit Centre, 18 Kawran Bazar C/A, Dhaka-1215
www.summitpowerinternational.com/SPL

Notice is hereby given that the 24th Annual General Meeting (AGM) of the Shareholders of Summit Power Limited will be held on **Sunday, 05th December at 11.30 AM**. The AGM will be held virtually by using digital platform through the following link <https://summitpower.bdvirtualagm.com> to transact the following businesses:

Ordinary Business:

1. To receive and adopt the Directors' Report and the Audited Financial Statements for the year ended on 30 June 2021 together with the Auditor's Report thereon;
2. To approve dividend for the year ended on 30 June 2021 as recommended by the Board of Directors;
3. To elect Directors in place of those retiring under Article 23(a) of the Company's Articles of Association;
4. To appoint Statutory Auditor for the year ending on 30 June 2022 and to fix their remuneration;
5. To appoint a Professional Accountant/Secretary for certification on compliance of the Corporate Governance Code for the year ending on 30 June 2022 and to fix remuneration thereon.

Special Business:

1. Consideration and approval of the Related Party Transactions (as disclosed in the Notes - 14, 31 and 48 of the Audited Financial Statements) pursuant to the BSEC Notification No. BSEC/CMRRCD/2009-193/Admin/103 dated 5th February 2020.
2. To approve the inclusion of Summit Power Limited (SPL) as a party to the existing Fuel Supply Agreements (FSAs) for the supply of Heavy Fuel Oil (HFO) by Summit Oil & Shipping Co. Ltd. (SOSCL) to subsidiaries of Summit Power Limited, namely Summit Barisal Power Limited, Summit Narayanganj Power Unit II Limited, Ace Alliance Power Limited and Summit Gazipur II Power Limited ("the Project Companies") in order to enable SPL (the Holding Company) to facilitate regular supply of HFO to the Project Companies by providing necessary advances to SOSCL as per the terms and conditions of the amended FSAs for the purpose of payment of import duties and taxes chargeable on the import of HFO by taking necessary loans from local banks or financial institutions for which cost of fund at actual shall be borne proportionately by the respective Project Companies, as applicable.

The following ordinary resolutions are proposed for consideration of honorable shareholders in this 24th AGM and, if deemed appropriate, to be approved with or without modification:

- i. "Resolved that Summit Power Limited (SPL), as Holding Company be and is allowed to carry out transactions with its subsidiaries for the purpose as disclosed in the Notes - 14, 31 and 48 of Company's Audited Financial Statements for the year ended on 30th June 2021 in order to comply with the requirement of BSEC Notification No. BSEC/CMRRCD/2009-193/Admin/103 dated 5th February 2020"; and
- ii. "Resolved further that SPL shall be included as a party to the existing Fuel Supply Agreements (FSAs) for the supply of Heavy Fuel Oil (HFO) by Summit Oil & Shipping Co. Ltd. (SOSCL) to subsidiaries of Summit Power Limited, namely Summit Barisal Power Limited, Summit Narayanganj Power Unit II Limited, Ace Alliance Power Limited and Summit Gazipur II Power Limited ("the Project Companies") in order to enable SPL (the Holding Company) to facilitate regular supply of HFO to the Project Companies by providing necessary advances to SOSCL as per the terms and conditions of the amended FSAs for the purpose of payment of import duties and taxes chargeable on the import of HFO by taking necessary loans from local banks or financial institutions for which cost of fund at actual shall be borne proportionately by the respective Project Companies, as applicable."

By order of the Board of Directors

Dhaka, 11 November 2021


Swapon Kumar Pal, FCA
Company Secretary

Notes:

- The Members whose names appeared on the Members/Depository Register as on the "Record Date" i.e. 24th October 2021 are eligible to participate in the 24th Annual General Meeting (AGM) and receive dividend.
- Pursuant to the Bangladesh Securities and Exchange Commission's Order No. SEC/SRMIC/94-231/91 dated 31 March 2021, the AGM will be virtual meeting of the Members, which will be conducted via live webcast by using digital platform.
- The Members will be able to submit their questions/comments and vote electronically 24 hours before commencement of the AGM and during the AGM. For logging in to the system, the Members need to put their 16-digit Beneficial Owner (BO) ID number and other credential as proof of their identity by visiting the link <https://summitpower.bdvirtualagm.com>.
- We encourage the Members to log in to the system prior to the meeting start time of 11:30 am (Dhaka time) on 05th December 2021. Please allow ample time to login and establish your connectivity. The webcast will start at 11:30 am (Dhaka Time). Please contact +8801716530922 for any technical difficulties in accessing the virtual meeting.
- A Member entitled to attend and vote at the AGM may appoint a Proxy to attend and vote in his/her stead. The "Proxy Form", duly filled, signed and stamped at BDT 20 must be sent through email to SPL Share Office at spl.investorrelations@summit-centre.com no later than 48 hours before commencement of the AGM.
- Pursuant to the Bangladesh Securities and Exchange Commission (BSEC) Notification No. BSEC/CMRRCD/2006-158/208/ Admin/81 dated 20 June 2018, the soft copy of the Annual Report 2020-21 is to be sent to the email addresses of the Members available in their Beneficial Owner (BO) accounts maintained with the Depository. The soft copy of the Annual Report 2020-21 is also available on the Investor Relations section of the Company's website at: <http://summitpowerinternational.com/spl>.
- The concerned Brokerage House are requested to provide us with a statement with the details (shareholder name, BO ID number, client-wise shareholding position, gross dividend receivable, applicable tax rate and net dividend receivable) of their margin loan holders who holds Summit Power Limited's Shares, as on the "Record Date", along with the name of the contact person in this connection, to the Company's Corporate Office (Summit Centre, 9th Floor, 18 Kawran Bazar C/A, Dhaka 1215) and/or through email to SPL Share Office at spl.investorrelations@summit-centre.com on or before 05th December' 2021.

1.2 23rd Annual General Meeting (AGM)

The 23rd Annual General Meeting (AGM) of Summit Power Limited was held on Monday, 14th December 2020 at 11.00 a.m. The AGM was held virtually by using a digital platform. Summit Power Limited approved 35% cash dividend in this AGM. The Company has been consistent in giving out dividends since its enlistment in 2005.



Board of Directors and Invitees at Virtual Annual General Meeting of Summit Power Limited (SPL).

Muhammed Aziz Khan, Chairman of Summit Power Limited (SPL) at its 23rd AGM said, “Already 170 million people have access to electricity in Bangladesh. But for us to provide uninterrupted quality power supply to industries we need to further develop our transmission and distribution networks. We would urge the government to also privatise transmission and distribution of electricity.”

1.3 MESSAGE FROM THE CHAIRMAN

Dear Owners of Summit Power Limited,

Greetings and As-Salam-u-Alaikum. We are pleased to welcome you to the 24th Annual General Meeting of Summit Power Limited (SPL).

Certainly COVID has been a pandemic which none of us have faced before, with its trail of loss of human life and destruction of families and economies. In these past several months, Bangladesh remarkably arranged vaccines and as I write to you 55.7 million vaccines have already been administered. The educational institutions are open, international travel has partially opened up, many migrant workers have returned to their workplace and many found employment again. Compared to pre-pandemic times, I am pleased that the world now has a stronger consensus that we are spoiling the environment and climate change is real. This awareness would mean that we will find solutions for it. The government of Bangladesh has wisely cancelled further investment in coal-based power plants. On the other hand, technological advances have reduced power consumption, for example a motor has been replaced by a small chip, LED bulbs have replaced incandescent bulbs enabling the same output with far lesser electricity. Therefore, many countries are experiencing a “false-excess” of power. In Bangladesh, in addition, inadequate transmission grids and distribution lines are creating a parallel paradox of so-called excess installed power capacity and power cuts.

At the same time, the world finds itself in the midst of a global energy crisis brewing with the skyrocketing prices of primary energy. Bangladesh’s much needed natural gas as imported as LNG has been purchased at USD 36/mmbtu by Petrobangla. These shockwaves will reach every citizen of Bangladesh.



However even during the pandemic, Bangladesh's astonishing 6% GDP growth only indicates potential to usher in industrialisation, creating decent jobs, better wealth distribution and prowess to achieve Sustainable Development Goal (SDG)-8 for all of which we need electricity. Hence as a stop-gap between now and when the world finds green technology to replace fossil fuels as primary energy source, we need to plan for a bridge of "energy mix".

We at Summit Power International (SPI) are prepping up for greener solutions at a reasonable price. We are focusing on cross-border import of green energy at a cheaper rate such as wind, water or solar power from India, Nepal and Bhutan as the price of LNG has soared. Summit Group as your holding company are also working to provide much more reasonably priced LNG.

You will be pleased to know, SPI has established testing and calibration laboratories and received certifications from the Bangladesh Accreditation Board (BAB), a first in the IPP sector in Bangladesh. This has been highly commended by the Ministry of Industries.

In Gazipur, we bought land, built a new three-storied school complex of '38 No. Kalakoir Government Primary School' and handed it over to the authorities. We hope with additional facilities the primary school can be upgraded to secondary level. In our CSR investments, we have now expanded our support to another 4,000 students through Jaago Foundation, the winner of UNESCO King Hamad Bin Isa Al-Khalifa Prize for the 'Use of ICT in Education'. We are also looking forward to beginning our groundwork for the Summit-JERA Energy Institute (SJEI) in Bangladesh that will be a premier academic institution.

On principle, we had decided that the Company will continue to pay full salary, wages and benefits to all its employees during COVID and we have kept our commitment. We have consistently disbursed dividends and this year your Board of Directors has recommended 35% cash dividend to our respected shareholder owners. We are grateful to our customers, shareholders, regulators, lenders, suppliers, employees and technology partners for their continued support.

Looking forward to a brighter future together.



Muhammed Aziz Khan
Founder Chairman

2

COMPANY OVERVIEW

- 2.1** Profile of the Company
- 2.2** Profile of Our Directors
- 2.3** Our Directors in Other Boards
- 2.4** Senior Executives of the Company
- 2.5** Managers of the Company
- 2.6** Performance Review of Our Plants by Various Segmentation
- 2.7** Honourable Customers and Regulators
- 2.8** Corporate Directory
- 2.9** Pattern of Shareholding
- 2.10** Accolades and Memorable Events

2.1 PROFILE OF THE COMPANY

Summit power limited (SPL) in the power sector of Bangladesh

The Summit Group is the largest infrastructure conglomerate of Bangladesh, comprising multiple business units ranging from power to shipping to communications. Summit's power concerns including both Turbine and Reciprocating Engine Divisions currently have 1,941 MW of installed capacity. Today SPL owns and operates 15 (fifteen) power plants in different locations across the country having a total installed capacity of 976 MW consisting of 81 gen-sets ranging from 1 MW to 17.76 MW. SPL plants are equipped with world class engines manufactured by renowned companies such as Wärtsilä – Finland, Caterpillar USA, and GE Jenbacher, Austria. As per Private Sector Power Generation Policy of Bangladesh, Summit sells electricity to the Bangladesh Power Development Board (BPDB) and Bangladesh Rural Electrification Board (BREB). The Company follows the best practice of Integrated Management System (IMS) for its regular business operation and has been certified by ISO 9001: 2015 - Quality Management System (QMS), ISO 14001: 2015 - Environmental Management System (EMS) and ISO 45001: 2018 Occupational Health and Safety Management System (OHSMS). The Company has sourced its debt financing both from local reputed banks/financial institution including IDCOL, Standard Chartered Bank, Dutch-Bangla Bank Limited, Dhaka Bank Limited, The Premier Bank Limited, etc. and foreign banks/financial institutions like Clifford Capital, SMBC, ICD, OFID, DEG & FMO. All the power plants are constructed within contractual period of time by the direct supervision of OEM and local contractors. And, the power plants are being operated by Bangladeshi in-house experienced employees with majorly engineering background.

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

Build, Own and Operate (BOO) by SPL

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

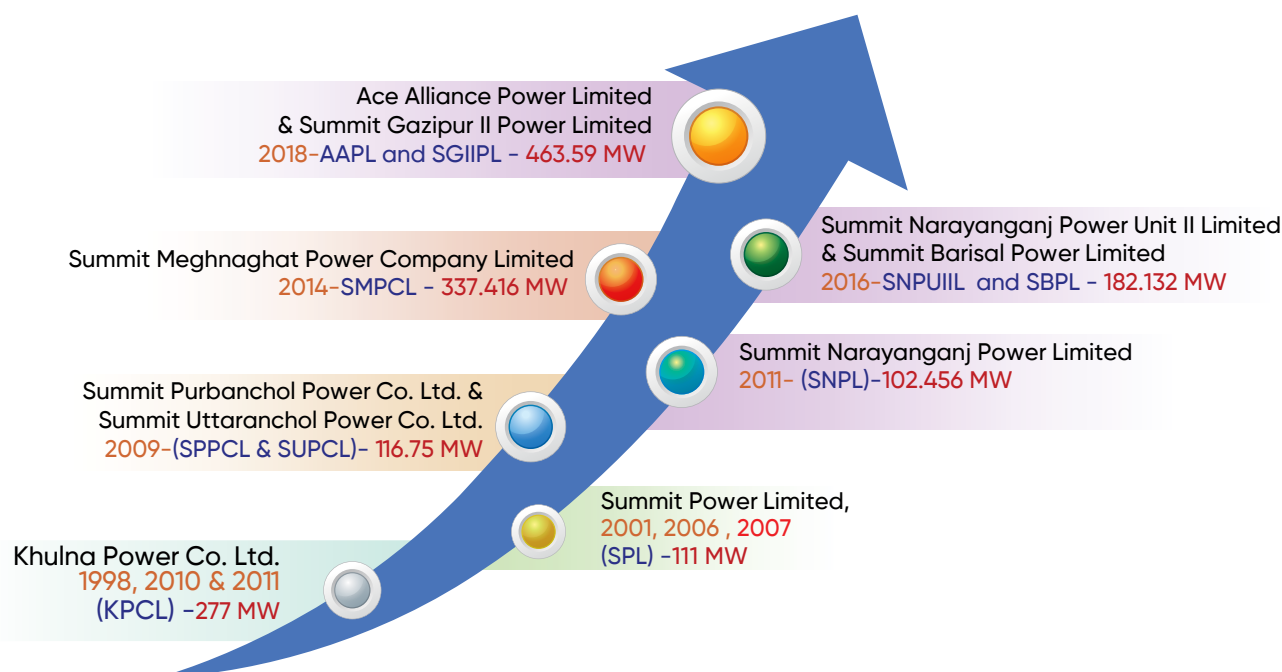
Ownership by Equity Investment

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

That means total generation capacity has now been 1,578.38 MW in which Summit Power Limited has direct/indirect association and it is around 6.25% of the total capacity of the country with 25,235 MW (Source: www.bpdb.gov.bd).

The Government is in the process of revising its Power System Master Plan (PSMP) concentrating into changes in fuel mix and mega projects for meeting the growing electricity demand of country. The Government is planning more on the possibility of producing clean electricity by its own or importing from neighboring countries. Though, however, the hope is that the demand of electricity has been increasing because of more and more investments are entering into Bangladesh for big industrialization in different economic zones along with massive infrastructural development throughout the country including mega city Dhaka and Chittagong. Thus, the outlook of power sector in Bangladesh is looking good where private sector entrepreneurs like Summit Power Limited under the robust leadership of its experienced management will prosper in the days ahead.

Growth of Summit Power Limited



2.2 PROFILE OF OUR DIRECTORS



MUHAMMED AZIZ KHAN
Chairman

Mr. Muhammed Aziz Khan is the founder and Chairman of Summit Power International Limited, Summit Holdings Ltd and IPCO Resorts (Bangladesh) Limited. Summit Group is the largest infrastructure group in Bangladesh and employs over 6,000 people. The Group has investments in the energy sector, ports, logistics, information technology and hospitality.

Under the leadership of Muhammed Aziz Khan, Summit set up the first Independent Power Plant in Bangladesh in 1998, Khulna Power Company Limited (KPCL). Currently, Summit generates more than 1,950 megawatts (MW) of electricity and is by far the largest independent power producer in Bangladesh. A further 600 MW of electricity generation facility is presently under construction by Summit (75%) and GE (25%) and 2,400 MW is under development. Summit has also set up Bangladesh's first private off-dock port facility, Summit Alliance Ports Limited which handles about 25% of Bangladesh's export volume and about 7% of the country's import volume. Summit Communications Limited, another company founded by Muhammed Aziz Khan, is the first company to lay a Bangladesh-wide fibre-optic transmission network. Summit Communication Limited's fibre optic cables cover the entirety of Bangladesh, with over 47,000 kilometres of laid fibre. The company also connects Bangladesh to India through terrestrial fibre optics and SEA-ME-WE-4 and SEA-ME-WE5 to Singapore and Europe.

Summit Power Limited (SPL), Summit Alliance Ports Limited (SAPL) and Khulna Power Company Ltd (KPCL) are subsidiaries of Summit Group and are currently listed in the Dhaka and Chittagong Stock Exchanges with a combined market capitalization of about BDT 100 Billion.

In the past decade, under the leadership of Muhammed Aziz Khan, Summit Group has become an international player with presence outside Bangladesh, and partnerships with some of the largest companies around the globe. In 2016, Summit entered into a partnership with IFC of the World Bank Group and co-investors and formed Summit Power International Limited, with its registered head office in Singapore. Besides, Summit also entered into an agreement with General Electric of USA (GE) for development of gas-to-power project in the South Asian Region. An MOU was also signed with Wärtsilä of Finland, for cooperation in the Bangladesh, Indonesian market and South Asia. Under his leadership, Summit has accepted investment from JERA Co Ltd as a strategic shareholder and Mitsubishi, GE and Taiyo Insurance as equity partners in specific projects.

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

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

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

**MD. LATIF KHAN**

Vice-Chairman

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

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

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

**ANJUMAN AZIZ KHAN**

Director

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

**JAFER UMMEED KHAN**

Director

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

**MD. FARID KHAN**

Director

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

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

**AYESHA AZIZ KHAN**

Director Finance

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

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

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

**FAISAL KARIM KHAN**

Director

Mr. Faisal Karim Khan is the Director of Summit Power International and Additional Managing Director of Summit Corporation. He is also a member of the Board of Directors of all subsidiary companies under Summit Group. He was instrumental in the development of over 2 GW and an LNG FSRU project in the past decade.

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

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



AZEEZA AZIZ KHAN ACCA

Director

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

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

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

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



LT GEN ENGR ABDUL WADUD (RETD)

Managing Director

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



FARUQ AHMAD SIDDIQI

Independent Director

Mr. Faruq Ahmad Siddiqi has been serving as Independent Director of the Company since 31 January 2017. He is also an Independent Director of Mutual Trust Bank Limited.

He served Bangladesh Securities and Exchange Commission from 2006 to 2009 as Chairman. Mr. Siddiqi also served Posts & Telecommunication, Education and Commerce Ministries of the People's Republic of Bangladesh as Secretary. He served National Board of Revenue as Member, Jamuna Multipurpose Authority as Director (Accounts & Finance) from 1997 to 1999 and RAJUK as Member (Finance) from 1990 to 1992. He also served Commissioner of Taxes. After his retirement, he served as Advisor of Southeast Bank Capital Services Limited from 2010 to 2012 and Board Member of IIDFC Securities Limited from 2012 to 2014.



SYED FAZLUL HAQUE, FCA

Director

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



HELAL UDDIN AHMED

Director

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



MD. ARIF AL ISLAM

Director

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

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



ANISUDDIN AHMED KHAN

Independent Director

Mr. Anisuddin Ahmed Khan (Anis A Khan) is a distinguished banker and financial professional of Bangladesh. In addition to involvement with Summit and a number of its group of companies, he serves as a Director of ACI Limited, ACI Motors Limited and Central Counterparty Bangladesh Limited (CCBL). He is an Independent Director of Trust Bank Limited, Berger Paints Bangladesh Limited (BPBL) and Summit Alliance Port Limited (SAPL). In addition, he serves as Independent Director of Ananta Apparels Limited and Director of W&W Grains. He is Advisor to the Board of Tyser Risk Management Bangladesh Limited (TRMBL), a subsidiary of Tysers UK. He is an Adjunct Professor at the School of Business of the Independent University Bangladesh (IUB).

A Fellow of the Institute of Bankers Bangladesh (IBB), he has had 39 years of experience and training in banking and related fields. Mr. Khan, after serving Standard Chartered Bank (SCB) and its predecessor banks for 21 years, went on to head IDLC Finance Limited, the country's largest (non-banking) financial institution as its CEO & Managing Director. Later he joined Mutual Trust Bank Limited (MTB) in 2009 as the Managing Director & CEO and retired in 2019 having reached the statutory retirement age. He serves as Chairman of Valor of Bangladesh, Senior Vice President of MCCI Dhaka and Trustee, Board Member of the British Business Group in Bangladesh.

Mr. Khan has LL.B. (Honors) and LL.M. (First Class First) degrees and a Diploma in French (First Class) from the University of Dhaka. He has attended training courses on leadership, corporate governance and strategic management at the University of Cambridge, UK; INSEAD, France; University of California, Berkeley, USA and at the London School of Economics, UK.



JUNAYED AHMED CHOWDHURY

Independent Director

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

2.3 OUR DIRECTORS IN OTHER BOARDS

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

2.4 SENIOR EXECUTIVES OF THE COMPANY



ENGR. MD. MOZAMMEL HOSSAIN

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

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

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



ENGR. MD. SOLAIMAN PATWARY

Senior General Manager
(Operation & Maintenance)



ENGR. MD. ABDUS SOBHAN

Senior General Manager
(Operation & Maintenance)

Engr. Md. Abdus Sobhan is an Electrical Engineer, graduated from BUET in 1977 and secured 1st Class. He completed his MBA in Finance & Banking. He is a fellow of The Institution of Engineers, Bangladesh. Before joining to Summit in 2000, Mr. Sobhan had 20 years of experience in different Government, Semi-Government and Private organisations at home and abroad. In 1977, he started his career from Khulna Engineering College as a Lecturer in Electrical Engineering Department. He had 18 years of experience in 450 MW steam, gas turbine power plants and seawater desalination plants in the Secretariat of Electricity under the Government of Libya. During last 20 years of service at SPL, Mr. Sobhan has actively participated in different areas of power sector such as planning, installation, testing, commissioning, operation and maintenance of power plants. He retired from the Company in November 2020 and served the Company as an Adviser up to March 2021.



ENGR. A. K. M. ASADUL ALAM SIDDIQUE

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

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

As Summits' Financial Controller & Company Secretary, Mr. Pal is responsible for financial reporting, treasury management, budgeting, project financing and compliance with statutory and regulatory bodies. He has over 16 years of professional experience in finance, accounts, audit and secretarial field. Mr. Pal is a qualified Chartered Accountant under The Institute of Chartered Accountants of Bangladesh (ICAB) and completed his article-ship on Chartered Accountancy from Rahman Rahman Huq (the member firm of KPMG International in Bangladesh). He received his MBA and BBA degrees in Accounting & Information Systems (AIS) from University of Dhaka. He joined Summit in September 2009. Before promoting to the current position, Mr. Pal initially worked as Manager - Internal Audit, Assistant General Manager - Internal Audit and then Deputy Financial Controller in Summit Power Limited and its subsidiaries. During his rich career, he had attended different trainings, seminars and officially visited many countries e.g. Singapore, Indonesia, England, Italy and Finland.



SWAPON KUMAR PAL FCA

Financial Controller &
Company Secretary



ENGR. MD. NAZMUL HASAN

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

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

**KASHFIA NAZNEEN FIRDOUS**

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

Ms. Kashfia Nazneen Firdous is an audit and finance professional with more than 14 years of experience, specializing in internal audit and compliance. She began her career in 2007 as an external auditor with Ernst & Young, LLP in USA, one of the global big four audit firms, with mostly real estate clientele. After returning to Bangladesh in 2008, she has developed and headed the internal audit and risk management functions of GlaxoSmithKline Bangladesh Limited, one of the largest pharmaceuticals in the world and later developed the Internal Audit function at icddr, an international leader in public health research. Before joining Summit, she was in a Senior Compliance Analyst role in Chevron Bangladesh, a leader in global oil and gas industry, as a Sarbanes-Oxley (SOX) assessor & business process analyst. Kashfia completed her Bachelor's in both Accounting and Philosophy from Ohio Wesleyan University in USA. She holds international training in Fraud Identification Assessment, Fraud & Forensic Accounting, Quality Audit and External Audit & Assurance. She has long-standing membership in international organisations such as The Institute of Internal Auditors (IIA) and Ernst & Young Alumni Association. She has also trained many employees extensively on Business Ethics, Internal Audit and Risk Management throughout her career.

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

**TOFAYEL AHMED FCA**

Deputy General Manager
Finance & Accounts

**ENGR. S. M. ALI AHSAN**

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

Engr. S. M. Ali Ahsan completed his graduation in Mechanical Engineering Department from Khulna University of Engineering & Technology (KUET) in 1999. He obtained his MBA degree major in Finance from Jahangirnagar University and PGDM (Post Graduate Diploma in Management) from Bangladesh Open University. He is a life fellow member of The Institution of Engineers, Bangladesh (IEB). He has 21 years' experience in Operation & Maintenance, Project Implementation and Administration of power plants in SPL .

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

**ENGR. MD. HAFIZ AL ATICK**

Deputy General Manager,
Development, O&M and
Head of Electrical

Engr. Md. Hafiz Al Atick obtained degree in Electrical & Electronics Engineering (EEE) from Khulna University of Engineering and Technology (KUET). Mr. Hafiz Al Atick started his professional career in a reputed pharmaceutical company in 2003. In 2004, he joined in Summit Power Limited he has been involved in project development works, erection and commissioning of gas based 14.5 MW and 34.92 MW plants designed by Wärtsilä engines in Chandina and Ashulia. He performed project development works, erection and commissioning of 102 MW and 55MW Heavy Fuel Oil (HFO) based power plant in Narayanganj including electrical design powered by 18V46GD engine. Completed planning, development, erection and commissioning of Electrical and Mechanical system along with preparation of technical BOQ and procurement of the auxiliary equipment and machineries for the projects. The experiences of Mr. Atick, also covers the area of Operation, schedule and un-scheduled maintenance of various gas and HFO-based power plants and electrical design of MV, HV and LV systems of power plant. Recently, he has deployed for development works of new and ongoing IC engine based projects of the company.

Mr. Rahmat E Rabbi has obtained his M. Com with major in Accounting from University of Rajshahi and CMA (Inter) from ICMA. Presently he is serving as an Assistant General Manager, Finance and Accounts and Corporate Taxes at Summit Power Limited. He joined at Summit in 2008 and before Summit, Mr. Rabbi had 16 years of experience in different sectors such as pharmaceuticals, cosmetics manufacturing and USAID funded health projects in finance management. Mr. Rabbi attended various trainings, workshops and seminars at both home and abroad.

**RAHMAT E RABBI**

Assistant General Manager
Finance and Accounts, and
Corporate Taxes

**MEER MD. MOHOSHIN**

Assistant General Manager
Insurance and Administration

Mr. Meer Md. Mohoshin has completed his MBA and BBA with major in Management from the University of Chittagong. He is responsible for securing insurances for all of the power plants and administrative works in head office of SPL. He has vast hands-on experience on administration and insurance affairs for 21 years in different local businesses as well as in MNCs such as Banglalink, Akij, Partex and the City Group. He participated in many trainings at home and abroad relating to General Insurances including England, Switzerland, etc. He is a Corporate Badminton Champion. In 2019, he became a Champion in a tournament arranged by the Bangladesh High Commission in Singapore.

2.5 MANAGERS OF THE COMPANY



Engr. Bishwajit Saha

Plant Manager
Madhabdi Power Plant
Unit I & II

Engr. Bishwajit Saha has about 25 years of professional experience in Erection, Commissioning and Operation & Maintenance of Power Plants. Since 1998, he has been serving at Ashulia, Maona and Madhabdi Power Plants of SPL. He completed his B.Sc. Engineering (EEE) and has in-depth training on G3616 LB Gas Engine Control System and Power Plant (Gas) Electrification from Caterpillar Training Academy and Wärtsilä Training Academy.



Engr. Mohammed Shameem

Plant Manager
Chandina Power Plant
Unit I & II

Engr. Mohammed Shameem has about 35 years of professional experience in instrumentation, Commissioning, operation and maintenance of power plants and Information Communication Technology (ICT) both in government and private sectors. He has been serving SPL since 2008 at Jangalia and Chandina Power Plants. Earlier, he served Bangladesh Rural Electrification Board (BREB) as an Assistant Engineer for more than 21 years. He completed his B.Sc. Engineering (EEE). He visited for work and training in India, Sri-Lanka, Malaysia, Indonesia and Singapore.



Engr. Md. Anisur Rahman

Plant Manager
Jangalia Power Plant

Engr. Md. Anisur Rahman is a Mechanical Engineer and has about 25 years of professional experience in operation and maintenance of power plants. He has been serving SPL since 2005 at Madhabdi, Ashulia and Jangalia power plants. He completed his MBA in Finance and B.Sc. in Mechanical Engineering. He achieved Certificate of Competency Class-3 from Marine Department, Hong Kong. He has extensive training on power plant operation and maintenance from Wärtsilä Training Academy, Finland and Personal Safety & Social Responsibility from the National Maritime Academy, Singapore.



Engr. Md. Abu Hanif

Plant Manager
Maona Power Plant

Engr. Md. Abu Hanif has been part of the team to install and commission Summit's different power plants since his joining SPL in 2007. Prior to it, he worked at Apollo Ispat Complex Ltd and Abul Khair Steel Products Ltd. His training portfolio is enriched with various trainings like – Power Plant Management and Basic Wärtsilä Engines Automation and Control System conducted by Wärtsilä Training Academy, Finland. He completed his MBA from University of Information Technology and Science, and B.Sc. in Electrical and Electronic Engineering from Chittagong University of Engineering and technology (CUET).



Engr. Md. Anwarul Iqbal Sheikh

Plant Manager
Rupganj Power Plant

Engr. Md. Anwarul Iqbal Sheikh has 17 years of experience in engineering. He joined SPL on 2010 and has implementing 33 MW Maona Power Plant. He completed his graduation in Electrical and Electronic Engineering (EEE) from Khulna University of Engineering and Technology (KUET). He had training on Power Plant Electrification Course, Speed Measurement Control & Excitation Control System and Customised Power Plant Management from Wärtsilä Training Academy, Finland and India.



Engr. Santosh Barai

Plant Manager
Ashulia Power Plant
Unit I & II

Engr. Santosh Barai completed his graduation in Electrical and Electronic Engineering (EEE) from Khulna University of Engineering and Technology (KUET) in 2006. Later he completed his MSc in Computer Science and Engineering from the Jahangirnagar University in 2021. He has 15 years of experience in the field of Operation and Maintenance, Project Management and Administration in Ullapara, Chandina and Rupganj power plants of SPL. He started his career as Production and Maintenance Engineer at Crescent Chemical Limited (a sister concern of Opsonin Group). He is a member of The Institution of Engineers, Bangladesh (IEB).



Engr. Md. Faridul Islam

Plant Manager
Narayanganj Power Plant
Unit I

Engr. Md. Faridul Islam completed his graduation in Electrical & Electronic Engineering (EEE) from Khulna University of Engineering and Technology (KUET). During his 19 years of career in engineering, he worked at our Chandina, Maona and Narayanganj power plants at different capabilities. He has professional trainings on Automation, Instrumentation and Control Engineering on Wärtsilä Engines, PLC I/O Logic, Automation & Control of Power Plant & Engines from Wärtsilä Training Academy, Finland.



Engr. Mohammad Omar Sharif

Plant Manager
Gazipur II Power Plant

Engr. Mohammad Omar Sharif completed his graduation in Electrical & Electronic Engineering (EEE) from Dhaka University of Engineering & Technology (DUET) in 2008. He obtained his MBA with major in Human & Resource from Comilla University. He has 13 year experience on operation, maintenance, project implementation, commissioning and administration of power plants. He was involved in the 120 MW Barisal Power Plant development and fast track project of 307 MW Gazipur II Power Plant. He had participated in various technical and management trainings at home and abroad in his service tenure in Summit.



Engr. Asif Ahammad

Plant Manager
Narayanganj Power Plant Unit II

Engr. Asif Ahammad, has 14 years of experience. He completed his Bachelor of Science (BSc) in Electrical and Electronic Engineering (EEE) from Khulna University of Engineering and Technology (KUET) and Master of Business Administration (MBA) in Finance and Banking from Jahangirnagar University. After working with Winne Electro-Trade Ltd., Mr. Ahammad joined with Summit in 2008. He visited India and China as official tour of the Company.



Engr. Md. Shamsul Arefin

Plant Manager
Ace Alliance Power Plant

Engr. Md. Shamsul Arefin completed his graduation in Electrical Engineering (EEE) from the Ahsanullah University of Science and Technology (AUST) in 2007. He has almost 14 years of experience on operation, maintenance, project procurement, project implementation and administration of power plants in SPL. He started his career at Madhabdi Power Plants in the year of 2008. Later, he worked as Maintenance Engineer in different plants. He was part of the team responsible for implementation and commissioning of 149 MW Summit Ace Alliance Power Plant. He was also an active member for the implementation and commissioning of Summit Barisal Power Plant in 2016.



Engr. Md. Abubakar Siddique

Plant Manager
Gazipur II Power Plant

Engr. Md. Abubakar Siddique completed his graduation in Electrical and Electronic Engineering (EEE) from Khulna University of Engineering and Technology (KUET) in 2008. He has 13 years' experience in operation, maintenance, project implementation, commissioning and administration of power plants in Summit. He started his career at Chandina Power Plant and has been working in SPL since 2008. He was involved in the 63 MW Narayanganj Power Plant Unit II development and fast-track project of 307 MW Gazipur II Power Plant for its implementation and successfully commissioning in record a period of nine months. He has participated in various technical and management trainings in his service tenure in Summit in Bangladesh and abroad.



Engr. Md. Arifur Rahman Chowdhury

Plant Manager
Ullapara Power Plant

Engr. Md. Arifur Rahman Chowdhury has about 13 years of professional experience in operation and maintenance of power plants. Since 2009 he has served at Maona, Rupganj and Ullapara Power of Summit. He completed his B.Sc. Engineering (EEE) from Khulna University of Engineering and Technology (KUET) and has in-depth training on Advanced PLC (SIEMENS S7-200 & S7-300 PLC) and Microcontroller and its application.



Engr. Fakir Mahadi Hasan

Plant Manager
Barisal Power Plant

Engr. Fakir Mahadi Hasan has about 16 years of professional experience in erection, commissioning, operation and maintenance of power plant with a very good academic record. He completed his B.Sc. Mechanical Engineering from Khulna University of Engineering and Technology (KUET). Before joining SPL, he worked in Wärtsilä Bangladesh Limited and Khulna Power Company Limited. He has in-depth training in W36 Power Plant and Turbocharge operation and maintenance.



Md. Shahidul Islam Khan

Manager - HR &
Administration

Mr. Md. Shahidul Islam Khan has about 30 years of professional experience in banking, oil & gas and in power generation sectors in the department of investment, foreign exchange and HR & Administration. Since 1992, he has served in The City Bank Limited, Al-Baraka Bank Limited, Kuwait Bahrain Money Exchange Co. (Kuwait), Cairn Energy PLC, Shell Bangladesh Exploration and Development B.V. Mr. Khan is serving SPL for more than 20 years. He completed his M.Sc. and MBA (HRM). He has training on Energy Meter Testing and Calibration from India.



Md. Abu Naser

Manager, Development

Mr. Naser has 20 years of experience and diverse knowledge in the power sector and in-depth understanding of documentation works related to projects. He started his career with Scholastica in 1995. He completed his B.S.S. (Hons.), MSS in Economics in University of Dhaka and completed MBA with a major in Management Information System (MIS) in 2001, obtained LL.B degree. He is Advocate in the Dhaka Bar Association. He has taken training in Project Financial Modeling related to the Power Sector from IDCOL. He holds a Diploma in Computer Science and a Postgraduate Diploma in HRM. He is a Life Member of Economics Association of Bangladesh. He received training from China, Thailand and India.



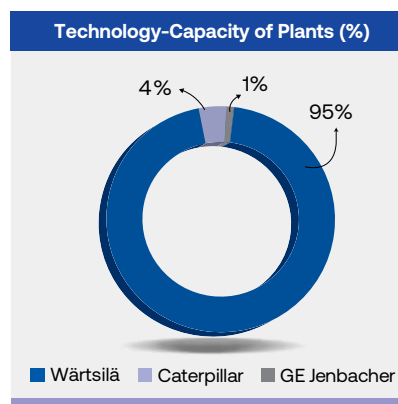
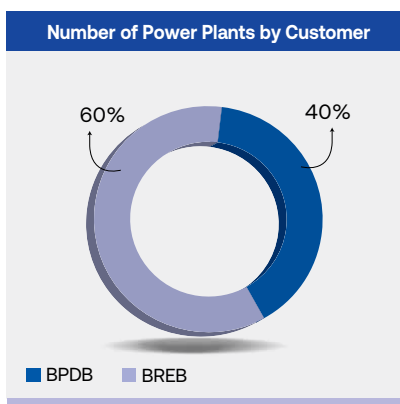
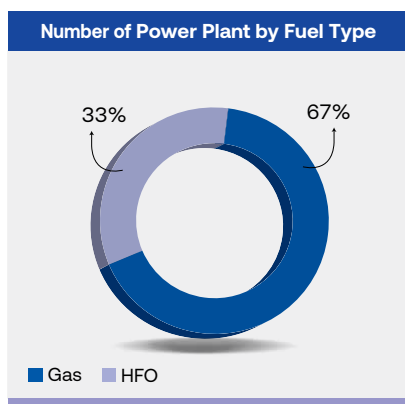
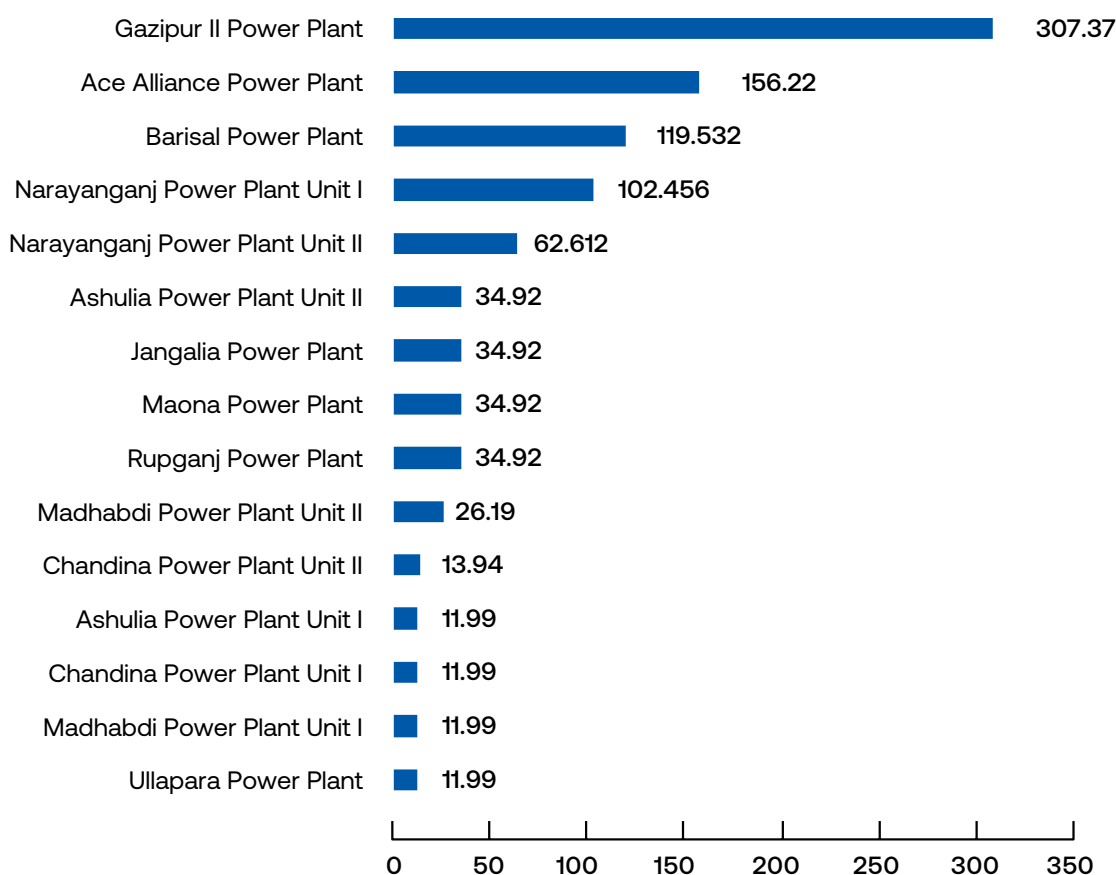
Seekander Nabi-Noor Ahmed

Manager - Procurement,
Inventory & Commercial

Mr. Seekander Nabi-Noor Ahmed has almost 12 years of experience in Supply Chain Management. For almost 5 years, he is working at SPL in procurement, inventory and commercial department. Prior to joining Summit, he worked at OTOBI Limited and CEAT Bangladesh Limited. After joining with Summit as a key user of inventory module of Microsoft Dynamic NAV, ERP implementation project, his responsibilities later extended to inventory management, commercial department works and procurement. He has a B.Sc. in Mechanical Engineering from BUET and an MBA with major in finance from Ahsanullah University of Science and Technology (AUST). He has training experience on Production Process, SCM, TQM and ISO.R

2.6 PERFORMANCE REVIEW OF OUR PLANTS BY VARIOUS SEGMENTATION

Power Plant by Installed Capacity (MW)



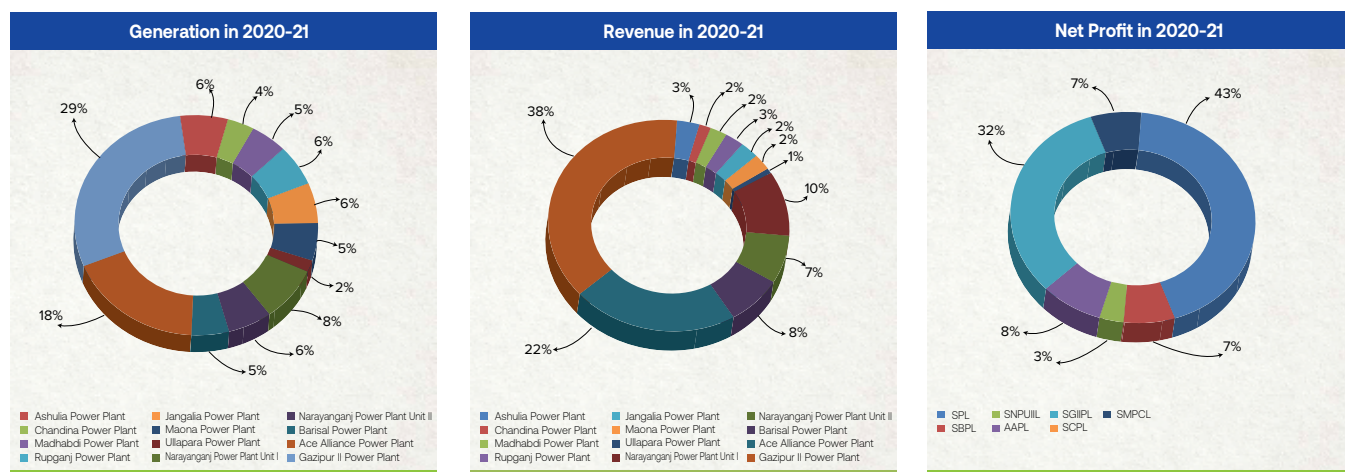
Power Plant Details

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

The Commercial Operation Date (COD) and Tenure of the Power Purchase Agreements (PPAs) including other details are available in **Notes - 1.2** of the Audited Financial Statements.

Energy Sold (Mwh)

Plants	2020-21	2019-20	2018-19	2017-18	2016-17
Ashulia Power Plants (Unit I & II)	277,912	258,605	270,876	271,261	246,245
Chandina Power Plants (Unit I & II)	156,218	142,760	145,673	156,848	160,883
Madhabdi Power Plants (Unit I & II)	212,754	203,208	217,342	230,473	219,169
Rupganj Power Plant	262,059	253,247	248,683	254,223	244,446
Jangalia Power Plant	258,258	208,182	184,660	210,430	194,552
Maona Power Plant	242,700	255,481	250,189	250,152	256,840
Ullapara Power Plant	74,934	72,690	70,662	66,311	69,292
Narayanganj Power Plant Unit I	353,336	223,124	204,835	315,072	463,063
Narayanganj Power Plant Unit II	259,502	96,813	195,646	298,586	254,069
Barisal Power Plant	218,609	191,397	360,597	531,945	710,876
Ace Alliance Power Plant	791,750	403,952	431,046	-	-
Gazipur II Power Plant	1,280,253	365,298	671,643	198,398	-
Total	4,388,284	2,674,757	3,251,852	2,783,699	2,819,435



Plant Wise Financial Performance FY 2020-21

Name of the Company	Name of Plants	Generation (MWH)	Revenue (In million BDT)	Operating Profit (In million BDT)	Net Profit (In million BDT)	Capital Employed (In million BDT)
Summit Power Limited	Ashulia Power Plant (Unit I & II)	277,912	1,189	3,609	3,656	2,269
	Chandina Power Plant (Unit I & II)	156,218	615			1,344
	Madhabdi Power Plant (Unit I & II)	212,754	896			1,763
	Rupganj Power Plant	262,059	991			1,613
	Jangalia Power Plant	258,258	985			1,676
	Maona Power Plant	242,700	945			1,699
	Ullapara Power Plant	74,934	308			673
	Narayanganj Power Plant Unit I	353,336	3,909			5,567
Summit Narayanganj Power Unit II Limited	Narayanganj Power Plant Unit II	259,502	2,942	430	267	2,952
Summit Barisal Power Limited	Barisal Power Plant	218,609	3,049	836	571	5,575
Ace Alliance Power Limited	Ace Alliance Power Plant	791,750	8,779	1,180	684	7,336
Summit Gazipur II Power Limited	Gazipur II Power Plant	1,280,253	15,053	3,295	2,688	14,515
Common Assets	All Companies	-	-	-	-	3,658
Summit Meghnaghat Power Company Limited	N/A	N/A	N/A	-	563	
Total		4,388,284	39,661	9,350	8,429	50,638

The analysis of the Company performance has been elaborated in the 'Highlights of Financial Performance' section in the Directors' Report. Observing the plant-wise financial performance as shown above, the percentage of revenue of all gas-based power plants is 43% in comparison to HFO-based power plants with 57%, excluding where HFO is accounted as fully pass-through item. Moreover, the percentage of net profit of all gas-based power plants is 42% compared to 58% from HFO-based power plants, again when excluding HFO as fully pass-through item.

GAZIPUR II POWER PLANT

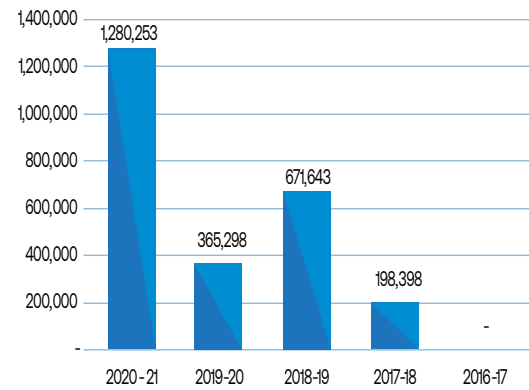


Engine Type: Wärtsilä, 18V46 X 18

Installed Capacity (MW)

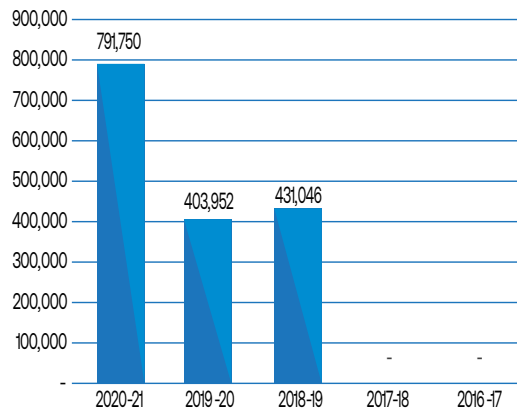
307.37MW

Energy Sold (MWH)



ACE ALLIANCE POWER PLANT

Energy Sold (MWH)



Installed Capacity (MW)

156.22MW

Engine Type: Wärtsilä 18V50 X 8

Engine Type: Wärtsilä 20V32 X 1

BARISAL POWER PLANT

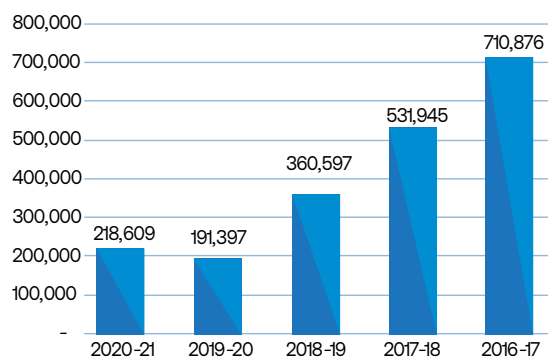


Installed Capacity (MW)

119.532MW

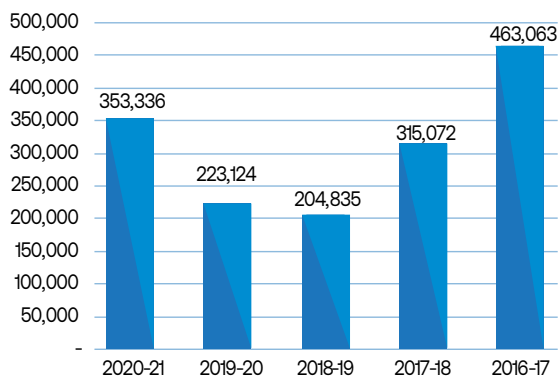
Engine Type: Wärtsilä 18V46 X 7

Energy Sold (MWH)



NARAYANGANJ POWER PLANT UNIT I

Energy Sold (MWH)



Installed Capacity (MW)

102.456MW

Engine Type: Wärtsilä 18V46GD X 6

NARAYANGANJ POWER PLANT UNIT II

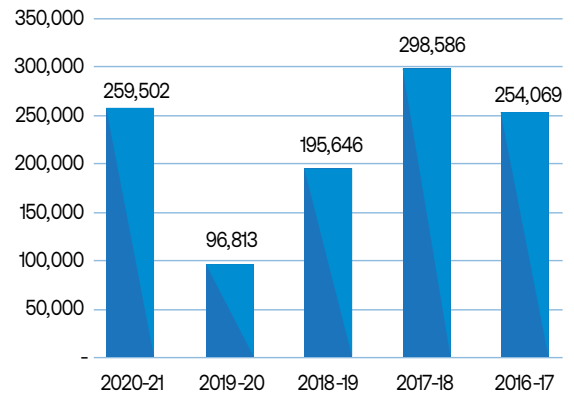


Engine Type: Wärtsilä 18V46 X 3
Engine Type: Wärtsilä 12V46 X 1

Installed Capacity (MW)

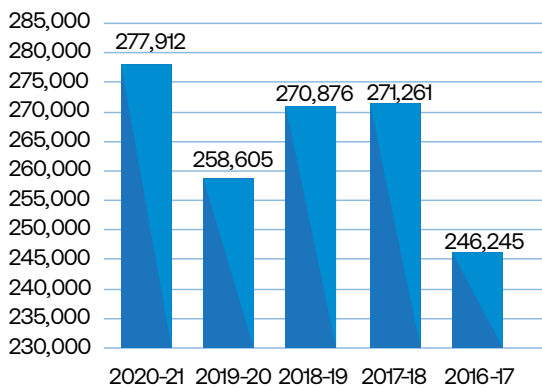
62.612 MW

Energy Sold (MWH)



ASHULIA POWER PLANT UNIT I & II

Energy Sold (MWH)



Installed Capacity (MW)

46.91 MW

Engine Type: Caterpillar G3616 X 4
Engine Type: Wärtsilä 20V34SG X 4

MADHABDI POWER PLANT UNIT I & II

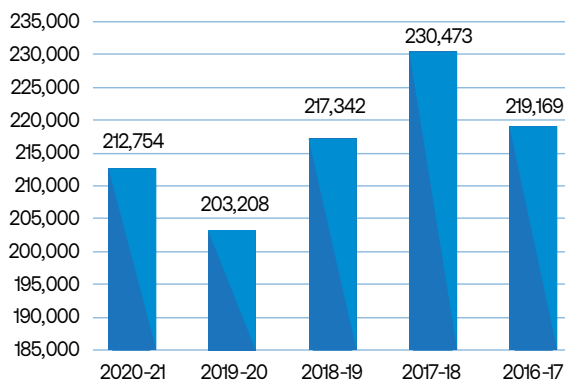


Engine Type: Caterpillar G3616 X 4
 Engine Type: Wärtsilä 20V34SG X 3

Installed Capacity (MW)

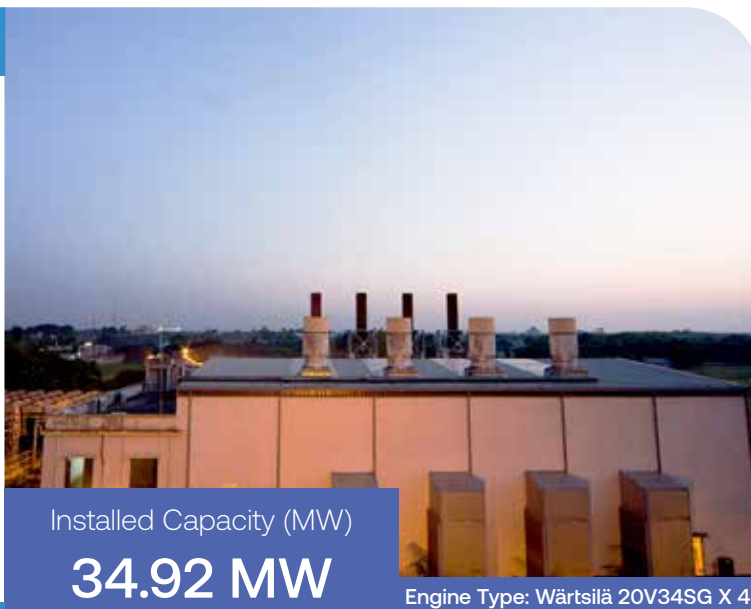
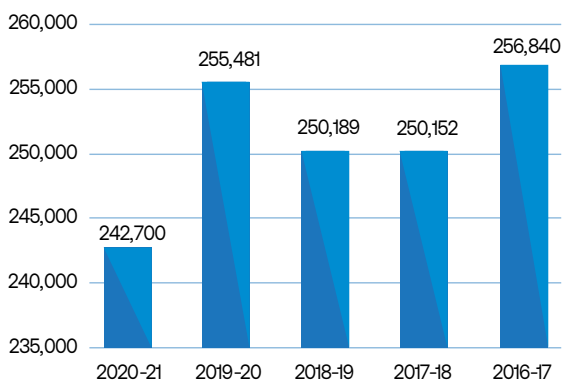
38.18 MW

Energy Sold (MWH)



MAONA POWER PLANT

Energy Sold (MWH)



Installed Capacity (MW)

34.92 MW

Engine Type: Wärtsilä 20V34SG X 4

RUPGANJ POWER PLANT

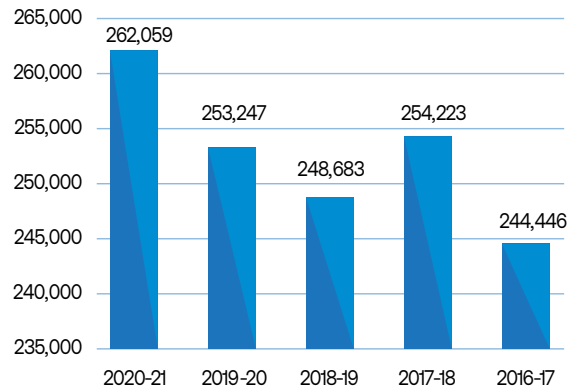


Engine Type: Wärtsilä 20V34SG X 4

Installed Capacity (MW)

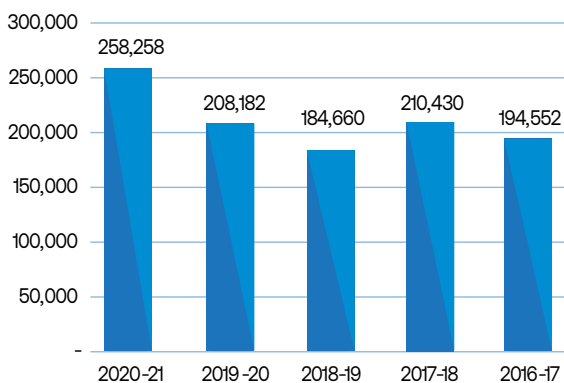
34.92 MW

Energy Sold (MWH)



JANGALIA POWER PLANT

Energy Sold (MWH)



Installed Capacity (MW)

34.92 MW

Engine Type: Wärtsilä 20V34SG X 4

CHANDINA POWER PLANT UNIT I & II

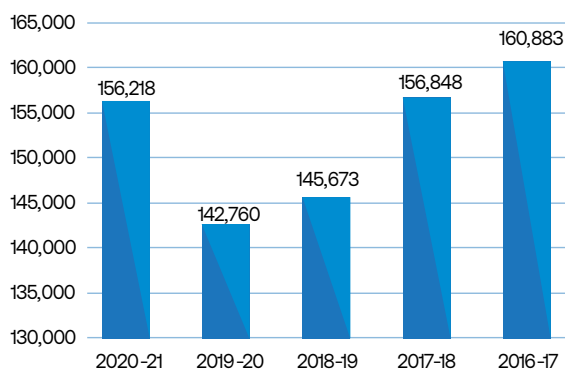


Engine Type: Caterpillar G3616 X 4
 Engine Type: Wärtsilä 16V34SG X 2

Installed Capacity (MW)

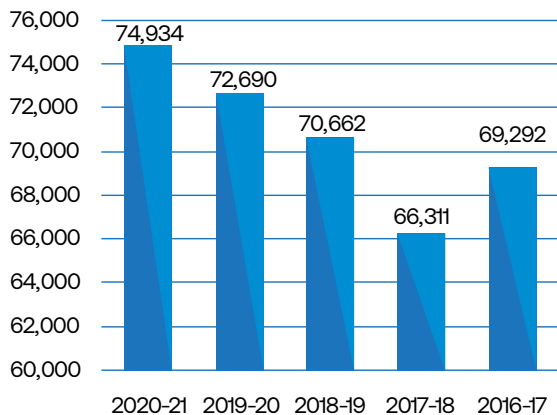
25.93 MW

Energy Sold (MWH)



ULLAPARA POWER PLANT

Energy Sold (MWH)



Installed Capacity (MW)

11.99 MW

Engine Type: GE JGS620NL X 4

2.7 HONOURABLE CUSTOMERS AND REGULATORS

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

THE CUSTOMERS



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



Bangladesh Rural Electrification Board (BREB) has been providing service to rural consumers of the country since its inception for improving agricultural production and enhancing socio-economic development in rural areas. Today there are 80 numbers of operating rural electric cooperatives called Palli Bidyuit Samity (PBS), which provide service to approximately 2,99,56,097 consumers. BREB has constructed more than 5,37,026 kms of line. (www.reb.gov.bd)

THE REGULATORS

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

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



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



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



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



বাংলাদেশ সিকিউরিটিজ এক্সচেঞ্জ কমিশন

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



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



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



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



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



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



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



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

2.8 CORPORATE DIRECTORY

BOARD OF DIRECTORS

Mr. Muhammed Aziz Khan
Chairman

Mr. Md. Latif Khan
Vice-chairman

Mrs. Anjuman Aziz Khan
Director

Mr. Jafer Ummeed Khan
Director

Mr. Md. Farid Khan
Director

Ms. Ayesha Aziz Khan
Director Finance

Mr. Faisal Karim Khan
Director

Ms. Azeeza Aziz Khan ACCA
Director

Mr. Syed Fazlul Haque FCA
Director

Mr. Faruq Ahmad Siddiqi
Independent Director

Mr. Anisuddin Ahmed Khan
Independent Director

Mr. Junayed Ahmed Chowdhury
Independent Director

Mr. Helal Uddin Ahmed
Director

Mr. Md. Arif Al Islam
Director

Lt Gen Engr Abdul Wadud (Retd)
Managing Director

COMPANY SECRETARIAT

Mr. Swapon Kumar Pal FCA
Financial Controller & Company Secretary

Mr. Tofayel Ahmed FCA
Deputy General Manager (Finance & Accounts)

Mr. Rahmat-e-Rabbi
Assistant General Manager (Finance and Accounts, and Corporate Taxes)

AUDIT COMMITTEE

Mr. Faruq Ahmad Siddiqi, *Chairman*

Mr. Faisal Karim Khan, *Member*

Ms. Azeeza Aziz Khan ACCA, *Member*

Mr. Syed Fazlul Haque FCA, *Member*

NOMINATION AND REMUNERATION COMMITTEE

Mr. Anisuddin Ahmed Khan, *Chairman*

Mr. Jafer Ummeed Khan, *Member*

Mr. Md. Farid Khan, *Member*

REGISTERED OFFICE

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

Phone: [+8802] 55012255-59, Fax: 55012260

Email: spl.investorrelations@summit-centre.com

Web: www.summitpowerinternational.com/SPL

GROUP HEAD OF INTERNAL AUDIT

Ms. Kashfia Nazneen Firdous
GM & Group Head of Internal Audit, Compliance & Reporting

STATUTORY AUDITORS

A. Qasem & Co., Chartered Accountants
(Member firm of ECOVIS International)

Rahman Rahman Huq, Chartered Accountants
(Member firm of KPMG International)

Mak & Co., Chartered Accountants
(Member Firm of Santa Fe Associates International, USA.)

CORPORATE GOVERNANCE AUDITORS

Mak & Co., Chartered Accountants
(Member Firm of Santa Fe Associates International, USA.)

LEGAL ADVISOR

Mr. Mahmood Jabbar Khan
Barristers & Advocates

GROUP COMPANIES OF SPL

Summit Barisal Power Limited (SBPL)
Summit Narayanganj Power Unit II Limited (SNPUILL)
Summit Gazipur II Power Limited (SGIIPL)
Ace Alliance Power Limited (AAPL)
Summit Chittagong Power Limited (SCPL)

FIFTEEN POWER PLANTS OF SPL

Ashulia Power Plant Unit I	Ashulia Power Plant Unit II
Chandina Power Plant Unit I	Chandina Power Plant Unit II
Madhabdi Power Plant Unit I	Madhabdi Power Plant Unit II
Rupganj Power Plant	Jangalia Power Plant
Maona Power Plant	Ullapara Power Plant
Narayanganj Power Plant Unit I	Narayanganj Power Plant Unit II
Barisal Power Plant	Ace Alliance Power Plant
Gazipur II Power Plant	

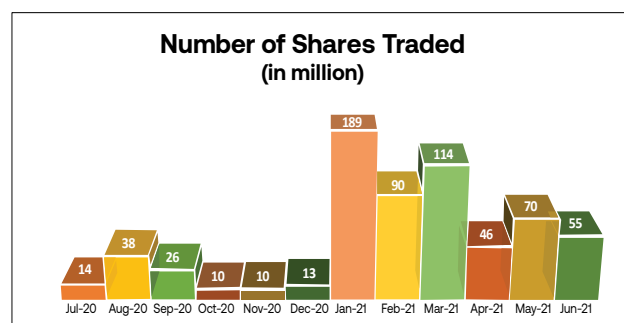
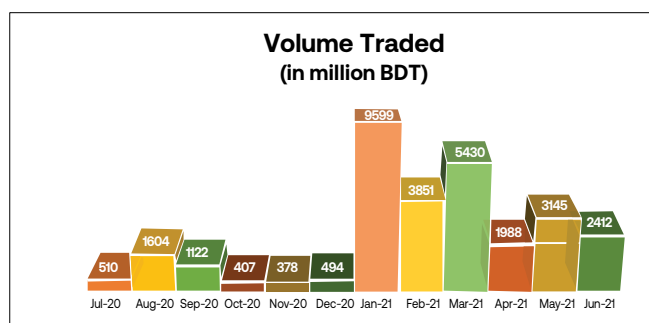
FINANCERS AND MAIN BANKERS

Sumitomo Mitsui Banking Corporation (SMBC)
Clifford Capital Pte Ltd
Islamic Corporation for the Development of the Private Sector (ICD)
The OPEC Fund for International Development (OFID)
Deutsche Investitions- und Entwicklungsgesellschaft mbH (DEG)
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V. (FMO)
Infrastructure Development Company Limited (IDCOL)
Standard Chartered Bank
Dutch Bangla Bank Limited
Brac Bank Limited
The City Bank Limited
Bank Asia Limited
Eastern Bank Limited
IPDC Finance Limited
Bangladesh Commerce Bank Limited
NRB Bank Limited
Bangladesh Infrastructure Finance Fund Limited (BIFFL)
Meghna Bank Limited
Dhaka Bank Limited

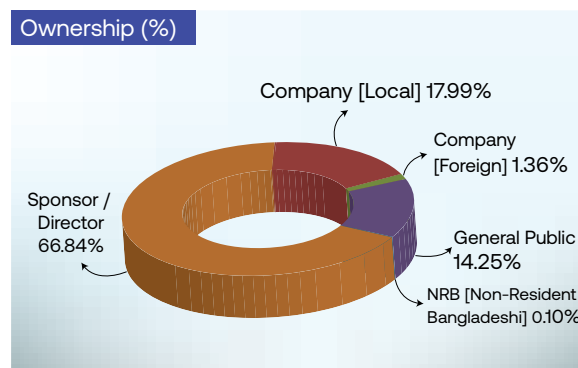
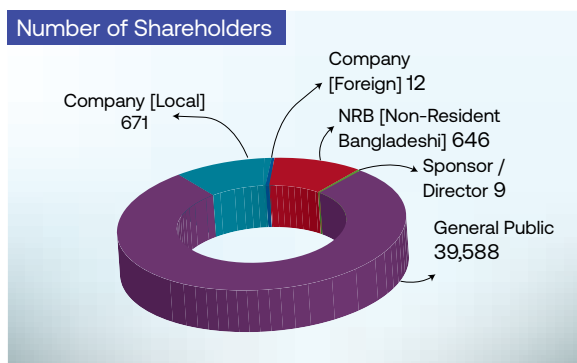
2.9 PATTERN OF SHAREHOLDING

A. The Pattern of Shareholding as on 30 June 2021 of Sponsors and Directors/Top Executives

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



B. Total Shareholding Pattern



C. Top Twenty Shareholders of the Company

Sl. No.	Name	Shares	(%)
1	Summit Corporation Limited	674,792,926	63.19%
2	Euro Hub Investments Ltd.	38,940,126	3.65%
3	Investment Corp. of Bangladesh	17,360,981	1.63%
4	ICB Bond	14,197,516	1.33%
5	ICB Unit Fund	12,927,047	1.21%
6	Agrani Bank Ltd	9,305,240	0.87%
7	Mondol Fabrics Ltd	6,420,831	0.60%
8	ICB AMCL Unit Fund	6,121,603	0.57%
9	Bnmsnvaobnmoboterra Gl Op F Lp	5,973,685	0.56%
10	Bangladesh Fund	5,800,000	0.54%
11	Abdul Momin Mondol	5,013,274	0.47%
12	Janata Bank	4,284,287	0.40%
13	Pubali Bank Limited	4,250,000	0.40%
14	Abdul Alim Mondol	4,044,407	0.38%
15	Mondol Intimates Ltd.	3,654,336	0.34%
16	DBL Securities Ltd.	3,400,399	0.32%
17	Pubali Bank Securities Limited	3,000,000	0.28%
18	Key Individual	2,957,276	0.49%
19	Agrani Equity & Invest. Ltd.	2,954,291	0.28%
20	Knitex Dresses Ltd.	2,917,888	0.27%
Total		835,415,984.00	77.78%

2.10 ACCOLADES AND MEMORABLE EVENTS



Summit Power takes the 1st position at ICMAB Best Corporate Award

Summit Power Limited (SPL) has secured the first position at the ICMAB Best Corporate Award 2019 in the power generation category. This is the eight times in a row that Summit Power Limited has received this recognition from the ICMAB for excellence in corporate governance since 2012.



Summit Power Ltd awarded for Corporate Governance Excellence

Summit Power Limited (SPL) has been awarded the 7th ICSB National Award for Corporate Governance Excellence 2019. The Managing Director of Summit Power Limited (SPL) Lt Gen Abdul Wadud (Rtd) received the award from the Honorable Minister for Commerce Tipu Munshi, MP. This is the sixth time that Summit Power Limited has received this recognition from the ICSB.

Summit signs Employee Healthcare Service Agreement with BSH to Combat COVID-19



Bangladesh's largest infrastructure conglomerate, Summit Group has signed an employee healthcare service agreement with Bangladesh Specialized Hospital (BSH) to combat COVID-19. Along with Summit its partner JERA, Japan's largest energy company, have provided four ventilators and one RT-PCR Machine to BSH. Summit Corporation and Summit Holding along with its subsidiaries employ over 6,000 people.

Photo Caption (Right): Muhammed Aziz Khan, Founding Chairman of Summit Group of Companies has been hailed as one of Asia's Outstanding Leaders at the ACES Awards 2020. He was recognized by the Jury Panel for his outstanding leadership and was 1 of only 7 winners representing Singapore at this year's ACES Awards. The CEO of MORS Group, the award organiser, Shanggari Balakrishnan remarked, "Summit's infrastructure creation efforts have made them the harbingers of economic hope and prosperity." MORS Group was founded in 2012 and is managed by a board of directors from diverse backgrounds, who facilitate and play a role in promoting Asia's sustainable growth.

Muhammed Aziz Khan recognized as
Asia's Outstanding Leader
at ACES Awards 2020



"I hope to be able to care for people and lead by example. I believe I am constantly creating leaders among my family, colleagues and friends."

- Muhammed Aziz Khan

3

ENVIRONMENT, SUSTAINABILITY AND GOVERNANCE (ESG)

- | | |
|--|---|
| 3.1 Directors' Report to the Shareholders | 3.12 Statement on Risk Management and Internal Control |
| 3.2 Communications with Shareholders | 3.13 Compliance Report on IAS and IFRS |
| 3.3 Management System | 3.14 Statement of Corporate Governance |
| 3.4 Management Review and Responsibilities | 3.15 Status of Compliance with the Corporate Governance Code (CGC) |
| 3.5 Management Discussion and Analysis | 3.16 Corporate Social Responsibility (CSR) |
| 3.6 Certificate on Corporate Governance | 3.17 Environment And Sustainability Report 2020-21 |
| 3.7 Code of Conduct and Ethics | 3.18 Integrated Reporting |
| 3.8 Various Systems, Policies, Manuals and Charters | |
| 3.9 Various Committees and their Major Activities | |
| 3.10 Audit Committee Report 2020-21 | |
| 3.11 Nomination and Remuneration Committee Report 2020-21 | |

3.1 DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Owners of Summit Power Limited,

It is our pleasure and a privilege to present the Directors' Report along with the Auditor's Report and audited financial statements of Summit Power Limited (SPL) for the year ended 30th June 2021.

Quest for Admirable Leadership

As the industry pioneer, Summit considers good governance and leadership as a pivotal part of our corporate culture. Our efficiency, integrity and transparency translates to this profitable and responsible business. We have formalised governance through our adoption of policies and operating procedures. Though it is not mandatory by regulations, we have taken on Corporate Social Responsibility (CSR) activities with increased focus. We have accepted diversity of culture, gender and nationalities with open arms at all levels of management and leadership. We are also pleased to have distinguished professionals as our Independent Directors and respected Advisors.

SPL - The largest IPP in Bangladesh

Summit Power Limited (SPL) is the leading independent power producer (IPP) of Bangladesh and a publicly listed 'AAA' rated Company (trade code SUMITPOWER). SPL's associated companies within Summit Group have approximately 3 GW of electricity in operation or development within the Indian subcontinent, and operate a 500 mmcf Floating Storage and Regasification Unit (FSRU) and LNG terminal under Summit LNG Terminal Co. (Pvt.) Ltd. ("SLNG") in Moheshkhali, Cox's Bazar, Bangladesh. Summit Power Limited has been consistent in issuing dividends since its enlistment in both the Dhaka and Chittagong Stock Exchanges in 2005. Summit has received five consecutive best power plant awards from the government of Bangladesh since 2013.

Presently SPL has 976 MW installed capacity. Your Company, SPL along with its group Company is the largest

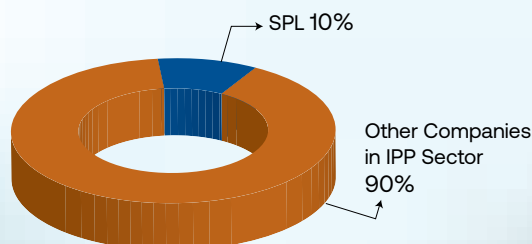
private sector power generation company in Bangladesh. In the Independent Power Producer (IPP) sector, SPL owns 10% market share equivalent to 976 MW through 15 power plants. The remaining 90% market share is owned by the 66 power plants of different companies. The sections on 'Performance Review of Our Plants by Various Segmentation' delves into the matter.

Industry Scenario and Future Outlook of Power Sector in Bangladesh

The World Bank Group has projected economic growth at 5.6% in 2021 according to its 'Global Economic Prospect, June 2021' and projects global growth to decline to 4.3% in 2022 and 3.1% in 2023. The world is experiencing the beginning of an energy crisis. Meanwhile, Bangladesh has achieved 6.1% growth rate for the FY 2020-21 and estimated 7.2% in the coming year.

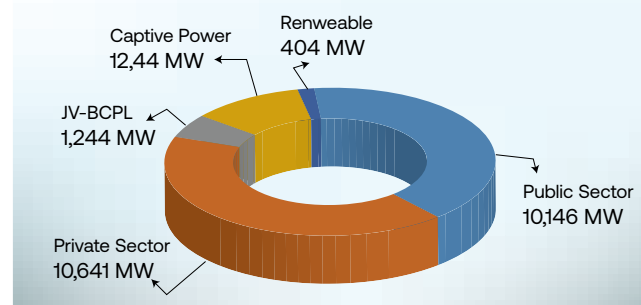
The drivers behind power demand in Bangladesh especially after the on-set of the pandemic are based on digitization of government services, proliferation of digital financial services, mechanizing agriculture, growth of the non-farm sector in rural areas and online education. Bangladesh has now highest per capita income in the Indian subcontinent and government is heavily investing on primary infrastructure development such as Padma Bridge, Dhaka Metro Rail, Terminal-3 of Hazrat Shahjalal International Airport, about one hundred economic zones, Matarbari-Moheshkhali Integrated Development Initiative (MIDI) in preparation for further industrialization. Also the demographic is transitioning into a changed lifestyle. Last year 1,687 MW capacity was added to the national grid, raising the total national generation capacity to about 25 GW.

Market Share in Private Sector



* Total Capacity in Private Sector 10,641 MW

Breakdown of the Capacity Generated by Public and Private Sectors in Bangladesh



Pie chart: Breakdown of the capacity generation by public sector, private sector, joint venture, captive power and renewable power.

The Ministry of Power, Energy and Mineral Resources has received BDT 27,484 crore allocation in the budget for the fiscal year 2021-22, which is BDT 726 crore more than the allocation in the past fiscal year. The government, keeping in mind the energy demand of 60 GW by 2041, has been working to implement adopted plans aimed at appropriate 'energy mix', distribution grids and transmission lines. This year, the government of Bangladesh approved the extension of the Quick Enhancement of Electricity and Energy Supply (Special Provision) Act 2010 for another five years till 2026 and retracted from all the coal-based power projects. For reducing the cost of generation and reduction of subsidies at various levels a new model "No electricity, No payment" has been implemented for extension of power plants after expiring of initial Power Purchase Agreement (PPA) term. Due to the strict measures taken by the government, the system loss in electricity has almost halved from 14.33% to 8.73%. SPL is an active member of Bangladesh Independent Power Producers' Association (BIPPA), the only recognized trade body with fifty-one member IPP enabling a single point of discussion with the government.

SPL has submitted a proposal to Bangladesh Power Development Board (BPDB) for a 200 MW solar power project to be developed in Chattogram. The proposal is under consideration and if approved, it would be Summit's first solar power project. The Company is also actively considering cross border import of electricity from clean sources.

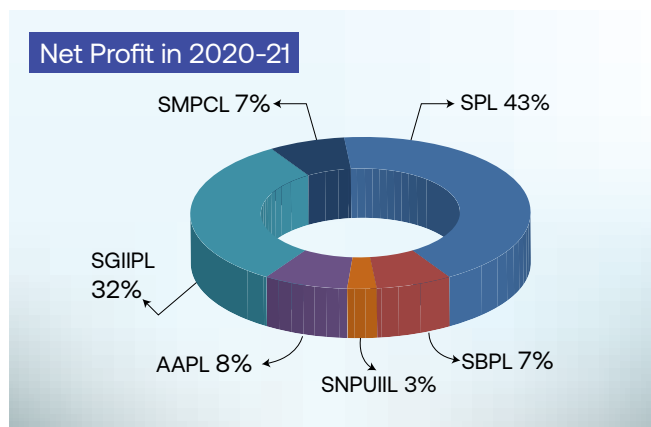
Highlights of Financial Performance

The consolidated revenue of SPL has increased by 65% over the last year due to higher power need during pandemic, while consolidated gross profit increased by BDT 98 million after meeting operating and fuel cost (HFO).

Particulars	For the year ended		Change	
	30 June 2021 (in million BDT)	30 June 2020 (in million BDT)	In Million BDT	In %
Revenue	39,661	24,031	15,630	65.04
Cost of sales	(30,087)	(14,555)	(15,532)	106.71
Gross profit	9,574	9,476	98	1.03
Other income, net	254	293	(39)	(13.31)
General and admin expenses	(478)	(507)	29	(5.72)
Operating profit	9,350	9,262	88	0.95
Finance costs, net	(1,424)	(1,032)	(392)	37.98
Share of profit of equity-accounted investee	563	328	235	71.65

Net profit before income tax	8,489	8,558	(69)	(0.81)
Income tax	(60)	(73)	13	(17.81)
Net profit after income tax	8,429	8,485	(56)	(0.66)

Table: A summary of the current and corresponding year's consolidated financial performance in million BDT.



Pie Chart: The contribution of SPL along with its subsidiaries and associate companies to its net profit after tax has been shown in the pie chart.

The brief of the financial statements and Directors' reports of all subsidiaries have been presented in the "Brief Disclosures of Subsidiaries" of the Annual Report.

The net profit attributable to the owners of the Company, however, has amounted to BDT 25,199 million over the last five years from where it has declared an accumulated cash dividend worth BDT 17,620 million up-to and for the year ended on 30th June 2021 i.e. 70% of the profit earned through operation has been declared as cash dividend. Additional operating and financial data, and analytical reviews have been presented in the "Financial Highlights 2020-21", "Business Review 2020-21" and "Financial Review 2020-21" sections of the Annual Report. Also, a discussion on Cost of Goods Sold, Gross Profit Margin and Net Profit Margin has been elaborated in the "Financial Review 2020-21" section.

SPL and its subsidiaries companies operate fifteen power plants of its own, another three plants with co-ownership (17.64%) of Khulna Power Company Limited (KPCL) and 30% of Summit Meghnaghat Power Company Limited (SMPCL). The Company has earned a dividend worth BDT 1,945.24 million from KPCL and also recorded profit sharing from SMPCL of BDT 3,731.55 million since their acquisition.

Foreign Investment

SPL and its subsidiaries are financed by renowned institutional investors and financiers such as Clifford Capital Pte. Ltd, Sumitomo Mitsui Banking Corporation (SMBC), Infrastructure Development Company Limited (IDCOL), Islamic Corporation for the Development of the Private Sector (ICD) and The OPEC Fund for International Development (OFID).

Declaration of Dividend and Profit Appropriation

Dividend

The Board of Directors of the Company recommended a cash dividend amounting to BDT 3,737,570,337 being 35% of the paid-up capital i.e. BDT 3.50 per share for the year ended 30th June 2021 at its board meeting held on 26th September 2021. The dividend is subject to approval of the shareholders in the Annual General Meeting (AGM) scheduled to be held on 5th December 2021.

During the FY 2020-21, the net profit attributable to owners of the Company amounted to BDT 5,605 million. Company's financial situation for the year ended 30th June 2021 for appropriation is as follows:

Particulars of Profit Appropriation	Amount in Million BDT	
Net profit for the year	5,605	
Profit brought forward	12,803	
Profit available for appropriation		18,408
Appropriations:		
Proposed final cash dividend	3,738	
Total appropriation for the year		(3,738)
Transferred to retained earnings		14,670

Unclaimed Dividend

According to BSEC Directive No BSEC/CMRRCD/2021-386/03 dated 14th January 2021, SPL has transferred BDT 1,58,13,458 to the Capital Market Stabilization Fund (CMSF) for and up-to the financial year ended on 30th June 2017 and the rest of the amounts payable to shareholders has been published through the 'Investor Relations' section of the Company website. A summary of the unclaimed dividend has also been presented in the Annual Report under section 'Other Disclosures'.

Our Concerns

High and complex Corporate Tax structure

The Company is hopeful that in the upcoming National

Budget, the government may consider a more investment-friendly and simpler corporate taxation policy that will ensure sustainability of the industry and its stakeholders.

Digitize Service from Regulators

Digitalized services necessary for smooth and speedy delivery for service support by concerned regulators will enhance further efficiency in the sector.

Corporate Governance

The Company has adopted the 'Code of Conduct and Ethics' and 'Corporate Governance Code (CGC)' in 2011 and Code of Conduct of Chairperson, Board of Director and Chief Executive Officer/Managing Director in 2021 as disclosed in the website. The formation of the Audit Committee, Nomination and Remuneration Committee (NRC) and other committees have been made available in the "Various Committees and their Major Activities" section of the Annual Report. The formation and activities of the Audit Committee, Nomination and Remuneration Committee are also disclosed in the "Report of Audit Committee 2020-21" and "Report of NRC 2020-21" sections of the Annual Report. The practice of good corporate governance of the Company has been presented in the "Statement of Corporate Governance" section of the Annual Report in detail.

Directors' Election & Re-Appointment

As per Article 23(a) of the Articles of Association, Mrs. Anjuman Aziz Khan, Ms. Ayesha Aziz Khan, Mr. Faisal Karim Khan and Ms. Azeeza Aziz Khan ACCA shall retire in the 24th Annual General Meeting (AGM) by rotation. Being eligible they offer themselves for re-election.

Your Board in its Board Meeting held on 28th January 2021 appointed Mr. Anisuddin Ahmed Khan as an Independent Director of the Board. He will also retire in the 24th Annual General Meeting and, being eligible, offer himself for re-election. During the financial year ended on 30 June 2021, the Board of Directors held six meetings. A summary of the Board attendance and their activities are disclosed in the "Statement of Corporate Governance" section of the Annual Report.

Directors' Remuneration and other benefits

Remuneration, performance and other related perquisites/benefits of Executive Directors are reviewed annually and approved by the Board after having recommendation of NRC as disclosed in Notes - 35.1 of the financial statements. Non-Executive Directors including Independent Directors are paid only attendance fee per meeting. The Board meeting attendance fees in-total for all directors have also been disclosed in the same note.

Human Resource Management

During COVID-19 pandemic, all benefits, wages and salaries were disbursed regularly. At head office employees worked from home while at plant level movement was restricted to a minimum. SPL signed an employee healthcare service agreement with Bangladesh Specialized Hospital (BSH). Anyone with symptoms has been granted paid leave and received health insurance benefits. The top management had formed a COVID Management Response Team (CMRT) with representatives of all the entities for efficient management of COVID patients of the Company.

From external sources, over 1,300 man hours of training were provided by leading organisations such as Napier Turbochargers, Bureau Veritas, ABB's Digital Solutions as well as Fire Service & Civil Defense. Internally nearly 3,500 man hours of refresher training were given on operational safety, best-practices in procurements and other related topics. Some other particulars relating to Human Resource Management has been elaborated under 'Human Resource Accounting 2020-21' and 'Various Systems, Policies, Manuals and Charters' sections of the Annual Report.

Corporate Social Responsibility (CSR) and Sustainability Reporting:

The three sections on the 'Corporate Social Responsibility (CSR)', 'Environment and Sustainability Report 2020-21', and 'Integrated Reporting' elaborates on these topics.

Corporate and Financial Reporting

As per the rule, your Company has followed the International Financial Reporting Standards (IFRS)/International Accounting Standards (IAS). This has been complied with, to fairly present the financial position and performance. While preparing the financial statements, the following points were considered:

- Selection of suitable accounting policies and then applying them consistently;
- Making judgments and estimates that are reasonable and prudent;
- Ensuring that the financial statements have been prepared in accordance with IFRS/IAS;
- Preparing the financial statements on a going concern basis unless it is appropriate to presume that the Company will not continue in business.

Proper accounting records have been kept so that at any given point, the financial position of the Company can be reflected with reasonable accuracy, ensuring its financial statements comply with Companies Act 1994, Securities & Exchange Rules 1987 and other required regulatory authorities. In compliance with the requirements of the BSEC Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 3 June 2018 and BSEC's Notification dated 20th

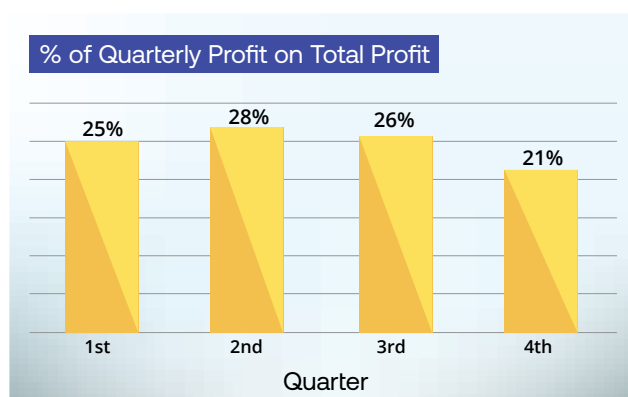
June 2018, the Directors are also pleased to make the following declarations in their report:

- Financial statements prepared by the management of the Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;
- Proper books of account of the Company have been maintained;
- Appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;
- International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), have been followed in preparation of the financial statements and any departure therefrom has been adequately disclosed;
- The system of internal control is sound in design and has been effectively implemented and monitored as described in the 'Statement of Corporate Governance';
- Minority shareholders have been protected from abusive actions in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;
- From inception, the financial performance of the Company has been continuing to grow as seen in the 'Financial Highlights 2020-21' section;
- Significant deviations from the last year's operating results of the Company has been highlighted and the reasons thereof have been well explained in the 'Financial Review 2020-21';
- Key operating and financial data of at least preceding 5 (five) years have been summarized;
- No bonus or stock dividend has been declared as interim dividend during the year;
- Significant plans and decisions, such as corporate restructuring, business expansion and discontinuation of operations as appropriate, future prospects, risks and uncertainties surrounding the Company has been outlined under the related titles of the Annual Report.
- A statement of 'Management Discussion and Analysis' has been presented in this Report;
- Directors' profiles have been included in the Annual Report as per BSEC Guidelines;
- 'Declaration by MD and Director Finance' to the Board has been disclosed in the Annual Report;
- The present shareholding structure of the Company is shown in the 'Pattern of Shareholding' section.

Other Disclosures

A. Significant Variance Between Quarterly and Annual Financial Statements

No significant variations have occurred between quarterly and final financial results of the Company during the year under report, except for the 4th quarter. In the 4th quarter, profit decreased due to expiry of the contractual term of Summit Narayanganj Power Plant Unit I with off-taker since 1st April 2021. However, an application for renewal of the contract is under active consideration of the government.



Quarter	Consolidated Net Profit in Million BDT
1st	2,110
2nd	2,365
3rd	2,177
4th	1,777
Total	8,429

Bar chart: Percentage of profit in each quarter.

B. Risk Assessment and System of Internal Control

The Board is committed and acknowledges its responsibility to oversee the system of risk management and internal controls within the Company including reviewing its adequacy, integrity and effectiveness in conjunction with the establishment of an appropriate control environment and framework to safeguard shareholders' investments and the Company's assets. The Company has exposures to credit, liquidity and market risks from its use of the financial instruments along with other operational risks. All of these risks and their mitigations are disclosed in the **Notes - 43** to the financial statements and in the 'Statement of Risk Management and Internal Control' section.

C. Related Party Transaction

The related party transactions were carried out by the Company on a commercial basis in the normal course of business including making advances to Summit Oil & Shipping Co. Ltd. (SOSCL) against supply of fuel (HFO) to power plants of SPL's subsidiaries during the year which have been disclosed in the **Notes - 48** to the financial statements. While detailed disclosures have been made in financial statements, the management is in the process of formalizing arrangements/approvals required from shareholders to comply with prevailing laws/regulations of the country in allowing loan/advance to related parties. The Board of Directors has taken a resolution on the related party transaction with SOSCL that is to be presented in the 24th AGM for shareholders' approval.

D. Extra-Ordinary Gain or Loss

As per IAS 1, no extra-ordinary gain or loss has been recognized in the financial statements.

E. Utilization of Proceeds from Public Issues, Rights Issues and/or Through any Other Instrument

Initial Public Offering (IPO) of SPL was made in 2005 and the fund raised thereby has already been utilized as reported to the regulators. Fund raised through issuance of Rights Shares in 2008 has also been utilized and reported accordingly to the regulators. No further issue of any instrument was made during the year.

F. Going Concern

While approving the financial statements, the Directors have made appropriate enquiries and analysed significant operating and indicative financials and non-financials which enabled them to understand the ability of the Company to continue its operations for a foreseeable future. The Directors are convinced and have a reasonable expectation that the Company has adequate resources and legal instruments to continue its operations without interruptions. Therefore, the Company adopted the going concern basis in preparing these financial statements. Operational status of all of the power plants, however, have been stated in the **Notes - 1.2 and 1.3** of the financial statement section of the Annual Report.

G. Management Declaration

Trade receivables with Bangladesh Rural Electrification Board (BREB)

Trade receivables amounting to BDT 6,314,245,819 as of 30th June 2021 pertaining to the three Expansion Power Plants have yet not been settled by BREB. 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. After this, BREB submitted a writ petition in the High Court Division of the Supreme Court of Bangladesh on 8th September 2016. On 17th August 2017 the Honourable High Court Division of Supreme Court of Bangladesh was pleased to pass a judgment discharging the rule issued in the writ petitions. BREB then submitted civil petitions to the Appellate Division of the Supreme Court of Bangladesh against the judgement of the High Court Division. The case is awaiting for hearing. The detailed disclosure in this regard has also been stated in the **Notes - 12.1** of the financial statements.

Trade receivables with Bangladesh Power Development Board (BPDB)

A writ petition was submitted to the honourable High Court Division of the Supreme Court of Bangladesh relating to non-deduction on excess fuel outage on account of Summit Narayanganj Power Plant Unit I. The honourable High Court Division has granted a stay-order in favour of non-deduction up to physical functioning of the court. However, The Company has made a provision for doubtful debt on said amount of BDT 164.67 million. The detailed disclosure in this regard has also been stated in **Notes - 12.2** of the audited financial statements.

Status of Compliance

In accordance with the requirement stipulated in condition no-7.00 of the Bangladesh Securities and Exchange Commission (BSEC) notification no-BSEC/CMRRCD/2006-158/207/Admin/80 dated 3rd June 2018 issued under section 2CC of the Ordinance 1969, the Corporate Governance Compliance Report is shown in the '**Status of Compliance with the Corporate Governance Code (CGC)**' section of the Annual Report. While preparing its financial statements, SPL complied all the applicable standards of IFRS/IAS as disclosed in the '**Compliance Report on IFRS/IAS**' section of the Annual Report.

Minority Interest

The Company thinks that good Corporate Governance encompasses open and credulous collaboration between all stakeholders involved in the Company, including the shareholders of the Company. The Board of Directors is committed to ensuring the highest standards of governance designed to protect the interests of all stakeholders, including the rights of its minority shareholders while promoting integrity, transparency and accountability. The Board of Directors shall always act in a manner that will be in the best interest of the Company.

Appointment of Compliance Audit

A Certificate from MAK & Co., Chartered Accountants, confirming compliance of conditions of Corporate Governance Code as stipulated under condition 7(i) is also available in the '**Certificate on Corporate Governance**' section.

Pursuant to code 9.2 of the Codes of Corporate Governance issued by BSEC, shareholders at the 23rd Annual General Meeting (AGM) had appointed MAK & Co., Chartered Accountants, as the Compliance Auditor of the Company for the year ended on 30 June 2021. The Compliance Auditor is eligible for re-appointment. As recommended by the Board of Directors, the matter of appointment of MAK & Co., Chartered Accountants, as Compliance Auditor of the Company for the year ending on 30 June 2022 would be placed before the shareholders at the 24th AGM of the Company for approval.

Statutory Auditor

Pursuant to BSEC Order No. BSEC/CMRRCD/2006-158/208/Admin 81/dated 20th June 2018, the present auditors A. Qasem & Co., Chartered Accountants, will retire after completing three consecutive years of service as Statutory Auditors of the Company. Hence, they will not be eligible for re-appointment in the ensuing 24th AGM. Your Board therefore, in its meeting held on 26th September 2021, resolved to recommend Rahman Rahman Huq, Chartered Accountants, for appointment as new Statutory Auditors of the Company for the year 2021-22 subject to approval of the Shareholders in the Annual General Meeting.

Contribution to The National Exchequer and The Economy

The total contribution to the national exchequer by summit power limited in this financial year was BDT 375,619,890. The breakdown is available in the '**Contribution to The National Exchequer and The Economy 2020-21**' section.

Our Gratitude

We would like to record our sincere thanks to all shareholders for their continued confidence in us, and our employees for a devoted contribution to Summit's success over the years. We gratefully recognise the lenders from home and abroad for the trust and honor vested in our company and express our special thanks for a sustainable better future.

Best regards to all the shareholders. May you all have a healthy, peaceful and progressive life.

On behalf of the Board,



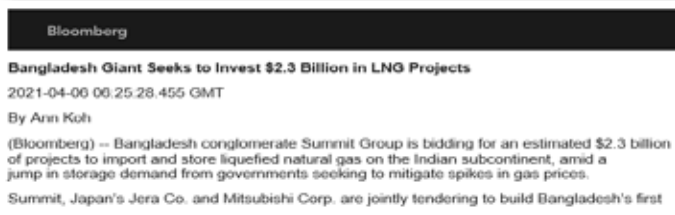
Muhammed Aziz Khan

Founder Chairman

Dhaka, 26th September 2021

3.2 COMMUNICATIONS WITH SHAREHOLDERS

This year Summit received important international media coverage due to the Chairman of Summit Group receiving Asia's Outstanding Leadership Award 2020, companies interest in cross border energy import and investment in clean source of energy. This year more than four hundred fifty articles were published in national dailies and online portals as well as a few in Singapore, Japan, USA, UK, India, Malaysia, China and Qatar.



(Above): Bloomberg News, an international news agency, interviewed the Chairman on the LNG project investment plan. Muhammed Aziz Khan said, *“Meanwhile, the company (Summit Power International) isn’t planning to build any more oil-fired power plants, although it ran them at full tilt during the winter. Instead, it is constructing an additional 1,200 megawatts of gas-fired generation in Bangladesh that will start operating by 2023.”*



(Above): The Business Times, one of the leading news daily in Singapore, published a half-page in-depth interview delving into Summit's capital-raising needs for infrastructure projects in Bangladesh.

Muhammed Aziz Khan said to The Business Times, *“Singapore should think of itself as a Manhattan, and Bangladesh as one of the states of the US. I think that is becoming the future role of cities like Singapore. Bangladesh, rather than try to raise another capital market, should take advantage of the Singapore capital market - debt as well as equity.”*

Women's Day Celebration 2020



(Left): On International Women's Day 2021, The Daily Star cited Ayesha Aziz Khan, Managing Director and CEO of Summit Power International as one of the top women leaders in its article, "Leading from the front in a pandemic".

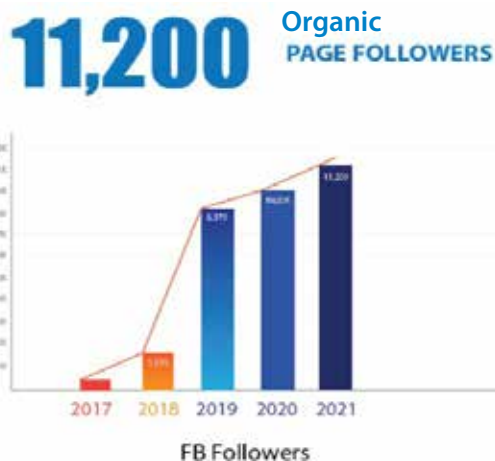


(Above): Ayesha Aziz Khan, Managing Director and CEO of Summit Power International, talked about three things (1) Being aware of psyche, (2) Law with provision for women and, (3) Changing Mindset in an event named 'IFC's Women's Day Celebration 2021' organised by IFC in Singapore.

SOCIAL MEDIA



The Facebook page of SPL is the same as the Summit Power International's page. The official address of the page is www.facebook.com/summitpowerintl. The total organic 'reach' of the posts were 600,000. This year SPL Facebook page got verified as an official Facebook page which is important for us to establish it as an authentic source of information about the company. If a Page or profile has the verified badge, it means that Facebook has confirmed that it represents who it says it does. The company also maintains official YouTube, Twitter and LinkedIn accounts.



(Above): The Facebook followers of our official page has been steadily increasing over the last five years.

SPL Website

In the SPL's micro-site www.summitpowerinternational.com/SPL all the financial results, key performance indicators, compliance report along with other important financial and non-financial data and shareholding information were updated. Taking into consideration the pandemic situation and the stock exchanges being closed under lockdown there was an atmosphere of anxiety among the stakeholders.

There was a steep decrease in the number of website visitors when the stock exchanges were partially open during lock down, there were few or no visitors. Still this year the SPL website was visited by over 78,059 unique visitors mostly from Bangladesh, USA and Singapore. The total number of page views was nearly 57,000 this year which has been increased from the previous year. At the same time, many national and international websites referred to our website and backlink referral increased by a whopping 57.70% this year.

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



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



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

Redressal of Investors' Queries and Communication

During the year, we have emailed our Annual Report to more than 4,000 investors through e-newsletter and responded to more than 300 investors' queries with solutions.

3.3 MANAGEMENT SYSTEM

Overview of the Management System

Summit Power Limited is driven by its vision, mission, objective and core values. To materialize the Company's mission, it implements an Integrated Management System (IMS) that combines all the objectives, policies and procedures into one system. The system is guided by the Board of Directors, maintained by an experienced management team and monitored by internal and external audit teams under the broad guidelines of Corporate Governance. On the other hand, the management should maintain a standard system, which is verified by international bodies – regulators, sponsors, lenders and standards.

Vision

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

Mission

“Empowering Bangladesh”

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

Objectives

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

Core Values

- Ethical conduct based on integrity, honesty and sincerity
- Customer satisfaction by generating quality electricity
- Equal opportunity employer, based on merit
- Building goodwill through long term and congenial approach with customers
- Instilling belongingness through team work with respect for each other
- Maintaining transparency by providing unrestricted, accurate and timely information about Company's finances and performance

Corporate Structure

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

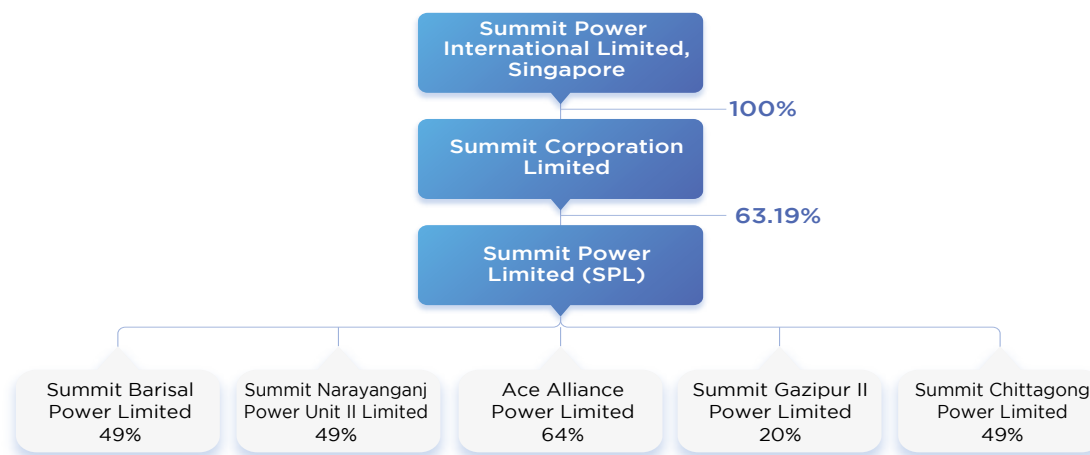


Chart: The holding structure of the Summit Power Limited is shown graphically.

Corporate Management

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

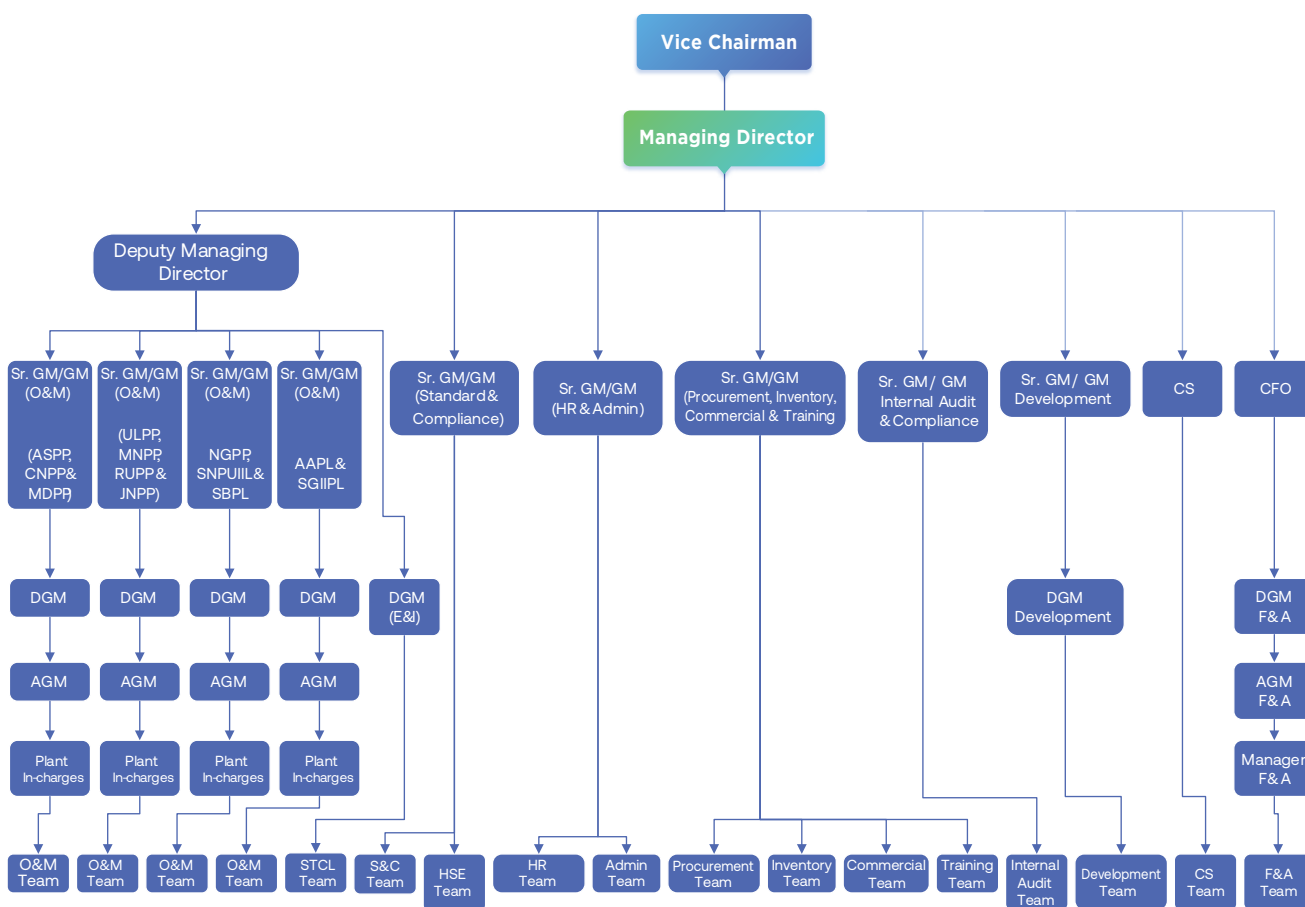


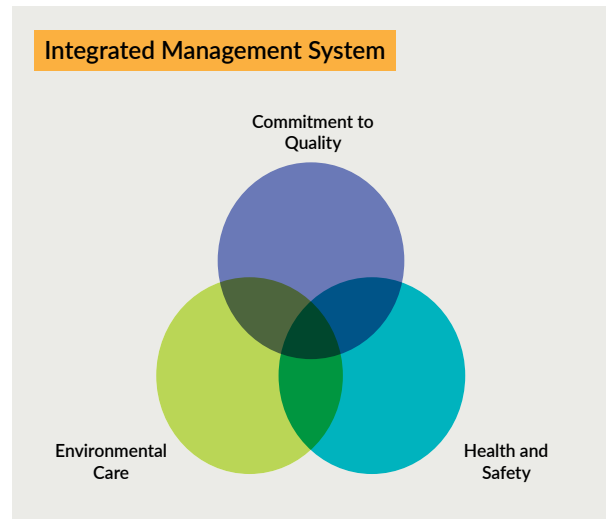
Chart: The Management Organogram of Summit Power Limited.

Internal Control System and the Committees to the Board

The internal control system of SPL is rich in various dimensions. Summit Corporation Limited (SCL) has a common Internal Audit team under the Internal Audit Policy of Summit Power International Limited, which monitors SPL along with the parent and other subsidiary companies of the group. SPL has different committees, namely Audit Committee and Nomination and Remuneration Committee to monitor the implementation of Board's guidelines and ensure the smooth operation of the Board. The Company has a well set of policies and manuals as disclosed in 'Various Systems, Policies Manuals and Charters' section of the Annual Report along with IMS to ensure the smooth operation of the power plants and other logistic and administrative functions in corporate office.

Integrated Management System (IMS)

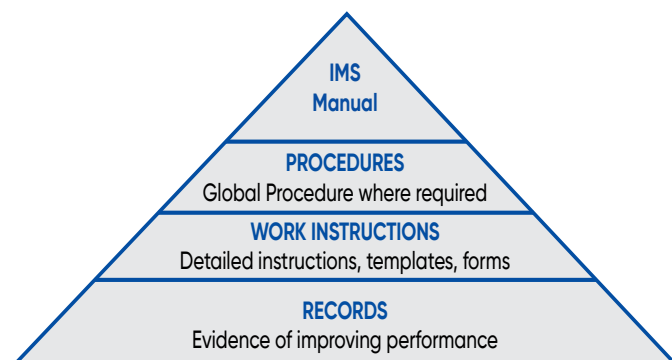
IMS includes SPL's Quality, Environmental and Occupational Health and Safety and Social policies and describes how it is implemented and sustained throughout the organisation to achieves under long term mission and vision. The system's core elements are described with references to the key organisational procedures. The purpose of SPL's integrated Quality Management System, Environmental Management System and Occupational Health and Safety Management System is to ensure SPL's products and processes are carried out in an environmentally responsible and protective manner and safe and healthy work environment. SPL generates power and supplies to meet the local requirements of BPDB and BREB. For the purposes of the IMS, the requirements of ISO 9001: 2015, ISO 14001: 2015 and ISO 45001: 2018 applies to all operations at SPL's locations. These operations include sales, procurement, generation of power and related services both in corporate and plant offices. Conforming with the requirements of ISO 9001: 2015, ISO 14001: 2015 and ISO 45001: 2018, SPL is committed to continually improving the effectiveness of the Integrated Management System.



SPL has adopted the ISO 9001: 2015 standard as a key tool in its commitment to continuously improving Quality and Customer Satisfaction. SPL has identified the key business processes necessary to ensure customer satisfaction and continuous improvement following the framework of the IMS. These processes are managed globally where necessary to ensure customer satisfaction, process effectiveness, and operational efficiency. The IMS ensures customer and market focus by providing a framework for managing the development, manufacture, and support of quality products that exceed customer, market, and other applicable external requirements.

SPL takes its obligation to responsibly manage its environmental impacts seriously and has adopted the ISO 14001:2015 standard as the foundation of Environmental Care System. The requirements of the IMS for Environmental Care apply to all SPL processes in the power plant and offices in and to all operations conducted within the physical bounds of these activities.

SPL is dedicated to safe guard its employees and people living around through the implementation of responsible OHS practices. A description of the interactions among people, procedures, tools, materials, equipment, facilities, and the health & safety is identified and all the management and staff members are made aware of their roles in the process. Conducting business in a safe and healthy manner is the responsibility of all the SPL management. It is the responsibility of management at each site to ensure that adequate resources are in place to ensure conformance to the Health and Safety Policy and proper implementation of the OH&S System.



The SPL Integrated Management system consists of several documents that are required by the Standard. The key business processes, policies and procedures and work instructions under the broad guidelines of Corporate Governance in-built in the IMS manual along with other policies and manual which are integral to achieve strategic goals and objects are well described in other sections of the annual report.

Value Chain System of the Company

SPL's value chain system is the "set of activities through which it creates its product and delivers to its customers. By examining the activities via the value chain system, management is able to gain a greater understanding of how these factors influence a firm's cost structure and value delivery. SPL's five primary components of the value chain and four supporting components are summarized as follows.



The Primary Components are as follows:

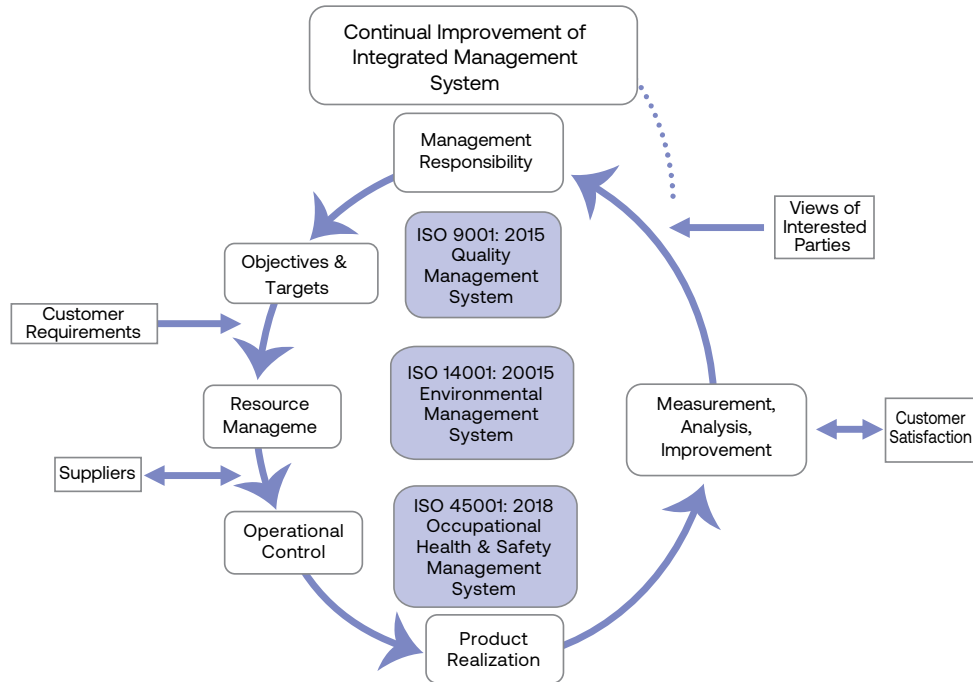
- Inbound logistics include getting needed materials and other inputs into the Company from suppliers such as the sets of plant and machineries, gas/HFO as fuel for generating electricity, spare parts for power plants maintenances, lubricant oils and chemicals and LFO. Supplies of the materials are ensured by a set of long term contracts with local and foreign suppliers/vendors.
- Operations involve turning inputs into products or services by availing all the materials/inputs in place to operate the gen-sets to produce electricity with the help of other logistic supports involving the expertise of experienced manpower.
- Outbound logistics involve the arrangement for delivering the electricity output to valued customers like BPDB and BREB at a bulk quantity;
- Marketing and sales include customer engagement, pricing, promotion, transaction via long term Power Purchase Agreements (PPAs) along-with Implementation Agreement for dealing with electricity output and raising invoices for electricity sales and receivable collection.
- Services include support service, maintenance, customer support and other logistic support to continue the whole production and delivery system always active.

The Secondary Components are the following:

- Company infrastructure organises functions that support the whole Company, including general management, planning, information system and finance;
- Human resource management deals with recruiting, hiring, training, and development of required manpower.
- Technology / research and development deal with business expansion like having new power plant and process design for doing activities efficiently; and
- Procurement ensures sourcing and purchasing of all sorts of materials and inputs.

Management Responsibility and Commitment to Continual Improvement

Management demonstrates their commitment to the development and implementation of the Integrated Management System in SPL. For continual improvement of the Company, SPL measures and monitors performance of the Integrated Management System through internal audits, PIC meetings and Management Review Meetings (MRM).



Seven-Step Problem Solving Process

SPL has implemented a Seven-Step methodology to ensure a consistent, rigorous approach to problem solving throughout the Company. The Seven-Step Problem Solving Process is outlined in the graphic below:

	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
	Problem	Data	Cause	Solutions	Validation	Deployment	Debrief
Action	Define the problem and goal	Collect and analyses data	Determine the root cause(s)	Identify and implement the solutions	Validate the impact of the solution on the problem	Make the solution permanent	Learn from the problem and the problem-solving experience
Output	Problem statement Goal statement	Qualification of the problem Containment Plan	Verify root cause(s)	Solutions of test plans Implementation of plan	Validation of results	Fully deployed solution Revised procedures and standards	Lessons learned from the problem and project submitted corrective actions

3.4 MANAGEMENT REVIEW AND RESPONSIBILITIES

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

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

- Implementing and providing feedback about - the corporate strategy, major plans of action, risk policy, annual budgets and business plans and performance reviews & objectives.
- Exercising Integrated Management System (IMS) fully as the standards state in all operational stages of the Company.
- Assisting the Board to ensure the integrity of the Company's accounting and financial reporting systems, in particular, systems for risk management, financial and operational control and compliance with the law and relevant standards.
- Assisting the Board by adherence to the implementation of the reviews and recommendations suggested by the Committees to the Board including AC, NRC and other Committees.
- Assisting the Board to review the Company's financial statements and oversee its compliance with applicable audit, accounting and reporting requirements.
- Assisting the Board to monitor and implement the effectiveness of the approved strategic plans by adopting relevant tactical and operating plans.
- Ensuring fulfilment of management responsibilities and authorization in compliance with the internal control system.
- Building a culture of compliance by ensuring that the organisation adhere to high ethical standards and conducts its business and operates in compliance with applicable laws, regulations and best practices for good corporate governance through a compliance taskforce.
- Practicing Company's values as set by the Board.
- Monitoring and providing feedback about the practices of corporate governance of the Company to the Board.

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

3.5 MANAGEMENT DISCUSSION AND ANALYSIS

Dear Shareholders,

As per condition no. 1 (5) (xxv) of the Corporate Governance Code 2018 issued by Bangladesh Securities and Exchange Commission, the Management Discussion and Analysis are as follows:

(a) Accounting policies and estimation:

We have applied accounting policies consistently to all periods presented while preparing the financial statements. We have applied International Financial Reporting Standards (IFRSs)/International Accounting Standards (IAS) to transactions, other events or conditions to their full extent as applicable. The applicable significant accounting policies and estimation are well elaborated in **Notes - 52** of the financial statements. In the absence of applicable IFRSs/IASs to any particular transactions, other events or conditions, we have used our best judgement in developing and applying an accounting policy that results in information that is relevant to the economic decision-making needs of users and is reliable.

The accounting policies and estimation are consistently applied to all subsidiaries along with the Company as disclosed in **Notes - 52** with a specific mention in 52(A).

(b) Changes in accounting policies and estimation:

We usually change an accounting policy only when the change is required by an IFRS/IAS or results in the financial statements providing more reliable and relevant information about the effect of transactions, other events or conditions on the financial position, financial performance or cash flows. The accounting policies applied are, however, consistent with those applied in the previous financial year.

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

We have presented comprehensive financial highlights for all the relevant periods containing financial performance, financial position, cash flows and important financial ratio in the 'Financial Highlights 2020-21' and 'Financial Review 2020-21' sections of this annual report.

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

- Revenue has increased over the years since 30 June 2017 by 145% and on average by 29% each year and stood at BDT 39,661 million for the year ended on 30 June 2021.
- Net profit attributable to owners of the Company has also increased over the years since 30 June 2017 by 31.34% and on average by 6.27% each year and stood at BDT 5,605 million for the year ended on 30 June 2021.
- Total assets of the Company have also increased over the years since 30 June 2017 by 85% and on average by 17% each year and stood at BDT 79,036 million as on 30 June 2021.
- Shareholders' equity has also increased over the years since 30 June 2017 by 17.44% and on average by 3.49% each year and stood at BDT 36,785 million as on 30 June 2021.
- After maintaining last year's 35% cash dividend, cash and cash equivalent stood at BDT 4,026 million (separate accounts) which helped management to declare cash dividend @ 35% this year as well, after taking into consideration of dividend income from subsidiaries and associates.
- Earnings per share (EPS) has also increased over the years since 30 June 2017 by 31.37% and on average by 6.27% each year and stood at BDT 5.25 per share for the year ended on 30 June 2021.
- Net asset value (NAV) per share has also increased over the years since 30 June 2017 by 17.45% and on average by 3.49% each year and stood at BDT 34.45 per share as on 30 June 2021.

In summary, the recent performance of the Company has established SPL as the leading Company in the industry and

boosted its reputation. Thus, it has resulted awards as best performer and long term rating of "AAA" by the Credit Rating Information & Service Limited (CRISL) consequitively for last four years.

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

As presented in the financial highlights, the comparative analysis of financial performance, financial position and cash flows with other relevant financial ratio and other industry performance parameters are described as follows:

Listed Company	SPL		Baraka Power		Doreen Power		KPCL		Shahjibazar Power		Industry Average	
	FY 21	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21	FY 20
Year												
EPS (BDT)	5.25	5.17	2.96	2.41	8.09	5.53	0.87	3.40	6.53	4.47	4.74	4.20
P/E (Times)	8.40	6.79	9.02	8.30	8.02	10.31	42.53	13.24	11.24	16.11	15.84	10.95
NAV (BDT)	34.45	31.50	20.91	20.00	48.41	40.62	22	25	38.05	34.26	32.76	30.28
Dividend (%)	35	35	10	15	12	13	12.50	34	32	30	13.37	18.47
NCFPS (BDT)	8.53	9.42	3.44	5.21	6.46	15.12	6.71	6.68	13.13	2.87	7.65	7.86
No of shares (Mn)	1,067	1,067	235	220	144	131	397	397	172	166	403	396
Net profit (Mn BDT)	5,605	5,525	697	413	1,168	802	346	1,350	1,127	760	1,973	1,770
Market cap (Mn BDT)	47,093	39,725	6,287	5,920	9,371	8,046	14,704	18,877	12,665	12,173	18,024	15,780

It is observed that the profitability of the Company including other parameters are above industry average.

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

The financial and economic scenario of the country and the world are as discussed in 'Message from the Chairman' and 'Directors' Report' sections of the annual report.

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

The risks and concerns related to the financial statements are discussed in the 'Directors' Report'. All identified risks and their mitigations were disclosed in the Notes - 43 to the financial statements and in the 'Statement of Risk Management and Internal Control' sections.

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

The future plan for Company's operation, performance and financial position are as discussed in 'Message from the Chairman' and 'Directors' Report' sections of the annual report.

Lt Gen Engr Abdul Wadud (Retd)
Managing Director

3.6 CERTIFICATE ON CORPORATE GOVERNANCE

Mak & Co. Chartered Accountants

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

We have examined the compliance status to the Corporate Governance Code by “Summit Power Limited” for the year ended on 30 June 2021. This Code relates to the Notification No. BSEC/CMRRCD/2006-158/207/Admin/80 dated 03 June, 2018 of the Bangladesh Securities and Exchange Commission.

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

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

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

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



Place: Dhaka

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

3 1 OCT 2021



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3.7 CODE OF CONDUCT AND ETHICS

The Code of Conduct and Ethics applies to the Directors, Management and all employees of Summit Power Limited (SPL) and each subsidiary and associate of SPL. Aligning with the Company vision, mission, objectives, strategy and corporate governance, this code of conduct and ethics are practiced. These codes have a great influence in the sustainable development, implementation and practice of Integrated Management System (IMS). This code of conduct of directors of SPL and embodies their commitment to pursue the highest standards of ethical conduct to manage the affairs of the company. This Code of Conduct has been framed to provide guidance to manage the affairs of the Company in an ethical manner and intended to describe areas of ethical risk, provide guidance to directors and employees and help foster a culture of honesty and accountability. This Code of Conduct attempts to set forth the guiding principles on which the Company, its Board of Directors and employees shall operate and conduct themselves with multitudinous stakeholders including employees, customers, suppliers, government and regulatory agencies, media and anyone else with whom it is connected.

A. OBJECTIVE

Summit Corporation Limited is the major sponsor of SPL and therefore all the standards of Code of Conduct and Ethics are being followed in SPL in the course of carrying its business stem from its sponsor. Summit holds the values with which it conducts business in high esteem. It has and will continue to uphold the highest level of business ethics and personal integrity. Following suit, SPL's Code of Business Conduct and Ethics serves to:

- (1) Emphasize the Group's commitment to ethics and compliance with the laws;
- (2) Set forth basic standards of ethical and legal behavior;
- (3) Provide reporting mechanisms for known or suspected ethical or legal violations; and
- (4) Help prevent and detect wrong doings.

Given the variety and complexity of ethical questions that may arise in the course of SPL's business, this Code of Business Conduct and Ethics serves only as a guide. Confronted with ethically ambiguous situations, all should remember the SPL's commitment to the highest ethical standards and seek advice from supervisors, managers or other appropriate personnel to ensure that all actions they take on behalf of SPL honor this commitment.

B. ETHICAL STANDARDS

Conflicts of Interest

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

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

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

Corporate Opportunities

All officers are prohibited from taking for themselves opportunities that are discovered through the use of corporate property, information or position without the consent of the Board of Directors of SPL. No officer may use corporate property, information or position for improper personal gain and no employee may compete with the Group directly or indirectly. Officers owe a duty to the Group to advance its legitimate interests whenever possible.

Fair Dealing

Officers shall behave honestly and ethically at all times and with all people. They shall act in good faith, with due care, and shall engage only in fair and open competition, by treating ethically competitors, suppliers, customers, and colleagues. No officer should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair practice. The purpose of business

entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. No gift or entertainment should ever be offered or accepted unless it is consistent with customary business practices, cannot be construed as a bribe or payoff and does not violate any laws or regulations. Officers should discuss with their supervisors, managers or other appropriate personnel regarding any gifts or proposed gifts which they think may be inappropriate.

Insider Trading

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

Confidentiality

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

Discrimination and Harassment

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

Protection and Proper Use of SPL Assets

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

The obligation of officers to protect SPL's assets, also include protecting its proprietary information. Proprietary information includes trade secrets, trademarks, engineering and manufacturing ideas, designs, databases, records, salary information

and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate SPL policy. It could also be illegal and result in civil or criminal penalties.

Health and Safety of Officers

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

Compliance with Laws, Rules and Regulations

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

Timely and Truthful Public Disclosure

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

Significant Accounting Deficiencies

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

C. WAIVERS

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

D. VIOLATIONS OF ETHICAL STANDARDS

Reporting Known or Suspected Violations:

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

Accountability for Violations

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

E. COMPLIANCE PROCEDURES

All must work together to ensure prompt and consistent action against violations of this Code. In some situations, however, it is difficult to know if a violation has occurred. Because we cannot anticipate every situation that will arise, it is important that we

have a way to approach a new question or problem. Steps to keep in mind are as follows:

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

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

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

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

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

3.8 VARIOUS SYSTEMS, POLICIES MANUALS AND CHARTERS

The philosophy of corporate governance of the Company is aimed at conduct of Company/top management to ensure that no decision is being taken at the cost of the interest of the community, country as a whole to any stakeholder. It refers to the meeting obligations to all the stakeholders and is guided by strong emphasis on transparency, accountability and integrity. Various Systems, Policies, Manuals and Charters are set and practiced to achieve objective of good Corporate Governance.

INTEGRATED MANAGEMENT SYSTEM

The management of the Company is very dynamic and working proactively in a challenging environment and is committed to act as a leading organisation in the field of power generation through its exceptional customer service and technical competence. Thus, the Company has established an Integrated Management System incorporating the requirements of ISO 9001: 2015, ISO 14001: 2015 and OHSAS 18001: 2007. The purpose of Company's integrated Quality Management System, Environmental Management System and Occupational Health and Safety Management System is to ensure its products and process are carried out in an environmentally responsible and protective manner and safe and healthy work environment.

Integrated Management System (IMS) is based on the following principles:

- Innovation in all aspects of business as the right and obligation of every employee;
- Individual responsibility for the quality of generation and supply, health, safety, environmental impact, and continuous improvement of work performed;
- Understanding of the Quality, Environmental and Health & Safety Policies as a guide for decision making;
- Conformance with the requirements of ISO 9001: 2015, ISO 14001: 2015 and ISO 4501: 2018, the Company is committed to continually improving the effectiveness of the Integrated Management System.

Quality Policies

As an extension of organisational principles, the Company commits themselves to the following Quality Policies:

- Establishing a Quality Management System (QMS) as per ISO 9001:2015 and maintain it with commitment for continual improvement of the QMS.
- Consider quality as an integral part of any activity, not being dissociated or delegated.
- Apply quality management as a dynamic, evolutionary practice, with permanent feedback and improve the performance in the areas of Energy Export, Fuel

Consumption per MWH of Energy Export, Engine Running Time (Generation Period), Availability Factor, Heat Rate per Day, Shut Down (Mechanical), Shut Down (Electrical), Shut Down (Sub-Station), Shut Down (Less Energy Demand), No. of Voltage Fluctuation (Beyond Range), No. of Frequency Fluctuation (beyond range).

- Commit the entire Company, suppliers and business partners to the highest quality standards of services provided to the customer, while complying fully with the legal requirement of the generation and supply of electricity.
- Provide education and training programs for the employees in issues related to quality, extensible to suppliers and business partners.
- Evaluate and recognize the quality of the work performed by the employees, individually or collectively, as well as by suppliers or business partners.
- This policy is communicated to all the employees within all relevant levels of the organisation, and communicate to them.
- Reviewed from time to time for its continuing sustainability.

Environmental Policies

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

Therefore, SPL commits to:

- Practice environmental management as a dynamic, evolutionary process, and with continuous feedback process.
- Seek full compliance with legislation, applicable standards, and other requirements, resulting from agreements signed by the organisation, and wherever possible, overcome them.
- Minimise any significant adverse environmental impacts of new developments using integrated environmental management procedures and planning.
- Provide the sites with adequate facilities, aiming at environmental protection and associated employee workplace environment.
- Implement generation techniques and use of resources that judiciously minimise the generation of waste that is hazardous to the environment.

- Encourage the adoption of these principles by suppliers, partners and service providers.
- Disseminate this policy by educating and training employees, and encourage them to conduct their activities in an environmentally responsible manner.

Occupational Health and Safety Policies

Summit Power Limited (SPL) strongly believes that the achievement of organisational success must be accompanied by a resolute commitment towards the health and safety of all its employees. SPL commits itself to the following ISO 4501: 2018 Occupational Health and Safety Management System (OHSMS), Policy:

Therefore, SPL commits to the following Occupational Health Protection and Safety Policy:

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

Social Policies

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

Therefore, SPL commits to:

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

other requirements, resulting from agreements signed by the organisation and wherever possible, overcome them.

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

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

ANTI BRIBERY AND CORRUPTION AND WHISTLE BLOWER POLICIES

This document sets out the long-standing policy of Summit Power Limited (SPL) and its subsidiaries on combating bribery and corruption. The policy consists of two Principles and a series of Practical Procedures to give effect to those Principles. The objective of the Policy is to clearly set out the Company's Zero Tolerance approach to bribery and corruption. The Principles are that Summit Power Limited (SPL) and its subsidiaries will not pay and will not accept bribes, either directly or via third parties, in any circumstances. Breaches or attempted breaches of the Principle by an employee will be regarded as an act of gross misconduct. Ms. Ayesha Aziz Khan, Director Finance or any one from senior management, in discharging this role, he/she will report to the Board of Directors of the Company of any material findings. Summit Power Limited (SPL) and its subsidiaries will communicate its Principles and Practical Procedures and its approach to their implementation to its employees and will publish this policy on its website. Employees are required to report any knowledge or suspicions of the offering, request for, receipt or payment of a bribe. A failure to do so may amount to gross misconduct. No employee will suffer demotion, penalty or other adverse consequence for refusing to pay or accept a bribe even if such a refusal may result in Summit Power Limited (SPL) and its subsidiaries losing business or failing to win a deal.

ACCOUNTING AND FINANCE MANUAL

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

HUMAN RESOURCES MANUAL

Human Resources Manual Policy document is designed to acquaint a member of the employees with Summit Corporation Limited Including Summit Power Limited and provide with information about working conditions, employee benefits, and some of the policies affecting one’s employment. It describes the responsibilities of an employee and outlines the programs developed by Summit Corporation Limited Including Summit Power Limited to benefit employees. One of the of the Policy objectives is to provide a work environment that is conducive to both personal and professional growth. This HR Manual shall apply to all probationary and permanent/full time/regular employees and in special cases contractual appointments of the Company excluding Third Party Service staff.

ADMINISTRATION POLICY

This policy sets for the administrative policies of Summit Corporation Limited, the local intermediary parent company of Summit Group – Power Division to align operational provisions, set interactive expectations and communicate policy roles and responsibilities. It helps all employees understand and follow guidelines about their obligations and administrative operational responsibilities. The policy applies to all employees, advisors, consultants, temporary or permanent personnel resources of Summit Corporation Limited and its subsidiaries including Summit Power Limited.

DIVIDEND DISTRIBUTION POLICY

The objective of this Dividend Distribution Policy is to ensure the right balance between the quantum of dividend paid and profit retained keeping in mind the need to address future needs, to meet working capital requirements and to reduce debt from its books of accounts of the Company. In addition, this Policy will also ensure that the distribution of dividend is implemented pursuant to the applicable legislation in the interests of the shareholders and the Company and will also address the management of unclaimed dividends. The Policy serves as a guideline only for the Board. The decision of the Board with respect to the amount of dividend recommended by it for any given period will be final and shall not be open to challenge on the basis of the Policy. This Dividend Policy sets out the principles applicable to the declaration and distribution of dividend to be made by the Company in accordance with its Articles of Association and DSE Regulations 2015, BSEC Notification on Financial Reporting and Disclosure dated 20 June 2018, the Companies Act, 1994 and other applicable laws. This Policy has been prepared pursuant to the Directive dated 14th January 2021 bearing reference No. BSEC/CMRRCD/2021-386/03 issued by the Bangladesh Securities and Exchange Commission (BSEC).

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy has been verbalized to comply the Corporate Governance Code dated 3 June 2018 circulated by Bangladesh Securities and Exchange Commission (BSEC) in conjunction with the Companies Act 1994, Summit Power International Remuneration and Nomination Committee Charter, Code of Conduct Chairperson, Board of Director and Chief Executive Officer dated 27 April 2021 of the Company and other regulatory requirements. This Policy provides directions and guidelines to Nomination and Remuneration Committee (NRC) to determine attributes and qualifications for appointment as well as determine remuneration package for the Board Members and Top Level Executives and/or Key Management Personnel of the Company, as it is designated to consider by the Board, to ensure that and Top Level Executives and/or Key Management Personnel are provided with appropriate remuneration and incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company. The Company also recognizes that a distinct Board Members and Top Level Executives/Key Management Personnel with vast experience and expertise, outlined in the Policy will help attain its strategic objectives proficiently. This Policy shall be applicable and binding on the Board Members and Top Level Executives/Key Management Personnel and to the some extent for identifying the Company’s needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria

and developing, recommending and reviewing annually the Company's human resources and training policies.

TERMS OF REFERENCE OF THE NRC

The objective of the Terms of Reference of the NRC is to determine the scope of work, and guide the operations of the Nomination and Remuneration Committee (NRC), in consonance with those encapsulated in the Corporate Governance Code.

PERSONAL DATA PROTECTION POLICY

The Personal Data Protection Policy is strictly for Summit Power International Limited (the "Company" or "SPI") and, where appropriate, its operating subsidiaries' (collectively referred to as "SPI Group") internal use. The purpose of this policy is to set out SPI's procedures on protection of personal data of individuals under the company's custody. It contains important information about how and why SPI collects, uses and discloses personal data of individuals. This policy takes into consideration the Personal Data Protection ACT 2012 of Singapore ("PDPA, or "Act) and all applicable PDPA advisory guidelines. In this regard, Personal data refers to data, whether true or not, about an individual who can be identified from that data, or from that data and other information to which the organisation has or is likely to have access. This includes unique identifiers (e.g. NRIC number, passport number, fingerprint), as well as any set of data (e.g. name, age, address, telephone number, occupation, etc) which when taken together would be able to identify the individual.

PROCUREMENT POLICY

The Procurement Policy is applicable to whole Integrated Management System of Summit Power Limited and its subsidiaries. The purpose of the Policy is to ensure that the purchased product confirms to specific requirements as stated in the IMS.

AUDIT COMMITTEE CHARTER

The principal objective of establishing Audit Committee, a sub-committee of the Board of Director, is to create efficiency in the operations and to add value to the organisation. The Audit Committee is appointed by the Board of Directors (Board) to assist the Board in discharging its oversight responsibilities by reviewing: (a) the financial reporting process to ensure transparency and integrity of financial information; (b) correctness, accuracy and sufficiency of any announcement relating to the financial performance of the company; (c) adequacy and effectiveness of the Company's - internal financial control and risk management system, internal audit function (resources, performance and scope of work), external audit function (qualification, independence, engagement and fees), process to manage compliance (legal, regulatory and company policies) risks; and (d) methods and procedures

for the review of all related party transactions (RPTs), etc.

ANTI-DISCRIMINATION POLICY

Summit Power Limited is an equal opportunity employer. All staffs are treated on their merits, without regard to their ethnicity, age, gender, marital status or any other factor not applicable to the position. Staffs are valued accordingly to how well they perform their duties, their ability and enthusiasm to maintain our standards or service. This organisation does not tolerate any form of discrimination. We believe all staff has the right to work in an environment free of discrimination and harassment. Discrimination undermines proper working relationships and may cause low morale, absenteeism and resignations. Therefore, managers and supervisors must ensure that all staff and even third party employees who participate in our service are treated equitably and are not subject to unfair discrimination. They must also ensure that people, who make complaints or witnesses are not victimized in any way.

CORPORATE COMMUNICATIONS POLICY

The main purpose of this Corporate Communications Policy is to establish guidelines for presenting the power concerns of Summit Group including Summit Power Limited to current and potential stakeholders, both internally and externally. Furthermore, the policy is aimed at increasing the level of understanding, amongst all concerned, of how communication on behalf of the company should take place.

INFORMATION SYSTEM POLICY

Information systems play a critical role in Summit Corporation Limited's business activities, including in the business activities of SCL's subsidiaries. SCL is substantially reliant on information systems to deliver its services, it is of paramount importance to ensure the availability of its information systems and the confidentiality and integrity of the data contained therein. The trust that the stakeholders have in SCL is a competitive advantage, which must be nurtured and grown. This policy defines the guiding principles and other requirements necessary for the secure and reliable operation of the SCL information systems infrastructure. This policy also defines "baseline" control measures, which everyone at SCL and its subsidiaries is expected to be familiar with and to consistently follow. These security measures are the minimum required to prevent a variety of different problems including fraud and embezzlement, industrial espionage, sabotage, errors and omissions, as well as system unavailability. This document also defines the minimum controls necessary to prevent legal problems such as allegations of negligence, breach of fiduciary duty, or privacy violation.

FINANCE CODE OF CONDUCT POLICY

Summit Power International Limited ("SPI" or "the Company" and together with its subsidiaries, "the Group")

has adopted a separate Finance Code of Conduct specific to all accounting and finance officers of the Group. The term “accounting and finance officer” includes: all employees and staff in the accounting and finance departments within the Group. The individuals mentioned above are also expected to abide by the Group’s Code of Conduct policy that is distributed to all employees of the Group so that everyone has a clear understanding of the roles and responsibilities as an accounting and/or finance officer of the Group.

CORPORATE TREASURY POLICY

The treasury policies and procedures establish guidelines for Company activities relating to bank accounts, short-term investment of surplus funds, financing, foreign exchange exposure management. Adherence to these policies and procedures will ensure that Company’s cash, investments and other cash related assets are adequately controlled and safeguarded and that Company’s foreign exchange and other exposures are effectively managed.

CODE OF CONDUCT AND ETHICS

The Code of Conduct and Ethics applies to the Directors, Management and all employees of Summit Power Limited (SPL) and each subsidiary and associate of SPL. Aligning with the Company vision, mission, objectives, strategy and corporate governance, this code of conduct and ethics are practiced. These codes have a great influence in the sustainable development, implementation and practice of Integrated Management System (IMS). This code of conduct of directors of SPL and embodies their commitment to pursue the highest standards of ethical conduct to manage the affairs of the Company. This Code of Conduct has been framed to provide guidance to manage the affairs of the Company in an ethical manner and intended to describe areas of ethical risk, provide guidance to directors and employees and help foster a culture of honesty and accountability. This Code of Conduct attempts to set forth the guiding principles on which the Company, its Board of Directors and employees shall operate and conduct themselves with multitudinous stakeholders including employees, customers, suppliers, government and regulatory agencies, media and anyone else with whom it is connected.

STATEMENT OF CORPORATE GOVERNANCE

Summit perceives corporate governance as a system, which involves the alignment of interests among all the stakeholders. Governance is a mechanism of distribution of rights and responsibilities among different participants in the corporation (such as the board of directors, managers, shareholders, creditors, auditors, regulators, and other stakeholders) for monitoring the actions, policies and decisions of corporations under the lime light of social, environmental, regulatory and commercial environment. The philosophy of corporate governance of the Company is aimed at conduct of Company/top management to ensure that no decision is being taken at the cost of the interest of the community, country as a whole to any stakeholder. It refers to the meeting obligations to all the stakeholders and is guided by strong emphasis on transparency, accountability and integrity. It provides the Company with strategic guidance about – how the policies, objectives and manual are set, practiced and achieved, how risk is monitored and assessed, and how the performance is maximized not at the cost of the future/long term sustainability. It also questions about the consistency with the rule of law and clearly articulate the division of responsibilities among different supervisory, regulatory and implementation authorities.

COMPLIANCE TASKFORCE CHARTER

The Compliance Taskforce is established to advise, inform, and partner with Group Compliance for ensuring that the Company continues to conduct its operations and activities ethically with the highest level of integrity and in compliance with all legal and regulatory requirements. The taskforce also oversees the development, maintenance and monitoring of globally, legally sound, practical and sustainable programs intended to satisfy the Company’s legal compliance obligations and to foster a culture of compliance with laws, regulations, industry standards and Company policies. This purpose will be accomplished through the fulfilment of duties and responsibilities of each member at the operational level, is an integral part of the commitment to compliance.

3.9 VARIOUS COMMITTEES AND THEIR MAJOR ACTIVITIES

Various Committees and their Major Activities

Summit Power Limited under the Broad Corporate Governance guidelines, as part of its management system, has the following various committees assisting the Board and management to conduct business and manage the affairs of the Company.

Audit Committee

Mr. Faruq Ahmad Siddiqi - *Chairman*
Mr. Faisal Karim Khan - *Member*
Ms. Azeeza Aziz Khan ACCA - *Member*
Mr. Syed Fazlul Haque FCA - *Member*

Nomination and Remuneration Committee (NRC)

Mr. Anisuddin Ahmed Khan - *Chairman*
Mr. Jafer Ummeed Khan - *Member*
Mr. Md. Farid Khan - *Member*

Executive Committee

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

Purchase Committee

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

Technical Committee

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

Operation & Maintenance Committee

Mr. Faisal Karim Khan, Director Operation - *Chairman*
Lt Gen Engr Abdul Wadud (Retd), Managing Director - *Member*
Engr. Md. Mozammel Hossain, Deputy Managing Director - *Member*

Engr. Solaiman Patwary, Senior General Manager (O&M) - *Member*
Engr. A. K. M. Asadul Alam Siddique, Senior General Manager (O&M, HR & Admin) - *Member*
Engr. Md. Nazmul Hasan, General Manager (Procurement, Inventory & Training) - *Member*
Plant In-Charges - *Members*

Corporate Social Responsibility (CSR) Committee

Mr. Muhammed Aziz Khan - *Chairman*
Ms. Ayesha Aziz Khan - *Member*
Mr. Faisal Karim Khan - *Member*
Ms. Azeeza Aziz Khan ACCA - *Member*
Ms. Mohsena Hassan - *Member*

Evaluation Committee

Lt Gen Engr Abdul Wadud (Retd), Managing Director - *Chairman*
Engr. Md. Mozammel Hossain, Deputy Managing Director - *Member*
Engr. Solaiman Patwary, Senior General Manager (O&M) - *Member*
Engr. A. K. M. Asadul Alam Siddique, Senior General Manager (O&M, HR & Admin) - *Member*
Mr. Swapon Kumar Pal FCA, Financial Controller & Company Secretary - *Secretary*
Engr. Md. Nazmul Hasan, General Manager (Procurement, Inventory & Training) - *Member*

COVID Medical Response Team (CMRT)

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

Management Review Committee in requirement with IMS

Lt Gen Engr Abdul Wadud (Retd), Managing Director - *Chairman*
Engr. Md. Mozammel Hossain, Deputy Managing Director - *Member*
Engr. Solaiman Patwary, Senior General Manager (O&M) - *Member*
Engr. A. K. M. Asadul Alam Siddique, Senior General Manager (O&M, HR & Admin) - *Member*
Mr. Swapon Kumar Pal FCA, Financial Controller & Company Secretary
Engr. Md. Nazmul Hasan, General Manager (Procurement, Inventory & Training) - *Member*
Engr. Ali Ahsan, Deputy General Manager (O&M) - *Member*
Engr. Hafiz Al Atick, Deputy General Manager (O&M) - *Member*
Plant In-Charges - *Members*

Group Compliance/ Risk Management Taskforce

Representatives from Summit Power International Ltd.
 Representatives from Summit Corporation Limited
 Representatives from Summit Power Limited
 Representatives from Turbine Division

The Following Major Activities and Decisions are Duly Taken by Various Committees during the Year

- Audit Committee has recommended the set of quarterly unaudited financial statements for the quarter ended on 30 September 2020, 31 December 2020, 31 March 2021 and yearly financial statements for the year ended on 30 June 2021.
- Audit Committee has also reviewed the observations and recommendation thereon on different internal control system and business process brought by internal audit and recommended to the board, as appropriate.
- A report of Audit Committee to the shareholders of the Company has also been presented in the Annual Report.
- Nomination and Remuneration Committee (NRC) has reviewed Company's financial and operational performance and recommended the yearly salary increment of Directors and Top Level Executives to the board.
- NRC has also recommended for approval of the ToR of NRC and the Code of Conduct of Chairperson, Board of Director and Chief Executive Officer/MD to the board.
- A report of NRC to the shareholders of the Company has also been presented in the Annual Report.
- The contracts for purchase of lubricant oils and spare parts have been reviewed and approved by the different committees of the Company.
- The budget of FY 2021-22 majorly including purchase and consumption of lubricant oil and spare parts, O&M expenses, yearly salary increment have been reviewed and recommended the same to the board for their approval by the various committees of the Company.
- Management Review Committee (MRC) has met quarterly to discuss all kind of ongoing plant technical & operational and other logistic/administrative matters for having a better resolutions and to follow-up any progress on the actions that already have been taken.
- Following IMS guidelines and procedures, MRC also has discussed the observations and recommendations brought by ISO audit teams.
- MRC also checks the implementation of IMS policies and achievement against targets in the areas of quality management, environment management, health & safety and social policy.
- Evaluation Committee of the Company centrally has evaluated the yearly performance of individual employee and determined the yearly salary increment including promotions, incentives etc.
- CMRT has fully coordinated COVID 19 management for all directors and employees including their family members whenever needed and including promotional agreement with COVID specialized hospital in Bangladesh.
- Group Compliance Taskforce has met to discuss about compliance related matters involving risk assessment based on review of current processes and policies and their compliance in the areas of operations, finance, secretarial and others regulatory matters.
- The members of the taskforce are to provide status updates and evidences of compliance and recommendations for any improvement in case of any non-compliance including following through on closure of any non-compliances in a timely manner.
- Corporate Social Responsibility (CSR) Committee centrally coordinates the Summit Corporation Limited's CSR activities including Summit Power Limited within the yearly operating budget.

3.10 AUDIT COMMITTEE REPORT 2020-21

The Audit Committee, appointed by and responsible to the Board of Directors of Summit Power Limited (SPL), is constituted as per the internal control framework of the Company Policy and conditions set by the Bangladesh Securities and Exchange Commission (BSEC). The present committee comprises of 4 (four) members of whom one is Independent Director. The Company secretary functions as the secretary of the Committee as well. Meetings of the committee are attended by Managing Director, Deputy Managing Director, Head of Internal Audit, as necessary, by invitation. All members of the committee are financially literate and able to interpret financial statements and assess the adequacy of the internal control process.

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

Committee Members	Board Members	Position	Attendance
Mr. Faruq Ahmad Siddiqi	Independent Director	Chairman	4/4
Mr. Syed Fazlul Haque FCA	Non-Executive Director	Member	4/4
Mr. Faisal Karim Khan	Non-Executive Director	Member	4/4
Ms. Azeeza Aziz Khan ACCA	Non-Executive Director	Member	4/4

A total of 4 (four) meetings, including the meeting dated 21st September 2021, were held since the last reporting with Audit Committee Report: 2019-20 dated 06th October 2020.

Role of the Committee

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

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

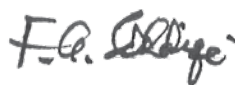
Activities of the Committee on Company's affairs for the year under report

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

- Reviewing of the quarterly and half yearly financial statements of the Company and recommended to the Board for adoption and circulation as per the requirement of Bangladesh Securities and Exchange Commission (BSEC).
- Assessing of the report of the external auditors on critical accounting policies, significant judgments and practices used by the company in preparation of financial statements.
- Recommending Rahman Rahman Huq, Chartered Accountants, to the Board for appointment as the statutory auditor of the Company for the next financial year ending on 30 June 2022 as A. Qasem & Co, Chartered Accountants, the retiring auditor, have completed three consecutive years of service as statutory auditor of the Company and hence are not eligible for re-appointment in terms of BSEC Notification No. BSEC/CMRRCD/2006-158/207/ Admin/80 dated 20th June 2018.
- Reviewing of the effectiveness of internal financial control system and the internal audit procedures.
- Appraising of the recurrent related party transactions during the year under report to ensure that transactions were carried out on arm's length basis, not prejudicial to the interest of the Company or its minority shareholders and were in compliance with applicable prevailing laws and regulations for the purpose.
- Reviewing of the external auditors' findings arising from audit, particularly comments and responses of the management.
- Reviewing of the matters of compliance as per requirements of the Bangladesh Securities and Exchange Commission (BSEC) to remain compliant, as appropriate.

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

On behalf of the Committee



Faruq Ahmad Siddiqi
Chairman, Audit Committee

3.11 NOMINATION AND REMUNERATION COMMITTEE REPORT 2020-21

The Nomination and Remuneration Committee, appointed by and responsible to the Board of Directors of Summit Power Limited (SPL), is constituted as per the conditions set by the Bangladesh Securities and Exchange Commission (BSEC) and formed on 07 October 2020. The present committee comprises of 3 (three) members of whom one is an Independent Director and the others are non-executive Directors. The Company Secretary functions as the Secretary of the Committee. Besides, Mr. Syed Fazlul Haque FCA, non-executive Director, also attends the meetings on invitation.

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

Committee Members	Board Members	Position	Attendance	NRC Member since
Mr. Anisuddin Ahmed Khan	Independent Director	Chairman	2/2	28 January 2021
Mr. Jafer Ummeed Khan	Non-Executive Director	Member	2/2	07 October 2020
Mr. Md. Farid Khan	Non-Executive Director	Member	2/2	07 October 2020

Role of the Committee

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

The major roles and responsibilities of the Committee, among others, include:

- To be independent and responsible or accountable to the Board and to the shareholders;
- To assist the Board in formulation of the nomination criteria or policy for determining qualifications, positive attributes, experiences and independence of directors and top-level executives, as well as a policy for formal process of considering remuneration of directors and top-level executives;
- To recommend to the Board regarding the level and composition of remuneration whether these are reasonable and sufficient to attract, retain and motivate suitable directors to run the company successfully;
- To recommend to the Board regarding the relationship of remuneration to performance that is clear and meets appropriate performance benchmarks;
- To recommend to the Board regarding remuneration to directors, top level executives that involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals;
- To recommend a policy on Board's diversity taking into consideration age, gender, experience, education and nationality;
- To identify persons who are qualified to become Directors and Top Level Executives and recommend their appointment and removal;
- To formulate the criteria for evaluation of performance of Independent Directors and the Board;
- Identify the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria;

- To recommend and review annually the Company's human resources and training policies;
- To recommend the Code of Conduct for the Chairperson of the Board, other Board Members and Chief Executive Officer (CEO)/MD of the Company.

Major Activities of the NRC during the Reporting Period to Date were as Follows

- To review and recommend the Code of Conduct for the Chairperson of the Board, other Board Members and Chief Executive Officer (CEO)/MD of the Company;
- To review and recommend the Terms of Reference of NRC;
- To review and recommend yearly salary increment for Directors and Top Level Executives taking into consideration the operational and financial performance of FY 2020-21 and budgetary performance target of FY 2021-22;
- To appraise and endorse the Nomination and Remuneration Policy of the Company.

The Committee is of the opinion that appropriate policies and procedures are in place to form a well-functioning diversified Board, and maintain Top Level Executives with well-balanced remuneration packages between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

On behalf of the Committee



Anisuddin Ahmed Khan
Chairman, NRC Committee

3.12 STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

1. Overview

The Board is committed and acknowledges its responsibility to oversee the system of risk management and internal controls within the Company including reviewing its adequacy, integrity and effectiveness in conjunction with the establishment of an appropriate control environment and framework to safeguard shareholders' investments and the Company's assets.

2 Board Responsibilities

The Board of Directors ("the Board") recognises the importance of maintaining a good system of risk management and internal controls to safeguard shareholders' investment and the Company's assets. The Board acknowledges its overall responsibility for reviewing the adequacy and integrity of the Company's system of risk management and internal control, identifying principal risks and establishing an appropriate control environment and framework to manage risks and evaluating the Company's operational effectiveness and efficiency. The Board recognises that due to inherent limitations, such systems are designed to manage rather than to eliminate the risk of business failure. As such, these systems could only provide reasonable but not absolute assurance against material misstatements or losses and the effectiveness of an internal control system may vary over time. The Board provides strategic guidance to the management to identify risks faced by the Company, and thus formulates, implements and monitors appropriate internal initiatives to mitigate and control risks. The system of internal control covers financial, operational and compliance controls and risk management procedures.

3. System of Risk Management

The Board acknowledged that all areas of the Company's activities involve some degree of risks and recognises that effective risk management is part of good business management practice for the successful achievement of the Company's business objectives. Operationally, the respective Directors of the Companies including subsidiaries and Top Level Executives/Key Management Personnel are responsible for managing the risks of their departments specially including operations and maintenance of power plants, procurements, finance and accounts, treasury management, corporate affairs and general logistic and administration under the comprehensive guideline of Integrated Management System (IMS) and periodic management meetings are held to address significant issues faced by the Company so as to ensure significant risks are closely monitored

and appropriately addressed. Significant risks are highlighted to the Board on an exception basis. The abovementioned practices/initiatives serves as the on-going process used to identify, evaluate and manage significant risks that affect the achievement of the Company's business objectives. A summary of risks and their mitigations are described in point number 5.

4. System of Internal Control

The key measures implemented in the Company are as follows :-

- a. A well-defined organisation structure with distinct lines of accountability that sets out the authority delegated to the Board, Committees to the Board and Management Committees/teams;
- b. A management reporting system to facilitate the collection, processing, monitoring and dissemination of critical information for management review and decision;
- c. Performance reports such as quarterly financial review and plants operational performance review, business development and other corporate matters are regularly provided to the Directors for discussion and deliberations at Board of Directors meeting;
- d. Review of quarterly and annual financial results by the Audit Committee;
- e. Review, in the Quarterly Management Review Meeting (MRM), of the operational and financial performance and compliances in terms of customer feedback, process performance, changes internal and external factors affecting the IMS, evaluations of compliance with legal requirements, communication(s) with external parties, including complaints, evaluation that objectives and targets have been met, status of non-conformities and preventive and corrective actions taken against identified risks, evaluation of environmental and OH&S performance, evaluation of the needs and expectations of interested parties, including compliance obligations and finally evaluation of risks and opportunities for continual improvement and recommendations for improvements thereon.
- f. Regular and occasional meetings by the management team to discuss and review reports and business developments and to resolve key operations, financial and managements issues;
- g. Review the adequacy and effectiveness of the system of internal control, with the assistance of the internal audit function; and
- h. Direct involvement of the Executive Directors in running the business and operations of the Companies including subsidiaries and they are responsible to report to the Board on significant changes which may affect the operations of the Company on regular and period basis (quarterly board meetings).

5. Summary of Risks and their Mitigations

Risks Type	Risk Exposures	Risks Mitigation Measures
Credit risk: Trade and Other Receivables	Trade receivables may not be collected or long delay in collection	<ul style="list-style-type: none"> • Effective defined terms in the PPAs and IA including off-taker SBLC and Government sovereign guarantee; • Advances and deposits are made to vendors within binding contractual terms.
Credit risk: Cash and Cash Equivalent	Cash and cash equivalent in the Banks may not be fully secured	Bank deposits are made with good credit ratings banks with short period of time and they are regularly monitored.
Liquidity Risk: Meeting Financial Liabilities on Times	Trade payables and other short term loan or credit obligations may not be settled on time	<ul style="list-style-type: none"> • Effective defined terms in the PPAs and IA always foster the monthly revenue bill collection; • Cash generation via monthly revenue are sufficient to pay all short terms dues in times; • Maintaining a flexibility between inter-company transactions to meet any financial needs of any group companies; • Maintain a set of credit lines with banks for availing any kind of financial needs, if any.
Market Risk: Currency Risk and CPI Fluctuations	The Company may face fluctuation in currency conversion into USD or BDT or vice-versa while settling foreign currency depended liabilities and while raising and collecting USD based revenue component	<ul style="list-style-type: none"> • Majorly of the revenue components and larger PPAs of the Company are USD and both in local and US CPI dependent. So, variabilities in operating costs including spare parts, lube oil, salaries & allowances and other plant and HO operational costs/expenses are majorly compensated by currency and CPI variabilities that the Company receives via revenue.
Market Risk: Interest Rate Risk	Interest expenses of loan and borrowings may increase	The Company has entered into interest rate SWAP agreements to cover variability in LIBOR for foreign currency loan and interest on local loans are mostly stable.
Capital Management Risk	The Company may face going concern issue and falls of short of capital	The Company always maintain a good balance between providing dividend or return on capital and retained earnings or provision of bank borrowings for continuing operation and its growth expansion.
Industry Risks	Excessive competition between a larger group of companies may obstruct the growth of the Company	A wide range of industrialization, including country-wide 100 economic zones that are developing, as described in the Directors' Report section, requires more and more electricity generation. The Company is working for further expansion to add more MW capacity.
Technology-Related Risks	Technology for generating electricity may change	The Company is well aware of any technological change in supply chain of electricity generation industry. Hence, the Company is more interest to develop its project in clean energy sources, as feasible.
Potential or Existing Government Regulations	The Government might take any policy that may adversely affect profitability and operation of the Company.	Govt. is encouraging Private Sectors to invest in power sector for reducing scarcity of electricity in line with Vision 2041 where the country is projecting to need 60,000 MW.
Non-renewal of Contracts and BERC Licenses	Existing contracts of electricity supply (PPAs) may not be renewed further	It is true that there a gap between electricity supply and its demand. Some of the expired PPAs with BREB have already been renewed for a period of five years and another one is in the process of renewal and the others, when its terms will expire, will also be renewed as we hope.
Operations Risks	Operational risk covers the ability of the Company to achieve the performance as envisaged.	The Company has long term fuel supply arrangements, operation and maintenance (O&M) arrangement and a pool of experience manpower, a well set of policies and procedures under IMS and other Corporate Governance Guidelines and a good track record of operational performance with customers.

6. Internal Audit Function

The Company has internal audit function under the direct supervision of the Audit Committee through the Company's Group Corporate Structure to review the adequacy and integrity of the internal control systems of the Companies containing all subsidiaries. The functions of the internal audit involve as follows :-

- a. To perform audit work in accordance with the pre-approved internal audit plan;
- b. To carry out review on the system of internal controls of the Companies;
- c. To review the effectiveness and adequacy of the existing control policies and procedures;
- d. To provide recommendations, if any, for the improvement of the control policies and procedures;
- e. To review and comment on the implementation status of the recommendation by the internal audit function.

The internal audit function reports directly to the Audit Committee and is independent of the management. The internal audit reports are submitted to the Audit Committee who would review and deliberate on the findings before making the necessary recommendations to the Board to strengthen its system of internal control and policies.

7. Compliance Taskforce Committee

In reference to the Group Compliance Taskforce Charter, the Compliance Taskforce Committee has met to discuss about compliance related matters involving risk assessment based on review of current processes and policies and their compliance in the areas of operations, finance, secretarial and others regulatory matters. The members of the taskforce are to provide status updates and evidences of compliance and recommendations for any improvement in case of any non-compliance including following through on closure of any non-compliances in a timely manner. This purpose will be accomplished through the fulfilment of duties and responsibilities of each member at the operational level, is an integral part of the commitment to compliance.

8. Conclusion

The Board is committed towards operating a sound system of internal control and effective risk management practices throughout the Companies comprising subsidiaries and is of the view that they are adequate to safeguard shareholders' investments and the Company's assets. There were no material losses incurred during the financial period as a result of weaknesses in internal control that would require a separate disclosure in the annual report. The Board will, when necessary, take the necessary steps to further enhance the Company's system of risk management and internal control to adapt to the ever changing and challenging business environment.

This Statement was made in accordance with a resolution of the Board dated 26 September 2021.

Lt Gen Engr Abdul Wadud (Retd)
Managing Director

3.13 COMPLIANCE REPORT ON IAS AND IFRS

Sl. No.	Title	Remarks
IAS 01	Presentation of Financial Statements	Applied
IAS 02	Inventories	Applied
IAS 07	Statement of Cash Flows	Applied
IAS 08	Accounting Policies, Changes in Accounting Estimates and Errors	Applied
IAS 10	Events after the Reporting Period	Applied
IAS 12	Income Taxes	Applied
IAS 16	Property, Plant & Equipment	Applied
IAS 19	Employee Benefits	Applied
IAS 20	Accounting of Government Grants and Disclosure of Government Assistance	N/A
IAS 21	The Effects of Changes in Foreign Exchange Rates	Applied
IAS 23	Borrowing Costs	Applied
IAS 24	Related Party Disclosures	Applied
IAS 26	Accounting and Reporting by Retirement Benefit Plans	N/A
IAS 27	Separate Financial Statements	Applied
IAS 28	Investments in Associates	Applied
IAS 29	Financial Reporting in Hyperinflationary Economics	N/A
IAS 32	Financial Instruments: Presentation	Applied
IAS 33	Earnings per Share	Applied
IAS 34	Interim Financial Reporting	Applied
IAS 36	Impairment of Assets	Applied
IAS 37	Provisions, Contingent Liabilities and Contingent Assets	Applied
IAS 38	Intangible Assets	Applied
IAS 40	Investment Property	N/A
IAS 41	Agriculture	N/A
IFRS 1	First-time adoption of International financial Reporting Standards	Applied
IFRS 2	Share-based Payment	N/A
IFRS 3	Business Combinations	Applied
IFRS 4	Insurance Contracts	N/A
IFRS 5	Non-current Assets Held for Sale and Discontinued Operations	N/A
IFRS 6	Exploration for and Evaluation of Mineral Resources	N/A
IFRS 7	Financial Instruments: Disclosures	Applied
IFRS 8	Operating Segments	N/A
IFRS 9	Financial Instruments	Applied
IFRS 10	Consolidated Financial Statements	Applied
IFRS 11	Joint Arrangements	N/A
IFRS 12	Disclosure of Interests in other Entities	Applied
IFRS 13	Fair Value Measurement	Applied
IFRS 14	Regulatory Deferral Accounts	N/A
IFRS 15	Revenue from Contracts with Customers	Applied
IFRS 16	Leases	Applied

3.14 STATEMENT OF CORPORATE GOVERNANCE

Summit perceives corporate governance as a system, which involves the alignment of interests among all the stakeholders. Summit's philosophy of corporate governance of the Company is aimed at the conduct of Company/top management to ensure that no decision is being taken at the cost of the interest of the community, country as a whole or for any stakeholder. It refers to the meeting obligations to all the stakeholders and is guided by strong emphasis on transparency, accountability and integrity.

GUIDING PRINCIPLES OF CORPORATE GOVERNANCE

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

- That the Board is appropriate in size and members are committed to their respective duties and responsibilities;
- That Codes of Corporate Governance as notified by the Bangladesh Securities and Exchange Commission under reference BSEC/CMRRCD/2006-158/207/Admin/80, dated 3rd June 2018 and BSEC/CMRRCD/2006-158/208/Admin/81, dated 20th June 2018;
- That the Company is operated by a well-defined management structure including IMS;
- That timely flow of information to the Board and its Committees are ensured to enable them discharge their functions effectively;
- That a sound system of 'Risk Management' and internal control is in place;
- That corporate governance practice is based the Companies Act 1994 along with the amendment of the Companies Act in 2020 and other applicable corporate regulations of Bangladesh and the Memorandum and Articles of Association of the Company;
- That the Company has a sound asset management policy, which assures that proper records are maintained in case of capital expenditures of the Company and that no unauthorised use or disposal of any asset occurs;
- That timely and balanced disclosure of all material information concerning the Company is made to all stakeholders;
- That all transactions of the Company are transparent and accountability for the transactions is well established;
- That all regulatory and statutory rules and regulations are complied with;
- That meeting the needs of the current generation will be without compromising the ability of future generation to meet their needs;
- That always there should consider a holistic (social, economic and environmental) approach for decision making, venture exploring and problem-solving;
- That the corporate governance is to be practiced following the guiding various systems, policies, manuals and charters as defined in the 'Various Systems, Policies, Manuals and Charters' section of the Annual Report;
- That the 'Statement of Risk Management' and 'Internal Control' of the Company is followed in management of governance exercise;
- That the delegation of authorities of the Company as defined is exercised prudently; and
- That both the local and global industry best practices are well implemented.

THE RESPONSIBILITIES OF THE BOARD

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

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

- To be informed and act ethically and in good faith, with due diligence and care, in the best interest of the Company and the shareholders;
- To review and guide corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring and implementing of corporate performance;
- To ensure the integrity of the Company's account & financial reporting systems, in particular, systems for risk management, financial and operational control and compliance with the law and relevant standards
- To review Company's financial statements and oversee its compliance with applicable audit, accounting and reporting requirements. In doing so, the Company:
 - Applies suitable accounting policies;
 - Makes prudent judgments and estimates where needed;
 - Ensures all applicable accounting standards have been followed, all material departures have been disclosed and explained in the notes to the financial statements;
 - Makes sure the accounting records present the financial position of the Company accurately;
 - Prepares the financial statements on a going concern basis.
 - Ensures the integrity of the corporations accounting

and financial reporting systems, including their independent audit;

- To monitor implementation and effectiveness of the approved strategic and operating plans;
- To oversee major acquisitions and divestitures and establish Company's value;
- To oversee the corporate governance of the Company;
- To select, compensate, monitor and replace key executives and oversee succession planning;
- To ensure a formal and transparent board member nomination and election process;
- To ensure appropriate systems of internal control are established;
- To appropriately fix and disclose the mandate, composition and working procedures of the committees to the board as established; and
- To align top level executives' and directors' remuneration with the longer-term interests of the Company and its shareholders as recommended by NRC.

The Company's policy is to maintain optimum combination of Directors. The Managing Director of the Company is a non-shareholder ex-officio Director and the Board has appointed three Independent Directors as per the BSEC's requirement. The short introduction of the Directors has been described in this Annual Report. The Board ensures that the activities of the Company are always conducted with adherence to high ethical standards and in the best interest of the shareholders.

BOARD MEETINGS, PROCEDURES AND ACTIVITIES

I. Procedures of the board meeting:

The procedures of the board meetings are mentioned below:

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

II. Attendance of the board meeting and their activities:

Six meetings were held majorly via virtual platform during the financial year ended 30 June 2021. A summary of the Board Members' attendance and their activities are disclosed as follows:

a. Attendance of the board meeting:

Sl.#	Name of Directors	Attendance
1	Mr. Muhammed Aziz Khan	6
2	Mr. Md. Latif Khan	6
3	Mrs. Anjuman Aziz Khan	5
4	Mr. Jafer Ummeed Khan	5
5	Mr. Md. Farid Khan	4
6	Ms. Ayesha Aziz Khan	5
7	Mr. Faisal Karim Khan	6
8	Ms. Azeeza Aziz Khan ACCA	6
9	Mr. Syed Fazlul Haque FCA	4
10	Mr. Faruq Ahmad Siddiqi	6
11	Mr. Anisuddin Ahmed Khan	4
12	Mr. Junayed Ahmed Chowdhury	4
13	Mr. Helal Uddin Ahmed	4
14	Mr. Md. Arif Al Islam	3
15	Lt. Gen. Engr. Abdul Wadud (Retd.)	6

b. Major activities of the Board: The major decisions considered by the Board during the financial year, in addition to the regular business agenda, are as follows:

- Approval of the Financial Statement and Directors' Report FY 2019-20
- Dividend Declaration for the financial year ended on 30th June 2020;
- Approval of annual operating and capital budget, including Directors' and employees' yearly performance appraisal and salary increment, for the year ending on 30th June 2022;
- Recommendation for appointment of External and Corporate Governance Auditors along with their remuneration;
- Review of yearly operating performance and providing suggestions for improvement of operational performance further;
- Conducting 23rd Annual General Meeting of the Company;
- Approval of quarterly unaudited financial statements for the quarters ended on 30 September 2020, 31st December 2020 and 31st March 2021, taking into consideration of Audit Committee reviews and recommendations on financial statements;
- Review of quarterly operational and financial performance as presented by the managements and providing suggestions for further improvement in the areas of various business processes;
- Review and approval of related party transactions particularly with fuel supplier, Summit Oil and Shipping Co Ltd (SOSCL);

- Review and approval of sanction of credit facilities (in the form of funded and non- funded) to facilitate working capital support for related party transactions and supply of spare parts from foreign vendors;
- Approval of retirement and appointment of Independent Director(s) of the Company; and
- Approval of ToR of NRC and the code of conduct for Chairman, Directors and MD recommended by NRC;

THE RESPONSIBILITIES OF THE COMMITTEES TO THE BOARD

The current formation of the Audit Committee and Nomination and Remuneration Committee, their activities and attendance are disclosed in the Report of Audit Committee 2020-21 and Report of NRC 2020-21 sections of the Annual Report.

THE RESPONSIBILITIES OF THE MANAGEMENT

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

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

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

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

INTERNAL CONTROL FRAMEWORK

Our understanding about internal control aligns with the Committee of Sponsoring Organisation (COSO) Internal Control Integrated Framework, a widely used framework of internal control, which is broadly defined as a process,

carried out by an entity's board of directors, management, and other personnel. It is designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, and compliance.

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

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

Board Of Directors

The Board of Directors provides governance, guidance and oversight to the management. Our board members are objective, capable and inquisitive. They also have knowledge of the entity's activities and environment, and commit the time necessary to fulfill their board responsibilities.

Management

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

Auditors

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

Audit Committee

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

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

Internal Audit:

The Company has a dedicated Internal Audit Team, accountable for reviewing the activities of management related to internal controls over financial reporting and business operational functions. The team is adequately resourced and empowered to deliver its responsibilities under the Group Internal Audit Charter and Policies. The team can work independently to ensure risks and internal control deficiencies are identified, reported and mitigated timely.

Remuneration Committee

The roles and the responsibilities of the remuneration committee of our Company are as follows:

- To approve and oversee administration of the 'Company's Compensation Policy';
- To review and approve specific compensation matters for the key executives;
- To review, as appropriate, any changes to compensation matters for the officers listed above with the Board;
- To review and monitor all human-resource related performance and compliance activities and reports, including the performance management system;
- To ensure that benefit-related performance measures are properly used by the management of the organisation; and
- To review and discuss with management the types of information to be disclosed and the types of presentations to be made financial and investment related issues;

Operating Staff

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

Financial Reporting Process

All financial statements are made in accordance with IFRS and IAS applicable in Bangladesh, the Companies Act 1994, the Securities and Exchange Rules 1987, and other applicable financial legislations. It is from the financial reports of enterprise resource planning (ERP) – Microsoft Navision System - that the financial data is captured. The financial statements are reviewed by the Director Finance, Managing Director and Audit Committee on a regular basis/ quarterly and annual basis. Upon submission to the Group in the form of management accounts, these financial statements are then viewed by the Group (i.e. Summit Power International Limited) Accounting and Finance Team of Summit Power International, based in Singapore on a regular monthly and quarterly basis. External auditors examine the financial statements in accordance with International Auditing Standards (ISAs) and in line with the Company's internal control system. Finally, the financial statements (both audited and unaudited ones) are placed before the Board for their review and approval.

Operational Process and its Performance Review

Following the qualities, environment and health, safety & social policies under Integrated Management System, the operations of all power plants are conducted by the management. The system of performance review and for their continual improvement are also in-built in the IMS.

Delegation of Authority

Responsibility or authority is assigned through the delegation of authority framework. The delegation of authority framework for the Company is continuously reviewed and updated as circumstances change to ensure relevance and applicability.

Company Secretary

To ensure effective accumulation and timely flow of information that is required by the Board and to maintain necessary liaison with internal organisations as well as external agencies, the Board has appointed a Company Secretary. The Corporate Governance Code issued by the

Bangladesh Securities and Exchange Commission (BSEC) also requires a listed Company to appoint a Company Secretary. In pursuance of the same, the Board of Directors has appointed the Company Secretary and defined his roles and responsibilities as follows, among others:

- To perform as the bridge between the Board, Management and Shareholders on strategic and statutory decisions and directions;
- To be responsible for ensuring that appropriate Board procedures are followed and advises the Board on Corporate Governance matters; and
- To act as the Disclosure Officer of the Company and monitors the compliance of the acts, rules, regulations, notifications, guidelines, orders/directives, etc. issued by BSEC including Stock Exchanges applicable to the conduct of the business activities of the Company so as to protect the interests of the investors and other stakeholders.

Bangladesh Secretarial Standards (BSS)

The Company conducts its Board meetings, records the minutes of the meetings, as well as maintains the required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB).

Investor Relations

The Investor Relations function aims to provide relevant and necessary information to the investors and shareholders and capital markets in order to enable them to make an informed judgement about the fair value of the Company's shares. The relevant stakeholders are kept informed about the Company's financial results, regulatory landscape, growth opportunities and strategic ambitions. The Investor Relations under the guidance of Company Secretary & Managing Director closely work the Public Relations and Media Department of Summit Corporation Limited for providing relevant information to stakeholders including shareholders. The details of communications with shareholders are well disclosed in the 'Communications with Shareholders' section of the Annual Report.

SUBSIDIARY COMPANIES

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

The conditions stating how the Board of Directors should be composed including the requirement to appoint independent directors is fulfilled.

- The independent directors of the Company are also appointed as such in the subsidiary Companies;
- Activities and transactions of the subsidiary Companies are also reviewed at the Board meetings of the Company;
- Minutes of the Board meetings of the subsidiaries are reviewed by the Board of the Company as well;
- Audit Committee of the Company assessed the financial statements of the subsidiary Companies as well; and
- Any conflicts of interest that may have arisen during intercompany transactions were mitigated.

3.15 STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)

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

(Report under Condition No. 9.00)

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

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1(2)(c)	The independent director(s) shall be appointed by the Board and approved by the shareholders in the Annual General Meeting (AGM);	√	-	-
1(2)(d)	The post of independent director(s) cannot remain vacant for more than 90 (ninety) days;	√	-	-
1(2)(e)	The tenure of office of an Independent Director shall be for a period of 3 (three) years which may be extended for 1 (one) term only.	√	-	-
1(3)	Qualification of Independent Director			
1(3)(a)	Independent director shall be a Knowledgeable individual with integrity who is able to ensure compliance with financial laws, regulatory requirements and corporate laws and can make meaningful contribution to the business;	√	-	-
1(3)(b)	Independent Director shall have following Qualification.			
1(3)(b)(i)	Business leader who is or was a promoter or director of an unlisted Company having minimum paid-up capital of BDT 100.00 million or any listed Company or a member of any national or international chamber of commerce or business association;	√	-	-
1(3)(b)(ii)	Corporate leader who is or was a top level executive not lower than Chief Executive Officer or Managing Director or Deputy Managing Director or Chief Financial Officer or Head of Finance or Accounts or Company Secretary or Head of Internal Audit and Compliance or Head of Legal Service or a candidate with equivalent position of an unlisted Company having minimum paid-up capital of BDT 100.00 million or of a listed Company;	√	-	-
1(3)(b)(iii)	Former official of government or statutory or autonomous or regulatory body in the position not below 5th Grade of the national pay scale, who has at least educational background of bachelor degree in economics or commerce or business or Law;	√	-	-
1(3)(b)(iv)	University Teacher who has educational background in Economics or Commerce or Business Studies or Law or not;	√	-	-
1(3)(b)(v)	Professional who is or was an advocate practicing at least in the High Court Division of Bangladesh Supreme Court or a Chartered Accountant or Cost and Management Accountant or Chartered Financial Analyst or Chartered Certified Accountant or Certified Public Accountant or Chartered Management Accountant or Chartered Secretary or equivalent qualification;	√	-	-
1(3)(c)	The Independent Director(s) shall have at least 10 (ten) years of experiences in any field mentioned in clause (b);	√	-	-
1(3)(d)	In special cases, the above qualification or experiences may be relaxed subject to prior approval of the commission.	√	-	-
1(4)	Duality of Chairperson of the Board of Directors and Managing Director or Chief Executive Officer			
1(4)(a)	The positions of the Chairperson of the Board and the Managing Director (MD) and/or Chief Executive Officer (CEO) of the Company shall be filled by different individuals;	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1(4)(b)	The Managing Director (MD) and/or Chief Executive Officer (CEO) of a listed Company shall not hold the same position in another listed Company;	√	-	-
1(4)(c)	The Chairperson of the Board shall be elected from among the non-executive directors of the Company;	√	-	-
1(4)(d)	The Board shall clearly define respective roles and responsibilities of the Chairperson and the Managing Director and/or Chief Executive Officer;	√	-	-
1(4)(e)	In the absence of the Chairperson of the Board, the remaining members may elect one of themselves from non-executive directors as Chairperson for that particular Board's meeting; the reason of absence of the regular Chairperson shall be duly recorded in the minutes.	√	-	-
1(5)	Directors' Report to Shareholders			
1(5)(i)	An industry outlook and possible future developments in the industry;	√	-	-
1(5)(ii)	The segment-wise or product-wise performance;	√	-	-
1(5)(iii)	Risks and concerns including internal and external risk factors, threat to sustainability and negative impact on environment, if any;	√	-	-
1(5)(iv)	A discussion on Cost of Goods sold, Gross Profit Margin and Net Profit Margin, where applicable;	√	-	-
1(5)(v)	A discussion on continuity of any extraordinary activities and their implications (gain or loss);	√	-	-
1(5)(vi)	A detailed discussion on related party transactions along with a statement showing amount, nature of related party, nature of transactions and basis of transactions of all related party transactions;	√	-	-
1(5)(vii)	A statement of utilisation of proceeds raised through public issues, rights issues and/or any other instruments;	-	-	N/A
1(5)(viii)	An explanation if the financial results deteriorate after the Company goes for Initial Public Offering (IPO), Repeat Public Offering (RPO), Rights Share Offer, Direct Listing, etc.;	-	-	N/A
1(5)(ix)	An explanation on any significant variance that occurs between Quarterly Financial performances and Annual Financial Statements;	√	-	-
1(5)(x)	A statement of remuneration paid to the directors including Independent Directors;	√	-	-
1(5)(xi)	A statement that the financial statements prepared by the management of the issuer Company present fairly its state of affairs, the result of its operations, cash flows and changes in equity;	√	-	-
1(5)(xii)	A statement that proper books of account of the issuer Company have been maintained;	√	-	-
1(5)(xiii)	A statement that appropriate accounting policies have been consistently applied in preparation of the financial statements and that the accounting estimates are based on reasonable and prudent judgment;	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1(5)(xiv)	A statement that International Accounting Standards (IAS) or International Financial Reporting Standards (IFRS), as applicable in Bangladesh, have been followed in preparation of the financial statements and any departure there from has been adequately disclosed;	√	-	-
1(5)(xv)	A statement that the system of internal control is sound in design and has been effectively implemented and monitored	√	-	-
1(5)(xvi)	A statement that minority shareholders have been protected from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly and have effective means of redress;	√	-	-
1(5)(xvii)	A statement that there is no significant doubt upon the issuer Company's ability to continue as a going concern, if the issuer Company is not considered to be a going concern, the fact along with reasons there of shall be disclosed;	√	-	-
1(5)(xviii)	An explanation that significant deviations from the last year's operating results of the issuer Company shall be highlighted and the reasons thereof shall be explained;	√	-	-
1(5)(xix)	A statement where key operating and financial data of at least preceding 5 (five) years shall be summarized;	√	-	-
1(5)(xx)	An explanation on the reasons if the issuer Company has not declared dividend (cash or stock) for the year;	-	-	N/A
1(5)(xxi)	Board's statement to the effect that no bonus share or stock dividend has been or shall be declared as interim dividend;	√	-	-
1(5)(xxii)	The total number of Board meetings held during the year and attendance by each director;	√	-	-
1(5)(xxiii)	A report on the pattern of shareholding disclosing the aggregate number of shares (along with name-wise details where stated below) held by:			
1(5)(xxiii)(a)	Parent or subsidiary or associated companies and other related parties (name wise details);	√	-	-
1(5)(xxiii)(b)	Directors, Chief Executive Officer, Company Secretary, Chief Financial Officer, Head of Internal Audit and their spouses and minor children (name wise details);	√	-	-
1(5)(xxiii)(c)	Executives; and	√	-	-
1(5)(xxiii)(d)	Shareholders holding ten percent (10%) or more voting interest in the Company (name-wise details);	√	-	-
1(5)(xxiv)	In case of appointment/re-appointment of a Director the Company shall disclose the following information to the Shareholders:			
1(5)(xxiv)(a)	A brief resume of the Director;	√	-	-
1(5)(xxiv)(b)	Nature of his/her expertise in specific functional areas;	√	-	-
1(5)(xxiv)(c)	Names of companies in which the person also holds the directorship and the membership of committees of the board;	√	-	-
1(5)(xxv)	A Management's Discussion and Analysis signed by CEO or MD presenting detailed analysis of the Company's position and operations along with a brief discussion of changes in the financial statements, among others, focusing on:			
1(5)(xxv)(a)	Accounting policies and estimation for preparation of financial statements;	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
1(5)(xxv)(b)	Changes in accounting policies and estimation, if any, clearly describing the effect on financial performance or results and financial position as well as cash flows in absolute figure for such changes;	-	-	N/A
1(5)(xxv)(c)	Comparative analysis (including effects of inflation) of financial performance or results and financial position as well as cash flows for current financial year with immediate preceding five years explaining reasons thereof;	√	-	-
1(5)(xxv)(d)	Compare such financial performance or results and financial position as well as cash flows with the peer industry scenario;	√	-	-
1(5)(xxv)(e)	Briefly explain the financial and economic scenario of the country and the globe;	√	-	-
1(5)(xxv)(f)	Risks and concerns issues related to the financial statements, explaining such risk and concerns mitigation plan of the Company; and	√	-	-
1(5)(xxv)(g)	Future plan or projection or forecast for Company's operation, performance and financial position, with justification there of, i.e., actual position shall be explained to the shareholders in the next AGM;	√	-	-
1(5)(xxvi)	Declaration or certification by the CEO and the CFO to the Board as required under condition No. 3(3) shall be disclosed as per Annexure-A; and	√	-	-
1(5)(xxvii)	The report as well as certificate regarding compliance of conditions of this Code as required under condition No. 9 shall be disclosed as per Annexure-B and Annexure-C.	√	-	-
1(6)	Meetings of the Board of Directors			
	The Company shall conduct its Board meetings and record the minutes of the meetings as well as keep required books and records in line with the provisions of the relevant Bangladesh Secretarial Standards (BSS) as adopted by the Institute of Chartered Secretaries of Bangladesh (ICSB) in so far as those standards are not inconsistent with any condition of this Code.	√	-	-
1(7)	Code of Conduct for the Chairperson, other Board members and Chief Executive Officer			
1(7)(a)	The Board shall lay down a code of conduct, based on the recommendation of the Nomination and Remuneration Committee (NRC) at condition No. 6, for the Chairperson of the Board, other board members and Chief Executive Officer of the Company;	√	-	-
1.7.(b)	The code of conduct as determined by the NRC shall be posted on the website of the Company including, among others, prudent conduct and behavior; confidentiality; conflict of interest; compliance with laws, rules and regulations; prohibition of insider trading; relationship with environment, employees, customers and suppliers; and independency.	√	-	-
2	Governance of Board of Directors of Subsidiary Company			
2(a)	Provisions relating to the composition of the Board of Directors of the holding Company shall be made applicable to the composition of the Board of Directors of the subsidiary Company;	√	-	-

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

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
3(3)(c)	The certification of the MD or CEO and CFO shall be disclosed in the Annual Report.	√	-	-
4	Board of Directors' Committee			
	For ensuring good governance in the Company, the Board shall have at least following sub-committees:			
4(i)	Audit Committee;	√	-	-
4(ii)	Nomination and Remuneration Committee.	√	-	-
5	Audit Committee			
5(i)	Responsibility to the Board of Directors.			
5(i)(a)	The Company shall have an Audit Committee as a sub-committee of the Board;	√	-	-
5(i)(b)	The Audit Committee shall assist the Board in ensuring that the financial statements reflect true and fair view of the state of affairs of the Company and in ensuring a good monitoring system within the business;	√	-	-
5(i)(c)	The Audit Committee shall be responsible to the Board; the duties of the Audit Committee shall be clearly set forth in writing.	√	-	-
5(2)	Constitution of the Audit Committee			
5(2)(a)	The Audit Committee shall be composed of at least 3 (three) members;	√	-	-
5(2)(b)	The Board shall appoint members of the Audit Committee who shall be non-executive directors of the Company excepting Chairperson of the Board and shall include at least 1 (one) independent director;	√	-	-
5(2)(c)	All members of the audit committee should be "financially literate" and at least 1 (one) member shall have accounting or related financial management background and 10 (ten) years of such experience;	√	-	-
5(2)(d)	When the term of service of any Committee member expires or there is any circumstance causing any Committee member to be unable to hold office before expiration of the term of service, thus making the number of the Committee members to be lower than the prescribed number of 3 (three) persons, the Board shall appoint the new Committee member to fill up the vacancy immediately or not later than 1 (one) month from the date of vacancy in the Committee to ensure continuity of the performance of work of the Audit Committee;	√	-	-
5(2)(e)	The Company secretary shall act as the secretary of the Committee;	√	-	-
5(2)(f)	The quorum of the Audit Committee meeting shall not constitute without at least 1 (one) independent director.	√	-	-
5(3)	Chairperson of the Audit Committee			
5(3)(a)	The Board shall select 1 (one) member of the Audit Committee to be Chairperson of the Audit Committee, who shall be an independent director;	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
5(3)(b)	In the absence of the Chairperson of the Audit Committee, the remaining members may elect one of themselves as Chairperson for that particular meeting, in that case there shall be no problem of constituting a quorum as required under condition No. 5(4)(b) and the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√	-	-
5(3)(c)	Chairperson of the Audit Committee shall remain present in the Annual General Meeting (AGM).	√	-	-
5(4)	Meeting of the Audit Committee			
5(4)(a)	The Audit Committee shall conduct at least its four meetings in a financial year;	√	-	-
5(4)(b)	The quorum of the meeting of the Audit Committee shall be constituted in presence of either two members or two-third of the members of the Audit Committee, whichever ever is higher, where presence of an independent director is a must.	√	-	-
5(5)	Role of Audit Committee			
	The audit committee shall:			
5(5)(a)	Oversee the financial reporting process;	√	-	-
5(5)(b)	Monitor choice of accounting policies and principles;	√	-	-
5(5)(c)	Monitor Internal Audit and Compliance process to ensure that it is adequately resourced, including approval of the Internal Audit and Compliance Plan and review of the Internal Audit and Compliance Report;	√	-	-
5(5)(d)	Oversee hiring and performance of external auditors;	√	-	-
5(5)(e)	Hold meeting with the external or statutory auditors for review of the annual financial statements before submission to the Board for approval or adoption;	√	-	-
5(5)(f)	Review along with the management, the annual financial statements before submission to the Board for approval;	√	-	-
5(5)(g)	Review along with the management, the quarterly and half-yearly Financial Statements before submission to the Board for approval;	√	-	-
5(5)(h)	Review the adequacy of internal audit function;	√	-	-
5(5)(i)	Review the Management's Discussion and Analysis before disclosing in the Annual Report;	√	-	-
5(5)(j)	Review statement of all related party transactions submitted by the management;	√	-	-
5(5)(k)	Review Management Letters/ Letter of Internal Control weakness issued by statutory auditors;	√	-	-
5(5)(l)	Oversee the determination of audit fees based on scope and magnitude, level of expertise deployed and time required for effective audit and evaluate the performance of external auditors;	√	-	-
5(5)(m)	Oversee whether the proceeds raised through Initial Public Offering (IPO) or Repeat Public Offering (RPO) or Rights Share Offer have been utilized as per the purposes stated in relevant offer document or prospectus approved by the Commission;	-	-	N/A
5(6)	Reporting of the Audit Committee			

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

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
6(2)(d)	The Board shall have authority to remove and appoint any member of the Committee;	√	-	-
6(2)(e)	In case of death, resignation, disqualification, or removal of any member of the Committee or in any other cases of vacancies, the board shall fill the vacancy within 180 (one hundred eighty) days of occurring such vacancy in the Committee;	√	-	-
6(2)(f)	The Chairperson of the Committee may appoint or co-opt any external expert and/or member(s) of staff to the Committee as advisor who shall be non-voting member, if the Chairperson feels that advice or suggestion from such external expert and/or member(s) of staff shall be required or valuable for the Committee;	√	-	-
6(2)(g)	The Company secretary shall act as the secretary of the Committee;	√	-	-
6(2)(h)	The quorum of the NRC meeting shall not constitute without attendance of at least an independent director;	√	-	-
6(2)(i)	No member of the NRC shall receive, either directly or indirectly, any remuneration for any advisory or consultancy role or otherwise, other than Director's fees or honorarium from the Company.	√	-	-
6(3)	Chairperson of the NRC			
6(3)(a)	The Board shall select 1 (one) member of the NRC to be Chairperson of the Committee, who shall be an independent director;	√	-	-
6(3)(b)	In the absence of the Chairperson of the NRC, the remaining members may elect one of themselves as Chairperson for that particular meeting, the reason of absence of the regular Chairperson shall be duly recorded in the minutes;	√	-	-
6(3)(c)	The Chairperson of the NRC shall attend the annual general meeting (AGM) to answer the queries of the shareholders	√	-	-
6(4)	Meeting of the NRC			
6(4)(a)	The NRC shall conduct at least one meeting in a financial year;	√	-	-
6(4)(b)	The Chairperson of the NRC may convene any emergency meeting upon request by any member of the NRC;	√	-	-
6(4)(c)	The quorum of the meeting of the NRC shall be constituted in presence of either two members or two third of the members of the Committee, whichever ever is higher, where presence of an independent director is must as required under condition No. 6(2)(h);	√	-	-
6(4)(d)	The proceedings of each meeting of the NRC shall duly be recorded in the minutes and such minutes shall be confirmed in the next meeting of the NRC.	√	-	-
6(5)	Role of the NRC			
6(5)(a)	NRC shall be independent and responsible or accountable to the Board and to the shareholders;	√	-	-
6(5)(b)	NRC shall oversee, among others, the following matters and make report with recommendation to the Board:			

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
6(5)(b)(f)	Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend a policy to the Board, relating to the remuneration of the directors, top level executive, considering the following:	√	-	-
6(5)(b)(i)(a)	The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate suitable directors to run the Company successfully;	√	-	-
6(5)(b)(i)(b)	The relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and	√	-	-
6(5)(b)(i)(c)	Remuneration to directors, top level executive involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;	√	-	-
6(5)(b)(ii)	Devising a policy on Board's diversity taking into consideration age, gender, experience, ethnicity, educational background and nationality;	√	-	-
6(5)(b)(iii)	Identifying persons who are qualified to become directors and who may be appointed in top level executive position in accordance with the criteria laid down, and recommend their appointment and removal to the Board;	√	-	-
6(5)(b)(iv)	Formulating the criteria for evaluation of performance of independent directors and the Board;	√	-	-
6(5)(b)(v)	Identifying the Company's needs for employees at different levels and determine their selection, transfer or replacement and promotion criteria; and	√	-	-
6(5)(b)(vi)	Developing, recommending and reviewing annually the Company's human resources and training policies;	√	-	-
6(5)(c)	The Company shall disclose the nomination and remuneration policy and the evaluation criteria and activities of NRC during the year at a glance in its annual report.	√	-	-
7	External or Statutory Auditors			
7(1)	The issuer Company shall not engage its external or statutory auditors to perform the following services of the Company, namely:-			
7(1)(i)	Appraisal or valuation services or fairness opinions;	√	-	-
7(1)(ii)	Financial information systems design and implementation;	√	-	-
7(1)(iii)	Book-keeping or other services related to the accounting records or financial statements;	√	-	-
7(1)(iv)	Broker-dealer services;	√	-	-
7(1)(v)	Actuarial services;	√	-	-
7(1)(vi)	Internal audit services or special audit services;	√	-	-
7(1)(vii)	Any service that the Audit Committee determines;	√	-	-
7(1)(viii)	Audit or certification services on compliance of corporate governance as required under condition No. 9(1); and	√	-	-
7(1)(ix)	Any other service that creates conflict of interest.	√	-	-

Condition No.	Title	STATUS OF COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE (CGC)		Remarks (if any)
		Complied	Not complied	
7(2)	No partner or employees of the external audit firms shall possess any share of the Company they audit at least during the tenure of their audit assignment of that Company; his or her family members also shall not hold any shares in the said Company:	√	-	-
7(3)	Representative of external or statutory auditors shall remain present in the Shareholders' Meeting (Annual General Meeting or Extraordinary General Meeting) to answer the queries of the shareholders.	√	-	-
8	Maintaining a website by the Company			
8(1)	The Company shall have an official website linked with the website of the stock exchange;	√	-	-
8(2)	The Company shall keep the website functional from the date of listing;	√	-	-
8(3)	The Company shall make available the detailed disclosures on its website as required under the listing regulations of the concerned stock exchange(s).	√	-	-
9	Reporting and Compliance of Corporate Governance			
9(1)	The Company shall obtain a certificate from a practicing Professional Accountant or Secretary (Chartered Accountant or Cost and Management Accountant or Chartered Secretary) other than its statutory auditors or audit firm on yearly basis regarding compliance of conditions of Corporate Governance Code of the Commission and shall such certificate shall be disclosed in the Annual Report;	√	-	-
9(2)	The professional who will provide the certificate on compliance of this Corporate Governance Code shall be appointed by the shareholders in the annual general meeting;	√	-	-
9(3)	The directors of the Company shall state in accordance with the Annexure-C attached, in the directors' report whether the Company has complied with these conditions or not.	√	-	-

3.16 CORPORATE SOCIAL RESPONSIBILITY (CSR)

Summit has a CSR Committee that governs and reviews all related activities. Independent of our financial commitment on CSR projects, we invest in our communities. For example, we have built a new school away from Gazipur power plant with much more facilities, coordinated with JERA, our partner, to procure a COVID specialized ambulance and invited scholarship applicants for JERA-Asia Scholarship for Bangladeshi students.

Summit funded '38 No. Kalakoir Government Primary School' constructed on 0.8 acres of land at a total cost of Taka 5 crore 57 lakh. Previously the building was 3,500 sqft while the new school has 15,000 sqft, almost 4 times larger. Given that one of the top reasons for girls to drop out from school in Bangladesh is lack of washrooms, we have built twelve washrooms from only two. The school now has a boundary wall to secure the school property as well as from domestic animals grazing. Moreover now the school has provision for a science lab, computer lab, library, canteen, pantry and parents' waiting room.



Liberation War Affairs Minister A K M Mozammel Haque MP inaugurated Summit-funded 38 No. Kalakoir Government Primary School while Lt Col (Retd) Muhammad Faruk Khan MP, Chair of the Parliamentary Standing Committee on Foreign Affairs and Presidium Member, Bangladesh Awami League; and Mohammad Zahangir Alam, Mayor, Gazipur City Corporation (GCC) were present as the special guests of the ceremony.



JERA Co., Inc. has established the 'JERA Asia Scholarship' and receive applications from Asian countries i.e. Bangladesh, India, Indonesia, Myanmar, Philippines, Singapore, Taiwan and Vietnam from Master's students at the International University of Japan ("IUJ") till March 25, 2021.



Lt. Col. (Retd.) Muhammad Faruk Khan MP, Presidium Member of Bangladesh Awami League along with Vice-Chairman of Summit Group Latif Khan and Munira Khan, Members of Board of Trustees, Siraj-Khaleda Trust handed over the ambulance especially made for COVID patients to Major General Md Moshfequr Rahman, Area Commander, Log Area.

Our CSR Investments

As part of our CSR commitment, some of our major investments were to support Rohingya children and their families during the crisis with emergency supplies collaborating with UNICEF and awarding grant for three years to JAAGO Foundation, enabling them to educate underprivileged students online in Bangladesh.

- Health and social service – investing in healthcare and promoting well-being
- Education – empowering people of all ages with knowledge and skills
- Sports – bringing communities together and encouraging healthy living
- Arts and culture – supporting cultural project to raise awareness

Health and Social Service

Muhammed Aziz Khan, Chairman of Summit Power Limited while discussing its CSR support to Rohingya camp fire that affected about fifty-thousand refugees in March 2021 with the UNICEF Bangladesh's Representative Tomoo Hozumi mentioned, "Summit is honored to be included in UNICEF's effort to reach the Rohingya children and their families during the crisis with emergency supplies."



Left to right (clockwise): Muhammed Aziz Khan, Chairman of Summit Power Limited (SPL), Tomoo Hozumi, Representative UNICEF Bangladesh, Fadiah Khan, Director of Summit Group and Areeba Panni, Corporate Fundraising Officer, UNICEF Bangladesh.



Like each year, Summit Power Limited provided blankets to vulnerable communities near all their plants and the Summit Centre located in Kawran Bazar, Dhaka.

Education

Summit and Beximco have awarded BDT 135 million matching grant to JAAGO Foundation - a first time for two local conglomerates jointly contributing such a large amount to a local Non-profit Organisation for three years enabling them to educate 4,000 students across Bangladesh. The CSR Committee considered the project important as the education institutions were closed due to the pandemic in Bangladesh. Once the government allows all education institutions to physically receive students in classes, the grant will be used to run the digital schools.



Muhammed Aziz Khan, Founder Chairman of Summit Group of Companies said, "The excellent work of JAAGO in using web-based learning for the poorer students all over Bangladesh is perhaps a model of educating in the future. Korvi has thought about what others will and should follow. Summit is committed to eradicate poverty and thus is privileged to support JAAGO's internet based schools. JAAGO has been awarded the UNESCO King Hamad Bin Isa Al-Khalifa Prize for the Use of ICT in Education, they deserve the Nobel prize."

Since 2010, Summit has assisted SEID Trust to improve the condition of poor children with intellectual and multiple disabilities and autism. All too often, the children come from the most financially disadvantaged segment of society. Over three thousand underprivileged children to date have received education and support including pre-primary and special education, education materials, physiotherapy, speech therapy, counselling, medical services, sports, cultural, food and transport facilities. In addition, Summit also supports two SEID Trust Community Therapy Centre in Shyamoli and Kamrangir Char.



Arts and Culture



Rezwana Chowdhury Bannya along with teachers and students of Shurer Dhara performed at the cultural event to mark 50 years of Bangladesh's independence and the birth centenary of the Father of the Nation Bangabandhu Sheikh Mujibur Rahman in the capital's National Parade Square.

Summit Power Limited actively contributes to Shurer Dhara Music for Development, an organisation founded in 1992 by Rezwana Chowdhury Bannya, a distinguished alumna of Viswa-Bharati (the renowned university of Nobel Laureate Rabindranath Tagore), a Professor of Music at the University of Dhaka and an accomplished exponent of Rabindra Sangeet. Their mission is to cultivate and promote music and culture across Bangladesh and has over two thousand students on average each year.



Summit hosts the only sculpture park in Bangladesh, Prof Hamiduzzaman Khan Sculpture Park. In recent times, more sculptures have been added such as seen in the image, Sangsaptak. Image of Sangsaptak is a delineation of Hamiduzzaman Khan's famous series on Bangladesh War of Liberation. His first work on this series was established at the Jahangirnagar University campus in 1988. Image of Sangsaptak highlights the intrepidity of the freedom fighters during the war in 1971. The freedom fighters made tremendous efforts to free their homeland regardless of their impoverished situations. The sculpture consists of a hand and bayonet in abstract form.

Sports

To safeguard the health of athletes and others involved, most major sporting events at international, regional and national levels had been cancelled or postponed by Summit Power Limited. The golf tournament has been postponed, and will be held in December 2021.

3.17 ENVIRONMENT AND SUSTAINABILITY REPORT 2020-21

Sustainability Governance

Our environmental, social, and governance (ESG) management approach helps us to live up to this commitment. To ensure long-term business resilience, we seek to minimize negative environmental and social impacts, by actively managing our operations and engaging with our stakeholders. The Summit Power Limited's Management bears overall responsibility for SPL's sustainability management. They oversee how we meet our sustainability expectations and integrate them into our strategy, our governance, and especially our operations.



This water body is located inside the Summit's Gazipur power plant premises in the Prof Hamiduzzaman Khan Sculpture Park. In the centre, a sculpture titled Swan can be seen.

The Environment, Health, Safety and Social (EHSS) and Sustainability function is responsible for developing and coordinating our sustainability activities. It also involves all levels of the organisation in this effort, including employees, whose active involvement is essential for us to achieve a robust sustainability culture. Under the guidance of EHSS & Sustainability, our business units have a responsibility to implement 'Annual EHSS & Sustainability Improvement Plans' to help us meet our overall objectives for these areas.

Key Figures of Plants Operation

Particulars	Unit	2020-21
HFO consumption	Metric Tons	604,828
Natural gas consumption	Cubic Meter	274,474,354
Quantity of waste generated (general waste)	Metric Tons	55
Quantity of hazardous waste generated (sludge, lube oil & oily rags etc.)	Metric Tons	2,357
Water consumption	Cubic Meter	172,652
Quantity of waste water treated	Cubic Meter	977
Severe environmental incidents	Nos	Nil
Fatalities	Nos	Nil
Total lost time accidents (including vehicular)	Hr	Nil
Total amount spent on community development	BDT	14,627,813

EHSS Identity and Policy Statement

Our amended EHSS & Sustainability Policy Statement, which defines our ambitions and priorities for EHSS and Sustainability, was signed by all members of the Management in November 2018-19. This statement provides the framework for developing Group-wide Sustainability Strategic Plans (SSPs) and defines our specific EHSS and Sustainability commitments. EHSS is a core part of our SPL identity – we care about people and the environment. The Policy Statement articulates our new EHSS identity, which is encapsulated in four declarations:

- “We only work safely”
- “We look after people’s health”
- “We act with responsibility to reduce our environmental impact”
- “We protect our people and our assets”

Internationally Recognised Certifications Received by The Power Plants of Summit Power Limited are:

SL. No.	Plant Name	ISO 9001:2015	ISO 14001:2015	ISO 45001:2018	Social Policy
1	Ashulia Power Plant	√	√	√	√
2	Madhabdi Power Plant	√	√	√	√
3	Chandina Power Plant	√	√	√	√
4	Maona Power Plant	√	√	√	√
5	Rupganj Power Plant	√	√	√	√
6	Jangalia Power Plant	√	√	√	√
7	Ullapara Power Plant	√	√	√	√
8	Narayanganj Power Plant Unit I	√	√	√	√
9	Narayanganj Power Plant Unit II	√	√	√	√
10	Summit Barisal Power Plant	√	√	√	√
11	Ace Alliance Power Plant	√	√	√	√
12	Summit Gazipur II Power Plant	√	√	√	√

Our Material Topics

At SPL we define specific topics, based on our 'Materiality Assessment 2020-21'. The Materiality Assessment analyzes the significance of our economic, environmental, and social impacts and of their influence on our stakeholders' assessments of, and decisions regarding, our company. We consider a combination of internal and external factors to assess whether a topic is material from the perspective of employees, senior managers, third parties, government and non-governmental organisations, industry partners, as well as current and potential institutional investors.

Summit Power Limited Sustainability Strategic Plans













Our Sustainability Strategic Plans (SSPs) describe how sustainability supports our business strategy and put in place commitments for our ESG topics and the selected UN Sustainable Development Goals (SDGs). Our SSP is built around a set of long-term commitments that reflect core elements of our corporate culture and business strategy. The SSP provides the framework for medium-term target-setting, annual progress reviews, and specific action plans.

UN Sustainable Development Goals

SPL supports the SDGs. To guide our actions, we aligned our material topics with relevant SDGs and used this as the basis for developing strategic commitments. The 17 SDGs were endorsed by the United Nations in September 2015. They encompass fundamental improvements in the living conditions of all people today and in future generations as well as the protection of the environment. We covered most of the SDGs in materiality assessment during 2020-21 based on the nature of our business and its strategic development.



Environment and Sustainability Commitments:

Material Topics	Subtopics	Relevant SDGs	Summit Power Limited Commitments
Secure and reliable energy supply	<ul style="list-style-type: none"> Power supply Business adaption and resilience 	   	<ul style="list-style-type: none"> Foster established and flexible generation solutions to enable a secure transition toward sustainable energy. Ensure uninterrupted power supply to support rapid industrialization. Secure and reliable energy supply
Climate change	<ul style="list-style-type: none"> Policy and regulatory environment Greenhouse-gas emissions from our operations Physical impacts of climate change Waste mangement Green plantation and maintaining water bodies (pond) 	    	<ul style="list-style-type: none"> Promote lower-carbon fuels like gas and LNG as operating fuel. Promote less carbon-intensive power generation technology. Monitor and optimize CO2 intensity of Bangladesh Generation portfolio Liquid and solid waste management Reduced water usage Closed circuit cooling water system (water recycling and reused) for power generation using reduced water. WTP, ETP and fuel treatment plant Green plantation in all power plants Maintenance of biodiversity; Proper treatment of waste and effluent before discharging to the environment
Our people	<ul style="list-style-type: none"> Health and safety Diversity Workforce restructuring New employees Health care during pandemic 	  	<ul style="list-style-type: none"> Protect labor rights and ensure a safe, healthy, and secure work environment for all employees and contractors and promote the same standards in our joint ventures and partnerships. To have zero tolerance of discrimination on the basis of gender, ethnic background, or any other diversity factor. Ensure equal opportunities and foster diversity in leadership positions. Employee training and development Cultivation of productive workplace Corporate agreement with BSH for Covid health care of all employees Distribution of mask and PPE Community doctors for plant level employees Health care assistance in HO for all employees with emergency first aid box Maintenance of occupational health and safety
Business integrity	<ul style="list-style-type: none"> Compliance and governance Human rights along the value chain Transparent trading Transparency in advocacy groups 	 	<ul style="list-style-type: none"> Have zero tolerance of forced labor, child labor, modern slavery, and human trafficking. Continue to strengthen our compliance culture and protect the business from corruption risks. Foster the development of effective, accountable, and transparent institutions at all levels

<p>Resource efficiency</p>	<ul style="list-style-type: none"> • Flexible and efficient power plants • Energy savings • Resource consumption • By-products • Waste management • Water management • Ensuring education to communities • Usage of daylight 		<ul style="list-style-type: none"> • Promote waste reduction, land, water pollution prevention, and environmentally responsible disposal. • Work with our contractors, suppliers, and industrial customers to adopt a life-cycle approach to protect the environment, use resources efficiently. • Adoption of building structure ensuring maximum usage of daylight
<p>Local acceptance</p>	<ul style="list-style-type: none"> • Stakeholder engagement • Air emissions • Biodiversity • Employee engagement • Food safety for communities • Accommodation of local communities 		<ul style="list-style-type: none"> • Actively engage with our stakeholders to ensure transparency and ongoing dialogue regarding our activities. • Minimize the impact on communities affected by our operations • Relief to distressed people during Covid-19 pandemic • Development of factory away from city area • Migration of workers from the city to the factory site • Good accommodation for employees in factory • Jaago Foundation, SEID and Shurer Dhara - education of under privileged and/or children into main stream development societies.



Dr. Tawfiq-e-Elahi Chowdhury, BB Honourable Advisor to the PM on Energy, Power and Mineral Resources planted a tree at the Hamiduzzaman Sculpture Park at Kodda, Gazipur while the Managing Director of Summit Gazipur I & II Eng Md. Mozammel Hossain is seen with him along with Summit's leadership.

3.18 INTEGRATED REPORTING

The Values that the Company has created for its Stakeholders



Power Generation Company

1st Bangladeshi Power Generation Company in Bangladesh in Private Sector incorporated in 2000



No of Shareholders

FY 2021: 40,926
FY 2020: 34,943
FY 2019: 35,847



Electricity Generation

FY 2021: 4,388,284MwH
FY 2020: 2,674,757 MwH
FY 2019: 3,251,852 MwH



CSR for Education

Summit and Beximco jointly have awarded BDT 135 million matching grant to JAAGO Foundation for three years enabling them to educate 4,000 students across Bangladesh



CSR for Community Development

FY 2021: BDT 14.62 Million
FY 2020: BDT 27.40 Million
FY 2019: BDT 32.02 Million



Our Customers:

We have invested since incorporation BDT 50,638 Million in Property, Plant and Equipment;

We cover 1.5 Million customers of total customers of 40 Millions of BPDB/BREB;



Human Capital Inputs and Outputs

No of employees - FY 21: 581,
FY 20: 593, FY 19: 571

Employees Cost (in Million BDT) -
FY 21: 545, FY 20: 527, FY 19: 467



Foreign Loan Received

USD 331.36 Million to date 30 June 2021



Contribution to the Industry

Contribution to Private Sector Power Generation about 10% and SPL produces 930 MW out of total capacity of 25,235 MW



Credit Rating

Four times in a row long term rating "AAA" by CRISL



World Record

The 300 MW of Summit Gazipur II Power Limited was implemented in a record period of 9 months and received award for the fastest implemented project from Asian Power



Contribution to National Exchequer

FY 2021: BDT 378 Million
FY 2020: BDT 350 Million
FY 2019: BDT 470 Million



Dividend Both in BDT and Rate in %

FY 2021: BDT 37,375 Million and 35%
FY 2020: BDT 37,375 Million and 35%
FY 2019: BDT 37,375 Million and 35%



Employee Training

FY 2021: 1,122 Man Hours of 154 Trainings
FY 2020: 865 Man Hours of 109 Trainings
FY 2019: 1,473 Man Hours of 179 Trainings

The Integrated Reporting that the Company Belongs

1. Overview

SPL's integrated report is a concise communication about how our Company's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation, preservation or erosion of value in the short, medium and long term. Our approach to integrated reporting explains mainly to owners and shareholders of the Company, providing of financial capital, how the Company creates value over time, and also benefits all stakeholders interested in the Company's ability to create value over time, including employees, customers, suppliers, business partners, local communities, legislators, regulators and policy-makers, etc. Thus, SPL's integrated reporting enhances accountability and stewardship for the broad base of capitals (financial, manufactured, intellectual, human, social and relationship, and natural), promote understanding of their interdependencies, emphasizes the connectivity of information & the capitals and finally encourage the importance of integrated thinking within the Company.

2. How The Company creates value for stakeholders including Owners

Integrated reporting framework presents following process through which value is created, preserved or eroded:

A. Content Elements: The Company's integrated report includes some content elements that are fundamentally linked to each other and are not mutually exclusive, and sustainably work in the process of value creation to all stakeholders including owners of the Company.

a. Organisational Overview: Integrated report identifies the Company's purpose, mission and vision, culture, ethics and values, ownership and operating structure, principal activities and markets, competitive landscape and market positioning, position within the value chain. The details are discussed in the 'Profile of the Company' and 'Our Management System' sections.

External environment: Integrated report identifies the Company's significant factors affecting the external environment include aspects of the legal, commercial, social, environmental and political context that affect the Company's ability to create value in the short, medium or long term. The details are discussed in the 'PASTEL Analyses' section.

- b. Governance:** Those charged with governance are responsible for creating an appropriate oversight structure to support the ability of the Company to create value in the short, medium and long term. The details are discussed in the 'Statement of Corporate Governance' section.
- c. Business model:** This is the Company's system of transforming various capitals as inputs through its business activities into outputs (products, services, by-products and waste) and outcomes in terms of effects on the capitals that aims to fulfil the organisation's strategic purposes and create value over the short, medium and long term. The details are discussed in the 'Management System' section.
- d. Risks and opportunities:** What are the specific risks and opportunities that affect the Company's ability to create value over the short, medium and long term, and how is the Company dealing with them? The details are discussed in the 'Profile of the Company' and 'Statement of Risk Management and Internal Control' sections.
- e. Strategy and resource allocation:** The resource allocation plans the Company has to implement its strategy and how it will measure achievements and target outcomes for the short, medium and long term.
- f. Performance evaluation:** To what extent has the Company has achieved its strategic objectives for the period and what are its outcomes in terms of effects on the capitals which are evaluated by various committees as disclosed in Company's 'Various Committees and their activities' section.
- g. Outlook:** The challenges and uncertainties that the Company is likely to encounter in pursuing its strategy, and what are the potential implications for its business model and future performance are disclosed in the 'Directors' Report' and 'Statement of Risk Management and Internal Control' sections.
- B. Components of capitals as inputs converting into outputs and outcomes in terms of effects on the capitals aiming creating value:** All organisations depend on various forms of capital for their success. The capitals are stocks of value that are increased, decreased or transformed through the activities and outputs of the organisation.

3. Overall Value Creation Process of the Company

Components of Capital as Inputs	Business Model, Governance and Other Affective Factors	Outcomes Effecting on Capitals
<p>Financial capital:</p> <ul style="list-style-type: none"> Debt – BDT 21,619 million Equity – BDT 19,173 million Retained surplus through operations & investments BDT 29,510 million Increased net revenue from contracts with customer 		<p>Financial capital:</p> <ul style="list-style-type: none"> Dividend on equity BDT 3,738 million in FY 21 Dividend on pref. equity BDT 215 million in FY 21 Interest on debt BDT 1,187 million NAVPS BDT 34.45 EPS BDT 5.25 NOCFPS BDT 8.53 No of shareholders 40,926 in FY 21 Return on assets Improvement in overall financial ratios Detailed disclosures relating to outcomes of financial capital are disclosed in 'Financial Highlights' Section
<p>Manufactured capital:</p> <p>Manufactured physical objects –</p> <ul style="list-style-type: none"> Property, Plant & Equipment Infrastructure Country-wide 15 power plants Good network or established fuel supply system Critically examines different components of factory equipment Upgradation of factory, machines and process Integrated work system development 	<ul style="list-style-type: none"> The process of production of goods or the provision of services Integrated Management System PESTAL analysis Employee diversity and equal opportunity 	<p>Manufactured capital:</p> <ul style="list-style-type: none"> Sale of electricity (volume in kwh has increased by 65%) this year Meeting 10% of electricity need of Bangladesh in private sector IPP Reduction in cost of operation Improved equipment retention and process efficiency Manufacturing practices that reduce waste and enhance efficiency Enhanced safety in manufacturing process. Uninterrupted supply of electricity to BPDB & BREB Higher level satisfaction of customers Country-wied power plants set-up
<p>Intellectual capital:</p> <p>Organisational, knowledge-based intangibles including:</p> <ul style="list-style-type: none"> Intellectual property Licenses for power plant operations Organisational capital – tacit knowledge, systems, procedures for power plant operation Long-term electricity supply contracts with BPDB & BREB under sovereign guarantee Good relations and understanding with customers, suppliers and government agencies ERP system Long spare parts supply and maintenance contracts with word renewed Wartsila Long term fuel supply agreement for gas and HFO supply 	<ul style="list-style-type: none"> Building better employment process Value chain system Business strategies Strategic objectives Challenges and uncertainties Company Policies, manuals and charters All Regulations surrounding the Company 	<p>Intellectual capital:</p> <ul style="list-style-type: none"> Uninterrupted supply of electricity to BPDB & BREB Higher level satisfaction of customers Less maintenance hours required for power plant operation Efficient management system requiring less costs of operation Assurance and confidence on value chain system for core raw materials Educating and encouraging further dependency on cloud sharing and technical adaptations Reduction of work report and decision making times by eliminating inconsistency Data and streamlining information sharing processes.
<p>Human capital</p> <p>Competencies, capabilities and experience, and their motivations to innovate including:</p> <ul style="list-style-type: none"> Risk management approach Ability to understand, develop and implement the Company's strategy Loyalties and motivations for improving processes, goods and services, including their ability to lead, manage and collaborate Training and skill development program Succession planning and management Hiring dedicated and talented employees Encouraged employees with all effective and value added trainings; Enhanced mental and physical wellbeing of employees during COVID-19. 		<p>Human capital</p> <ul style="list-style-type: none"> Employee training Employee promotion Employee performance appraisal Employee medical welfare Employee group insurance Employee yearly recreational activities Training & leadership development Remuneration & benefits COVID 19 medical & treatment support to employees Ensuring good working condition Employee grievance handling Improved Health benefits, safety and security during pandemic Detailed Disclosure is presented in 'Human Resource Accounting' section

Components of Capital as Inputs	Business Model, Governance and Other Affective Factors	Outcomes Effecting on Capitals
<p>Social and relationship capital</p> <p>The institutions and the relationships within and between communities, groups of stakeholders and other networks including:</p> <ul style="list-style-type: none"> • Ability to share information to enhance individual and collective well-being • Shared norms, and common values and behaviors • Key stakeholder relationships, and the trust and willingness to engage that the Company has developed and strives to build and protect with external stakeholders • Intangibles associated with the brand and reputation that an organisation has developed • Environmental initiatives 	<ul style="list-style-type: none"> • Corporate Governance • Functioning of various Committees including AC, NRC and MRM 	<p>Social and relationship capital</p> <ul style="list-style-type: none"> • Community service during the COVID situation • Clean environment, and help to combat global warming • Sustainable Energy • Various trainings • Plantation • Donations and subscriptions to the greater society • Community development service • Details disclosures are available in 'Environment and Sustainability Report' and 'Corporate Social Responsibility (CSR)' sections
<p>Natural capital</p> <p>All renewable and non-renewable environmental resources and processes that provide goods or services that support the past, current or future prosperity of an organisation including:</p> <ul style="list-style-type: none"> • Air, water, land, minerals and forests • Biodiversity and eco-system health • Managing carbon emission; • ETP and WTP • Daylight inclusion at workplace etc. • Using of energy savings engine auxiliaries • Waste management 	<ul style="list-style-type: none"> • Internal control environment and its audit and review 	<p>Natural capital</p> <ul style="list-style-type: none"> • Decrease in water usage • Increase of waste management via ETP and WTP • Green plantation in power plants • Existence of free water bodies (ponds) in power plants • Producing bio-logical produces like fish and fruits • Installation of energy savings electronic necessities including LED bulbs • Control air pollution and dust emission • Carbon emission • Details disclosures are available in Environment and Social initiatives/activities sections • Details disclosures are available in 'Environment and Sustainability Report' and 'Corporate Social Responsibility (CSR)' sections

4. Stakeholder Engagement Framework into the Integrated Reporting

The Company's integrated report also provides insight into the nature and quality of the organisation's relationships with its key stakeholders, including how and to what extent the Company understands, takes into account and responds to their legitimate needs and interests. This is important to understand the relationships with key stakeholders because, as part of integrated reporting, value is not created by or within the Company alone, but is created through relationships with others which are essential in building trust and resilience, by disclosing how key stakeholders' legitimate needs and interests are understood, taken into account and responded to through decisions, actions and performance, as well as ongoing communication. Stakeholder engagement in the process of value creation is as follows:

Stakeholders	Importance of Stakeholders	What Matters to Them	How we Engage with Them
Customers	<ul style="list-style-type: none"> BPDB and BREB are the lone buyers of electricity we produce Final revenue source Main source of sustainability of the business 	<ul style="list-style-type: none"> Uninterrupted supply of electricity Sourcing of raw materials specially fuel (HFO)/(Gas) Strong Coordination between the parties 	<ul style="list-style-type: none"> Maintaining quality liaison with NLDC Having integrated system between NLDC and power plants Long term supply contracts and fair dealings
Employees	<ul style="list-style-type: none"> Competent employees to attain objectives Our image holder and contributor to profit 	<ul style="list-style-type: none"> Job security Transparent recruitment process Periodic salary review in view of adjusting the cost of living Healthy working environment Training & development Career growth 	<ul style="list-style-type: none"> Adjusted salary package Training and other facilities Yearly performance Reviews and appraisal In-house awareness Campaign
Shareholders and investors	<ul style="list-style-type: none"> Invest for the betterment and growth of the company Accountable to them as they seek return on their investment 	<ul style="list-style-type: none"> Return on investment Sustainability and going concern issues Effective corporate governance Strategic objectives met Social and environmental contribution 	<ul style="list-style-type: none"> Annual General Meeting Annual Report Regular repayment of debt and declaration of dividend Financial statements in quarterly, half yearly and yearly Declaration of PSI Regular communication Going concern and growth prospect
Government and regulators	<ul style="list-style-type: none"> Control and develop policy Provide license and certificates Applicable rules and regulations including BSEC, BIDA, BB, BEREC, Power & Energy Division 	<ul style="list-style-type: none"> Legislative compliance Corporate governance Environmental and social credentials Timely reporting and payment of Govt. taxes & duties Pricing Product quality 	<ul style="list-style-type: none"> Discussion, seminar and dialogue Contribution to national exchequer Conform to relevant laws and regulations and reporting to Government and regulatory bodies Regular communication Factory visit
Suppliers /business partners	<ul style="list-style-type: none"> Supply production materials and operational facilities On time delivery Quality of supplied products/service After sales service facility 	<ul style="list-style-type: none"> Fair and smooth transaction Sustainable growth of the company Fair payment Sourcing of raw materials specially fuel (HFO)/(Gas) 	<ul style="list-style-type: none"> Regular interaction Supplier visit and audit Timely payment to Vendors Long term supply contracts and fair dealings
Communities	<ul style="list-style-type: none"> Sustainable business operation Social and environmental contribution 	<ul style="list-style-type: none"> Ethical stance Social value creation Creation of employment opportunity Environmental preservation Health and safety measures 	<ul style="list-style-type: none"> CSR initiatives Social awareness Campaign Social media Social and environmental initiatives
Competitors	<ul style="list-style-type: none"> Influence strategic decisions and planning Directly impact the ability to succeed 	<ul style="list-style-type: none"> Financial performance Business trends Value creation for long run Competitive advantage 	<ul style="list-style-type: none"> Membership of various trade bodies including BIPPA Competitors' intelligence Research and project development team

4

FINANCIAL ANALYSIS

- 4.1** Declaration by MD and Director Finance
- 4.2** Key Financial Highlights 2020-21
- 4.3** Financial Highlights 2020-21
- 4.4** Financial Review 2020-21
- 4.5** Horizontal and Vertical Analysis
- 4.6** Shareholders' Information and Share Performance
- 4.7** Business Review 2020-21
- 4.8** Value Added Statement 2020-21
- 4.9** Economic Value Added Statement 2020-21
- 4.10** Contribution to the National Exchequer and Economy 2020-21
- 4.11** Human Resource Accounting 2020-21

4.1 DECLARATION BY MD AND DIRECTOR FINANCE

26 September 2021

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

Subject: Declaration on Financial Statements for the year ended on 30 June 2021

Dear Sir(s) and Madam(s),


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

1. The Financial Statements of Summit Power Limited for the year ended on 30 June 2021 have been prepared in compliance with International Financial Reporting Standards (IFRS), as applicable in the Bangladesh and any departure there from has been adequately disclosed;
2. The estimates and judgments related to the financial statements were made on a prudent and reasonable basis, in order for the financial statements to reveal a true and fair view;
3. The form and substance of transactions and the Company's state of affairs have been reasonably and fairly presented in its financial statements;
4. To ensure above, the Company has taken proper and adequate care in installing a system of internal control and maintenance of accounting records;
5. Our internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the Company were consistently followed; and
6. The management's use of the going concern basis of accounting in preparing the financial statements is appropriate and there exists no material uncertainty related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

In this regard, we also certify that:

- i. We have reviewed the financial statements for the year ended on 30 June 2021 and that to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
 - b. These statements collectively present true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws.
- ii. There are, to the best of knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the code of conduct for the Company's Board of Directors or its members.

Sincerely yours,

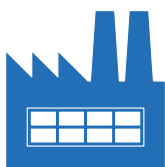


Ayesha Aziz Khan
Director Finance



Lt Gen Engr Abdul Wadud (Retd)
Managing Director

4.2 KEY FINANCIAL HIGHLIGHTS 2020-21



BDT 39,661 million
Total Revenue of the Year



BDT 79,036 million
Total Assets



BDT 46,668 million
Total Shareholders' Equity



2.28 Times
Current Ratio



BDT 32,368 Million
Total Liabilities



69.36%
Total Debt Equity Ratio



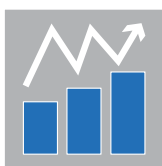
BDT 11,269 million
EBITDA for the Year



BDT 3,423 million
Net Changes in Cash and Cash
Equivalents



BDT 3.5
Dividend Per Share



BDT 8,429 million
Net Profit of the Year



BDT 18,433 million
Retained Earnings



BDT 10,679 million
Share Capital

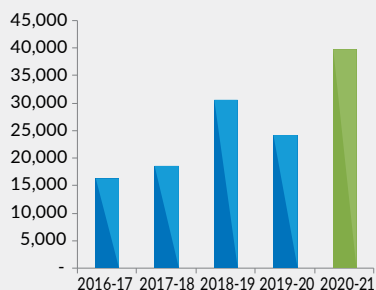


BDT 5.25
EPS for the Year

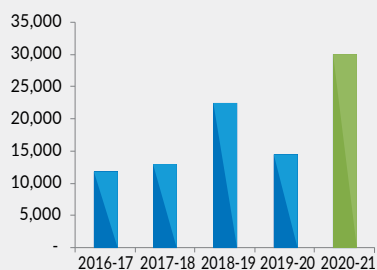
4.3 FINANCIAL HIGHLIGHTS 2020-21

Particulars	30 June 2021	30 June 2020	30 June 2019	30 June 2018	30 June 2017
Operating Data (Taka in million)					
Turnover	39,661	24,031	30,472	18,468	16,214
Cost of Sales	30,087	14,555	22,478	13,063	11,849
Gross Profit	9,573	9,475	7,994	5,405	4,365
General & Admin Expenses	478	507	568	461	419
Operating Profit	9,350	9,261	7,662	5,284	4,178
Interest & Financial Charges	1,620	1,764	1,525	537	529
Net Profit of the Company	8,429	8,484	7,283	5,274	4,596
Net Profit Attributable to Owners	5,605	5,525	5,105	4,696	4,268
Balance Sheet Data (Taka in million)					
Paid up Capital	10,679	10,679	10,679	10,679	10,679
Shareholders' Equity	36,785	33,637	34,596	33,378	31,322
Non-current Liabilities	19,836	22,465	12,372	6,430	6,895
Current Assets	28,551	18,482	19,851	15,181	12,376
Current Liabilities	12,532	6,070	15,917	21,016	2,838
Total Assets	79,036	69,338	70,136	64,346	42,810
Total Liabilities	32,368	28,534	28,289	27,446	9,734
Financial Ratios					
Gross Profit Ratio (%)	24.14%	39.43%	26.23%	29.27%	27.47%
Net Profit Ratio (%)	21.25%	35.30%	23.90%	28.56%	26.75%
Return on Total Assets (%)	11.36%	12.17%	10.83%	8.20%	10.21%
Total Debt Equity Ratio (%)	69.36%	69.93%	67.60%	74.38%	29.43%
Return on Equity (%)	15.92%	16.20%	15.02%	14.07%	12.94%
Price Earnings Ratio (Times)	8.40	6.79	8.72	9.70	10.90
Current Ratio (Times)	2.28	3.04	1.25	0.72	4.36
Other data					
Earnings Per Share (Taka)	5.25	5.17	4.78	4.40	4.00
Dividend (%)	C-35	C-35	C-35	C-30	C-30
Total No of Shares Outstanding	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Number of Shareholder	40,926	34,943	35,847	41,810	47,709
Weighted Average no of Shares Outstanding	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Total no of Sponsors Shares Under Lock in	723,754,740	723,754,740	723,754,740	723,754,740	723,754,740
Total no of Free Float Shares	353,780,725	353,780,725	344,122,499	344,122,499	344,122,499
Return on Capital Employed (ROCE in %)	14.89	15.12	15.51	13.25	12.02
EBITDA (Taka in millions)	11,269	11,188	9,537	6,457	5,182
Capacity Utilisation (%)	54%	33%	40%	59%	67%
Licensed Capacity (MW)	931	931	931	782	482
Installed Capacity (MW)	976	976	976	820	512
Electricity Sold (MWH)	4,388,284	2,674,757	3,251,410	2,712,015	2,819,436
No. of Permanent Employee	581	593	571	443	313
No. of Power Plant	15	15	15	14	13

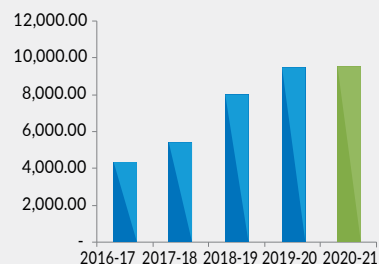
Turnover



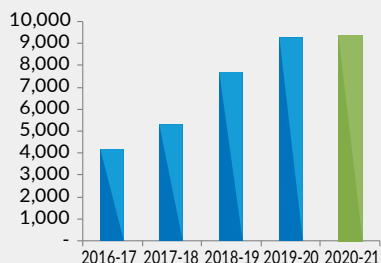
Cost of Sales



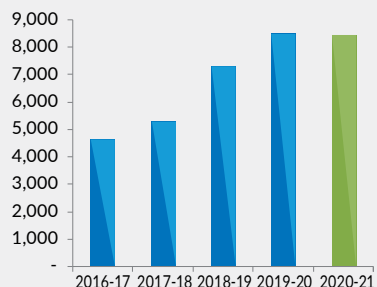
Gross Profit



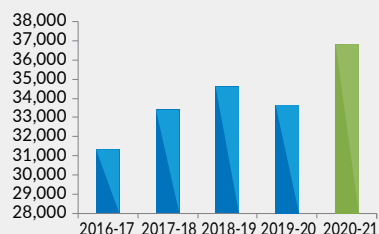
Operating Profit



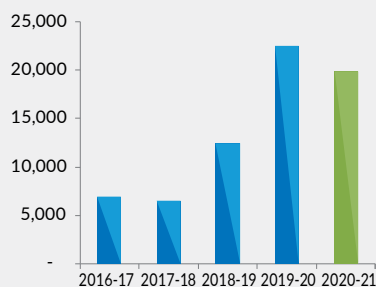
Net Profit



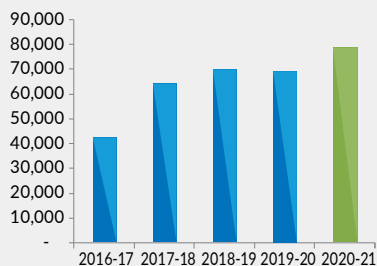
Shareholder's Equity



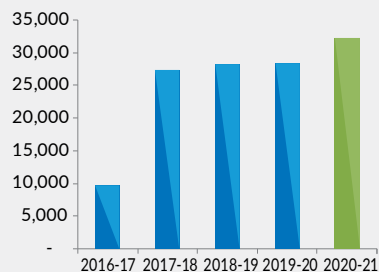
Non-current Liabilities



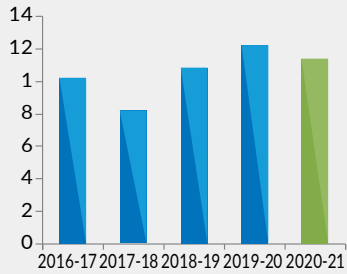
Total Assets



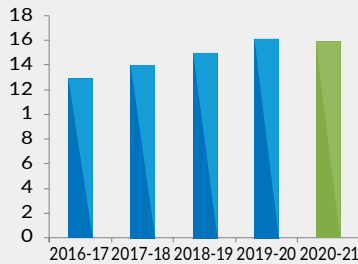
Total Liabilities



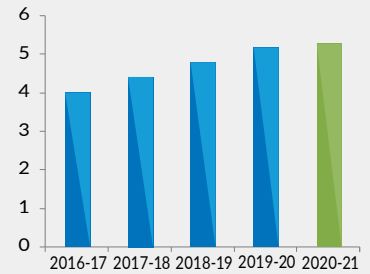
Return on Total Assets (%)



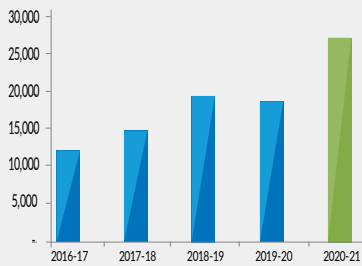
Return on Equity (%)



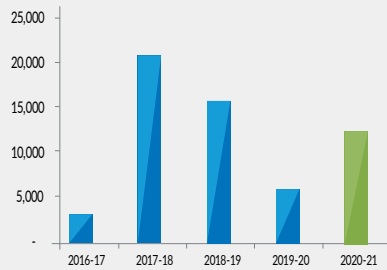
Earning Per Share (Taka)



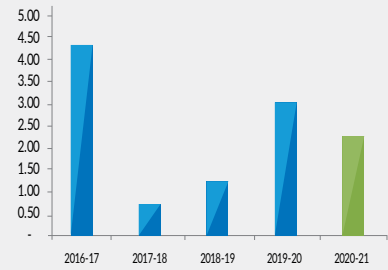
Current Assets



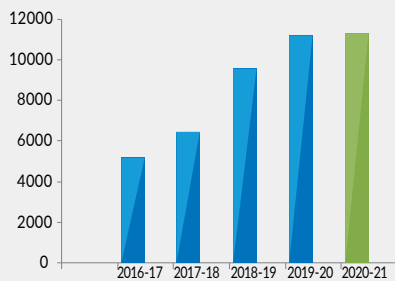
Current Liabilities



Current Ratio (Times)



EBITDA Taka



4.4 FINANCIAL REVIEW 2020-21

Despite COVID-19 pandemic situation in Bangladesh, Summit Power Limited together its subsidiaries, Summit Barisal Power Limited (SBPL), Summit Narayanganj Power Unit II Limited (SNPUILL), Summit Gazipur II Power Limited (SGIPL) and Ace Alliance Power Limited (AAPL) have managed to maintain its operational efficiency and financial performance this year through proper planning and prompt initiatives. The Company managed to increase its overall profitability and earnings growth keeping the cash dividend declaration stable over years.

Revenue

- Consolidated revenue has increased by 65% (BDT 15,630 million) in 2020-21 relative to the revenue in previous year;
- The increase in revenue has been possible due to higher electricity generation demand from both BPDB and BREB as we see this yearly average plant factor of 55.35% with last year actual of 32.81%.

Cost of Sales

- Consolidated cost of sales in 2020-21 has also increased by 107% over last year;
- The increase in cost of sales has been mainly due to higher fuel (HFO) costs resulting from higher generation of electricity, fuel price hike in international market and inclusion of govt. duties and taxes while importing of HFO over last year. However, the costs of HFO are fully pass-through via revenue income and there no bottom line impact in the financial performance.

Gross Profit Margin

- Consolidated gross profit margin has increased by BDT 98 million over last year;
- Consolidated gross profit revenue has improved because of contribution of increased variable revenue net of variable costs and well control in other operating costs.

Net Profit Margin

- Net profit margin has become near to stable over last year (only 0.64% decrease over last year);
- Despite increase in overall finance cost net of finance income by BDT 390M, the consolidated net profit margin has decreased over last year by only BDT 55 million due to higher profit sharing from associate entity (SMPCL) by BDT 236 million coupled with higher gross profit margin stated in above.

Total Assets

- The value of total assets of the Company has increased by 14% over last year;
- The increase in value of total assets by BDT 9,696 million have been mainly attributed by increase in trade receivables (electricity sale increase along with higher fuel revenue component), increase in advance made to supplier of HFO, better cash position via FDRs and IFRS based straight line revenue recognition over PPA contractual terms.

Total Liabilities

- The value of total liabilities of the Company has also in-

creased by 13% over last year;

- The increase in value of total liabilities by BDT 3,834 million have been mainly arisen by increase in trade payables for fuel supply (electricity sale increase along with higher fuel revenue component) and increase of short term bank loans for arranging advance to fuel (HFO) supplier.

Equity Attributable to Owners of the Company

- Shareholders' equity has enlarged by 14% during the year by an amount of BDT 5,864 million;
- The increase has occurred mainly due to addition of current year financial performance (retained earnings) and increase in fair value of LIBOR based SWAP instrument.

Operating Profit

- The consolidated operating profit has increased by BDT 89 million this year mainly on account of contribution of increased variable revenue net of variable costs and well control in other operating costs.

Earnings Per Share (EPS)

- The EPS figure has increased by 1.55% (BDT 0.08) per share over last year;
- The increase was mainly on account of increased profitability by the Company through its subsidiaries.

Property, Plant and Equipment

- The property, plant and equipment, net of depreciation, decreased by 3% over last year because of few more additions in plant and machinery in the form of spare parts which has been offset by regular periodic depreciation charge on assets.

Current Assets

- The current assets has raised by 54% this year compared to the previous year on account of increase in trade receivables (electricity sale increase along with higher fuel revenue component), increase in advance made to supplier of HFO, better cash position in the form of FDRs.

Long Term Liabilities

- The long-term liabilities have decreased by 12% because of payments of quarterly installments of long-term foreign currency loan, yearly installments redeemable preference shares and favorable reserve liabilities of LIBOR based SWAP instrument

Return on Total Assets

- The return on total assets is 11.36% against 12.17% of last year;
- The ratio has decreased because of higher assets base (reasons are stated in above) keeping the consolidated profitability stable over the years.

Return on Equity

- The return on equity is 15.92% against 16.20% of last year;
- The ratio has become near to stable because of even profitability over the years.

4.5 HORIZONTAL AND VERTICAL ANALYSIS

A. Horizontal Analysis

Particulars	FY 2021 Change [21 vs 20]	FY 2020 Change [20 vs 19]	FY 2019 Change [19 vs 18]	FY 2018 Change [18 vs 17]	FY 2017 Change [17 vs 15]
FINANCIAL PERFORMANCE					
Turnover	65.0%	-21.1%	65.0%	13.9%	61.9%
Gross profit	1.0%	18.5%	47.9%	23.8%	34.2%
Operating profit	1.0%	20.9%	45.0%	26.5%	33.4%
Profit before tax	-0.8%	16.2%	38.7%	15.6%	27.2%
Net profit after tax	-0.6%	16.5%	38.1%	14.8%	27.3%
Earnings before interest, tax & depreciation	0.7%	17.3%	47.7%	24.6%	31.5%
Earnings per share*	1.5%	8.2%	8.6%	10.0%	19.0%
FINANCIAL POSITION					
Paid up capital	0.0%	0.0%	0.0%	0.0%	29.2%
Shareholders' equity	9.4%	-2.8%	3.6%	6.6%	36.4%
Non-controlling interest	37.9%	-1.2%	105.9%	100.6%	-56.6%
Total equity	14.4%	-2.5%	13.4%	11.6%	22.4%
Total non-current liabilities	-11.7%	81.6%	92.4%	-6.8%	4756.0%
Total current liabilities	106.5%	-61.9%	-24.3%	640.5%	-62.4%
Total non-current assets	-0.7%	1.1%	2.3%	61.5%	5.3%
Property, plant & equipment	-3.1%	-1.0%	2.8%	83.1%	59.2%
Total current assets	54.5%	-6.9%	30.8%	22.7%	113.3%
Total assets	14.0%	-1.1%	9.0%	50.3%	23.4%
Net current assets/(liabilities)	29.1%	215.5%	-167.4%	-161.2%	-648.5%

* Earning per share has been shown as a percentage of book value per share

B. Vertical Analysis

Particulars	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017
FINANCIAL PERFORMANCE					
Net sales revenue	100.00%	100.00%	100.00%	100.00%	100.00%
Gross profit	24.14%	39.43%	26.23%	29.27%	26.92%
Operating profit	23.57%	38.54%	25.15%	28.61%	25.77%
Profit before tax	21.41%	35.61%	24.16%	28.74%	28.32%
Net Profit after tax	21.25%	35.30%	23.90%	28.56%	28.34%
Earnings before interest, tax & depreciation	28.41%	46.56%	31.30%	34.96%	31.96%
Earnings per share	52.50%	51.70%	47.80%	44.00%	40.00%
FINANCIAL POSITION					
Paid up capital	13.51%	15.40%	15.23%	16.60%	24.94%
Shareholders' equity	46.54%	48.51%	49.33%	51.87%	73.16%
Non-controlling interest	12.50%	10.34%	10.34%	5.47%	4.10%
Total equity	59.05%	58.85%	59.67%	57.35%	77.26%
Total non-current liabilities	25.10%	32.40%	17.64%	9.99%	16.11%
Total current liabilities	15.86%	8.75%	22.69%	32.66%	6.63%
Total non-current assets	63.88%	73.35%	71.70%	76.41%	71.09%
Property, plant & equipment	48.74%	57.32%	57.25%	60.69%	49.82%
Total current assets	36.12%	26.65%	28.30%	23.59%	28.91%
Total assets	100.00%	100.00%	100.00%	100.00%	100.00%
Net current assets	20.27%	17.90%	5.61%	-9.07%	22.28%

4.6 SHAREHOLDERS' INFORMATION AND SHARE PERFORMANCE

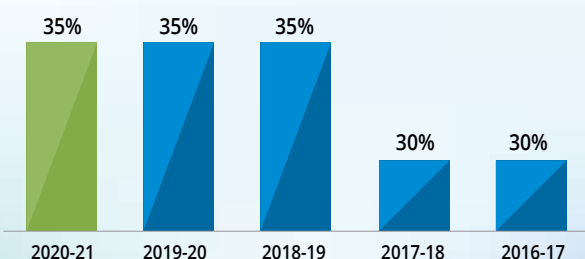
A. Share Trading Details

Particulars	DSE	CSE
Trading Code	SUMITPOWER	SUMITPOWER
Market Category	A	A
Business Segment	Fuel & Power	Energy
Company ID	15306	20004
Listing Year	2005	2005
Electronic Share	Yes	Yes

B. Share Performance

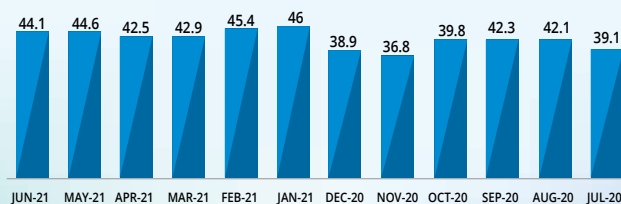
Particulars	30-Jun-21	30-Jun-20
Share Price (Closing Price) BDT/per Share	44.10	35.10
Number of Shareholders	40,926	34,943
Shares Outstanding (no)	1,067,877,239	1,067,877,239
Market Capitalization – DSE (BDT million)	47,093.38	37,482.49
Net Asset Value per Share (NAVPS) BDT	34.45	31.5
Net Operating Cash Flow per Share (NOCFPS) BDT	8.53	9.42
EPS (BDT)	5.25	5.17
Dividend (% , Cash)	35%	35%
Payout Ratio (%)	67%	68%
Weighted Average Number of Shares Outstanding	1,067,877,239	1,067,877,239
Dividend Paid (BDT)	3,737,570,337	3,737,570,337
Net Income Attributable to Owners (BDT)	5,605,236,376	5,525,397,094
Total Free Float Securities	353,780,725	353,780,725
% of Free Float Securities in Respect of Total Securities	33.13%	33.13%

Yearly Rate of Dividend



Share Price of SPL

Month End Closing Price in BDT



4.7 BUSINESS REVIEW 2020-21

Summit Power Limited (SPL) and its subsidiaries at present operate 15 power plants having total Generation Capacity is 976 MW. It has also 17.64% equity participation in Khulna Power Company Limited (KPCL), (155 MW) and 30% in Summit Meghnaghat Power Company Limited (SMPCL), (337.42 MW). All these power plants were made available to the extent required as per the Power Purchase Agreement (PPA), indicating excellent operational performance of the Company. As a result Summit Power Limited of its own has delivered approximately 4,388 million Kwh to the National Grid.

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

- Profit attributable to owner of the Company has increased by BDT 80 million over last year due to better operational efficiency and increased variable revenue net of variable costs;
- All the power plants of the Company has performed quite better in terms of energy export in 2020-21;
- All the plants achieved the targeted availability factor in terms of PPA;
- Operational performance of all the subsidiaries of the Company have contributed to better profitability this year;
- Net profit earned from Summit Narayanganj Power Unit II Limited, Summit Barisal Power Limited and Ace Alliance Power Limited has also increased over last year due to better operational efficiency and decline in net finance costs;
- The overall gas consumption was reasonably within targeted specification;
- Consolidated finance costs net of finance income have increased because of higher interest costs incurred on foreign loan taken for subsidiaries, particularly for Summit Gazipur II Power Plant;
- Profit sharing from SMPCL and dividend income from KPCL have contributed to good profitability at BDT 8,429 million in year 2020-21 which is almost same of last year;
- Considering the net profit attributable to shareholders, the earnings per share (EPS) stood this year BDT 5.25 against BDT 5.17 of last year;
- The operational capacity of power plants in-total stood at 975.96 MW this year as same to last year;
- Availability of better cash and cash equivalents after mitigating all the operational and development cash requirements has assisted management to declare 35% cash dividend this year.

4.8 VALUE ADDED

STATEMENT 2020-2021

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

Value addition	2020-21	2019-20
	Taka	Taka
Revenue	39,660,594,317	24,030,680,364
Other income including interest income	451,129,367	1,024,363,932
Cost of sales, excluding depreciation	(28,224,042,242)	(12,685,987,508)
Share of profit from associate company	563,367,152	327,737,361
Other operating expenses, excluding depreciation & amortization	(422,137,479)	(449,069,673)
Total value added	12,028,911,115	12,247,724,476
Distribution of added value:		
To employees as salaries and allowances	579,204,165	559,922,903
To directors as salaries and allowances	99,555,652	92,213,721
To banks and other lenders	1,620,238,482	1,763,619,373
To shareholders	3,737,570,337	3,737,570,337
	6,036,568,636	6,153,326,334
Retained for reinvestment & future growth:		
Depreciation and amortization	1,919,082,894	1,926,979,447
Retained profit	4,073,259,585	4,167,418,695
	5,992,342,479	6,094,398,142
	12,028,911,115	12,247,724,476

4.9 ECONOMIC VALUE ADDED STATEMENT 2020-21

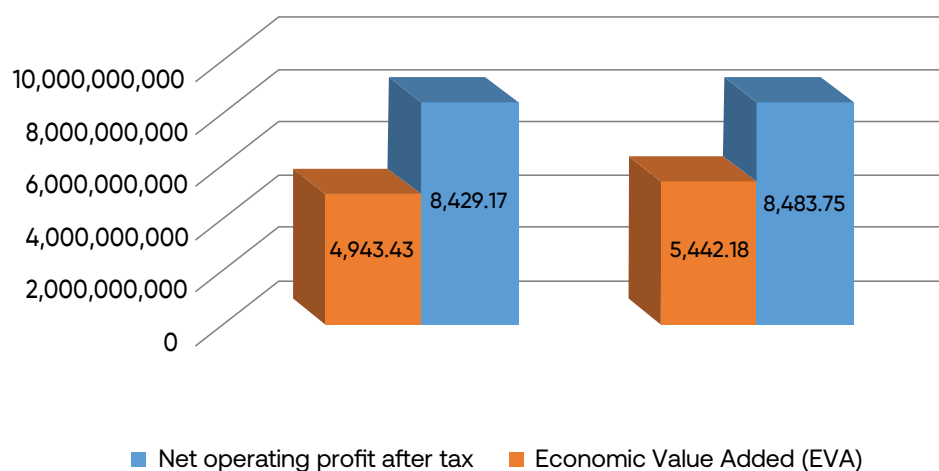
Economic Value Added (EVA) is a measure of a Company's financial performance based on the residual wealth calculated by deducting cost of capital from its operating profit (adjusted for taxes on a cash basis). The formula for calculating EVA is as follows:

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

Value addition	30 June 2021	30 June 2020
	Taka	Taka
Net operating profit after tax (NOPAT)	8,429,178,478	8,483,753,840
Average shareholders' equity	43,735,842,979	41,325,682,132
Cost of capital*	7.97%	7.36%
Cost of average shareholders' equity	3,485,746,685	3,041,570,205
Economic Value Added (EVA)	4,943,431,793	5,442,183,635

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

Representation of EVA on NOPAT



4.10 CONTRIBUTION TO THE NATIONAL EXCHEQUER AND ECONOMY 2020-21

Electricity is one of the main driving forces of the economy and it has a diversified use and multiplier effect on the economy. Significantly in the development of industrialization, electricity as fuel has no alternative. This year your Company added 4,388 million units (Kwh) of electricity to the national grid. This addition has contributed notably in enhancing industrial productions and providing more job opportunities throughout the country. As a shareholder you can be proud of your Company's contribution to Bangladesh as it continues to contribute to national economy in the current year also.

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

Forms of Contribution	30 June 2021	30 June 2020
	Taka	Taka
Salary taxes	35,423,622	39,877,582
Corporate income tax, port charges, duties & taxes on spare parts and AIT on interest from bank deposits	88,164,034	82,724,995
AIT of suppliers	40,556,298	52,673,147
AIT on gas bills	49,099,843	45,447,426
AIT on dividend on preference shares	45,220,000	29,860,000
VAT of suppliers	35,477,420	58,724,282
VAT on lubricant oil	81,678,673	40,309,475
Total	375,619,890	349,616,907

4.11 HUMAN RESOURCE ACCOUNTING 2020-21

In present world Human Resource has been considered as one of the most important capital for the business. SPL informs it's stakeholders about the development and changes occurring over time with regards to the human resources of the business, and value of the such resources to the organisation. SPL uses the Lev and Schwartz model to assess the value of human resource. As per this model, human resource of a company is the summation of all the net present value (NPV) of all future expenditure on employees. The total value of human capital has been calculated BDT 956 million for the financial year 2020-21 and BDT 908 million for the financial year 2019-20.

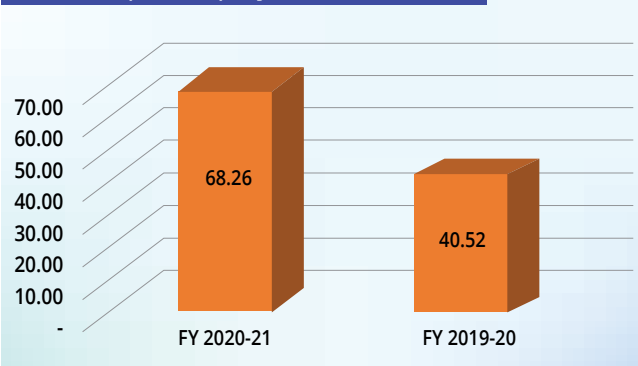
Amount in BDT Million

Particulars	FY 2020-21	FY 2019-20
Number of Employee	581	593
Revenue	39,661	24,031
Net Profit after tax	8,429	8,484
Value of Human Resource (VHR)*	956	908
Revenue/Value of HR	41.51	26.47
Net Profit/Value of HR	8.82	9.35

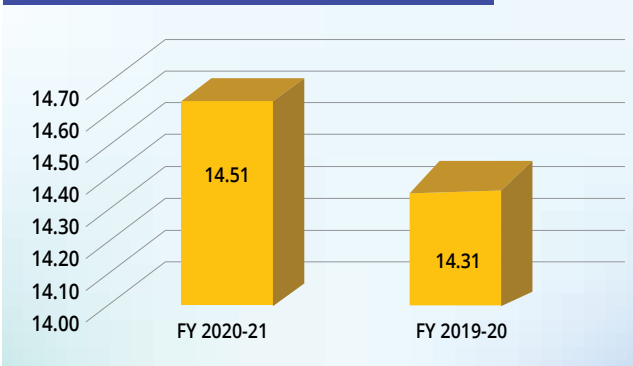
* VHR is the all future salaries & allowances payable to employees as per The Lev and Schwartz Model.

Particulars	FY 2020-21	FY 2019-20
Revenue per employee	68.26	40.52
Net Profit per employee	14.51	14.31

Revenue per employee in BDT Million



Net Profit per employee in BDT Million



Other Information Relating to Human Capital

Employee Trainings	FY 2021	FY 2020
No of permanent employees	581	593
No. of trainings organised	154	109
Total training hours	1,122	865

Category of Employee	No of employees		%
	FY 2021		
Key management personal	6		1%
Senior management	5		1%
Mid-level employees	270		47%
Junior level employees	300		52%
Outsourced employees	0		0%
Total	581		100%

Employment Location	No of employees		%
	FY 2021		
Dhaka	88		15%
Gazipur	208		36%
Narayanganj	109		19%
Comilla	60		10%
Barisal	56		10%
Narshingdi	34		6%
Shirajganj	26		4%
Total	581		100%

Employee Age Distribution	No of employees		%
	FY 2021		
Up-to 30 years	214		37%
Up-to 40 years	229		39%
Up-to 50 years	106		18%
Up-to 65 years	32		5%
Total	581		100%

Employee Educational Qualification	No of employees		%
	FY 2021		
Under graduate	275		47%
Graduate	257		44%
Post graduate	49		8%
Total	581		100%

5

CORPORATE INFORMATION AND OTHER DISCLOSURES

- 5.1 Milestones
- 5.2 Other Disclosures
 - 5.2.1 Quarterly Business Highlights 2020-21
 - 5.2.2 Declaration of Status of Unclaimed Dividend
 - 5.2.3 PESTEL Analysis
- 5.3 Annual Report Review Checklist

5.1 MILESTONES

1997 – 2004

March 30, 1997

Incorporation of the Company

February 10, 2000

Signing of Project Agreements with BREB & GOB

February 08, 2001

Commercial operation at Savar

April 01, 2001

Commercial operation at Narshingdi

June 02, 2001

Commercial operation at Comilla

June 07, 2004

Conversion from private to public limited Company

2005

January 13, 2005

Appointment of Issue Manager

March 29, 2005

Credit Rating by CRISL

June 19, 2005

Agreement with CDBL

June 25, 2005

Approval of Prospectus from Securities & Exchange Commission

June 28, 2005

Signing of Project Agreements for expansion at Madhabdi and Comilla with REB

June 28, 2005

Publication of Prospectus

August 27, 2005

Subscription opens for public

October 03, 2005

Allotment of IPO shares

October 23, 2005

Listing with Chittagong Stock Exchange Limited

November 10, 2005

Listing with Dhaka Stock Exchange Limited

November 15, 2005

First Trading in Stock Exchanges

2006

March 20, 2006

Signing of Project Agreements for expansion at Ashulia, Savar with REB & GOB

November 15, 2006

Commercial operation at Comilla expansion project

December 16, 2006

Commercial operation at Madhabdi expansion project

2007

August 15, 2007

Incorporation of Summit Purbanchal Power Company Limited (99% subsidiary of Summit Power Limited)

August 15, 2007

Incorporation of Summit Uttaranchol Power Company Limited (99% subsidiary of Summit Power Limited)

September 29, 2007

Increase the Authorized Share Capital of the Company (SPL) through EGM for issuance of Rights Share at the ratio of 5:4

October 11, 2007

Signing of Project Agreements with BREB, BPDB & GOB to implement total 110MW power plants (04 nos) through its two Subsidiary Companies.

December 04, 2007

Commercial Operation at Ashulia expansion project

2008

January 29, 2008

Approval for issuance of Rights Share

March 09, 2008

Subscription opens for Rights Share

April 21, 2008

Allotment of Rights Share

July 27, 2008

Signing of Syndicated Term Loan Facility of BDT 395.50 crore for setting up 110 MWh Power Plants of Summit's Subsidiaries.

2009

March 2, 2009

Commercial operation at Ullapara, Sirajgonj

May 11, 2009

Commercial operation at Maona, Gazipur

June 9, 2009

Commercial operation at Rupganj, Narayanganj

June 24, 2009

Commercial operation at Jangalia, Comilla

2010

May 4, 2010

Incorporation of Summit Narayanganj Power Limited (55% subsidiary of Summit Power Limited)

June 23, 2010

Signing of Project Agreement with BPDB to implement Summit Narayanganj 102MW power plant Project.

2011**April 1, 2011**

Commercial Operation of 102 MW Dual Fuel Power Plant of Summit Narayananj Power Limited at Madanganj, Narayananj

September 28, 2011

Asian Power Awards 2011- Best Fast Track Project in Asia for Construction of SNPL in 270 Days

October 4, 2011

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

November 29, 2011

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

September 13, 2011

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

December 28, 2011

Summit Power Limited was awarded the "Best Corporate Award" in the power Companies' category in 2012 for its efforts to establish corporate governance by the Institute of Cost and Management Accountants of Bangladesh (ICMAB).

2012**January 12, 2012**

Summit Power Limited was awarded the "Best Corporate Award" in the power Companies' category in 2012 for its efforts to establish corporate governance by the Institute of Cost and Management Accountants of Bangladesh (ICMAB).

June 25, 2012

The Company received "International Star for Leadership in Quality Award" in Paris in Gold Category for its outstanding business achievements, for perseverance and leadership in excellence, and quality in accordance with the QC 100 Criteria from Business Initiative Directions (BID), an organisation whose primary objective is oriented towards sharing quality culture in leading Companies worldwide.

October 8, 2012

Summit Narayananj Power Limited (SNPL) received the certificates of ISO 9001: 2000 - Quality Management System (QMS), ISO 14001: 2004 - Environmental Management System (EMS), BS OHSAS 18001: 2007 - Occupational Health & Safety (OH&S) for successful implementation of Integrated Management System (IMS).

October 11, 2012

Bangladesh Securities and Exchange Commission (BSEC) gave its consent for raising of capital through Initial Public Offer (IPO) and issuance of prospectus by Summit Purbanchol Power Company Limited.

December 26, 2012

Summit Power Limited (SPL) received the certificates of ISO 9001: 2000 - Quality Management System (QMS), ISO 14001: 2004 - Environmental Management System (EMS), BS OHSAS 18001: 2007 - Occupational Health & Safety (OH&S) for successful implementation of Integrated Management System (IMS).

2013**November 12, 2013**

Best Power Generation Company Award 2013 in Private Sector Power Generation Summit Purbanchol Power Company Limited, a subsidiary of Summit Power Limited has received the "Best Power Generation Company" award in private sector power generation in a grand ceremony organised to celebrate the milestone achievement of 10,000 MW of electricity generation in Bangladesh.

December 24, 2013

13th ICAB National Award for Best Presented Annual Reports 2012 On the occasion of 13th ICAB National Award for Best Presented Annual Reports 2012, Summit Power Limited (SPL) received ICAB National Award, Certificate of Merit for 'Best Published Accounts and Reports 2012' under Non-Financial Sector Category - IV: Manufacturing

2014

April 28, 2014

ICMAB Best Corporate Award 2013 Summit Power Limited received the “ICMAB Best Corporate Award 2013”, First Position in the power Companies’ category for its efforts to establish corporate governance by the Institute of Cost and Management Accountants of Bangladesh (ICMAB)

July 1, 2014

Summit has established a Testing and Calibration Laboratory to keep the equipment, oils and chemicals in a required status, thus minimize any possible unexpected accident/ breakdown of plants.

December 2, 2014

Summit Power Limited acquired 30% shares of another group Company named, Summit Meghnaghat Power Company Limited (SMPCL), which is a dual fuel (Natural Gas/ liquid Fuel Oil) fired combined cycle power plant located at Meghnaghat, Narayanganj with net capacity of 335 MW on gas and 305 MW on HFO.

December 4, 2014

The Company received 2nd prize in the category of General Manufacturing Sector of 1st ICSB National Award 2013 of Institute of Chartered Secretaries of Bangladesh (ICSB) for Corporate Governance Excellence.

December 11, 2014

Summit Meghnaghat Power Company Limited (SMPCL), a new associate Company of Summit Power Limited received the “Best Power Generation Project Award 2014” in Private Sector Power Generation by the Government of the country.

2015

January 20, 2015

In the category of Power Generation, Summit Power Limited and its subsidiary Company Summit Purbanchol Power Company Limited attained the “ICMAB Best Corporate Award 2014”, first and the second positions respectively for its efforts to establish corporate governance.

February 18, 2015

Global CSR Excellence & Leadership Award Summit Power Limited (SPL) won the prestigious “Global CSR Excellence & Leadership Award” presented by the World CSR Congress in Mumbai, India.

November 10, 2015

The Company received ICSB National Award 2014 in General Manufacturing Sector by Institute of Chartered Secretaries of Bangladesh (ICSB) for Corporate Governance Excellence.

December 10, 2015

On the occasion of 15th ICAB National Award for Best Presented Annual Report 2014, Summit Power Limited received ICAB National Award, 3rd prize for “Best Published Accounts and Reports 2014 under Manufacturing Sector.

2016

January 20, 2016

SPL received SAFA Best Presented Annual Reports Awards for its excellence in quality Annual Report 2014 by South Asian Federation of Accounts (SAFA)

26 October 2016

On the occasion of “ICMAB Best Corporate Award 2015” in the power generation category, Summit Power Limited ranked first for its efforts to establish corporate governance.

November 29, 2016

On the occasion of 16th ICAB National Award for Best Presented Annual Report 2015, Summit Power Limited received ICAB National Award, merit for Best Published Accounts and Reports 2015 under Manufacturing Sector.

December 10, 2016

Summit Barisal Power Limited (SBPL), a new subsidiary Company of Summit Power Limited received the “Best Power Generation Project Award 2016” in Private Sector Power Generation by the Government of the country. Again this the 4th time in a row for Summit Group to receive this prestigious award.

December 24, 2016

The Company received the ICSB National Award 2015, 3rd position in General Manufacturing Sector by Institute of Chartered Secretaries of Bangladesh (ICSB) for Corporate Governance Excellence.

December 29, 2016

Summit Barisal Power Limited (SBPL) and Summit Narayanganj Power Unit II Limited (SNPL II) – two subsidiaries of the Company, achieved financial close by receiving a foreign currency term loan of USD 50 million and USD 27.64 million respectively.

2017**March 05, 2017**

Credit Rating Information and Services Limited (CRISL) has assigned the Long Term Rating "AAA" and Short Term Rating "ST-1" to the Summit Power Limited.

April 11, 2017

SPL Signed Project Agreement with BPDB to implement a 149 MW power plant at Kodda, Gazipur. The plant is supposed to be commissioned by March 2018 and would provide uninterrupted electricity to Gazipur region and to Kaliakor Hi-Tech Park.

December 22, 2017

The 8th Summit Open and the 22st Summit Cup Golf Tournament 2017 was held successfully at Kurmitola Golf Club.

2018**January 29, 2018**

The Institute of Cost and Management Accountants of Bangladesh (ICMAB) has awarded Summit Power Limited the first prize in the ICMAB Best Corporate Award 2016 under the power generation and distribution category. This is the fifth time in a row that Summit Power Limited has received this recognition from the ICMAB.

February 7, 2018

Summit's deal of syndicated loans worth USD 79.67 million for Summit Barisal Power and Summit Narayanganj Power for 12 years and 10.5 years was awarded the Best Bangladesh Deal by FinanceAsia Achievement Awards 2017.

March 6, 2018

In the Board Meeting held on 6th March 2018, the Board of Directors approved and eventually transferred 70,237,499 number of ordinary shares of the Company from Summit Holdings Limited (SHL) to Summit Corporation Limited (SCL).

May 10, 2018

After successful testing and

commissioning, the 300 MW HFO based power of Summit Gazipur II Power Limited has started its commercial operation within schedule (nine months from the date of Lol) on 10th May 2018.

May 24, 2018

Summit Power Limited (SPL) received the prestigious long term AAA and short term ST-1 credit ratings from CRISL.

July 12, 2018

After successful testing and commissioning, the 149 MW HFO based power of Ace Alliance Power Limited has started its commercial operation within schedule on 12th July 2018.

August 05, 2018

Honourable Prime Minister Sheikh Hasina inaugurated the Summit Gazipur II Power Limited via video conference from her official residence Gonobhaban. The 300 MW power plant was completed in record nine month time.

September 6, 2018

Summit Power Limited received the Best Private Power Generation Company award for the Best Private Power Generation Company (300 MW Summit Gazipur II Power Limited) in recognition of fastest implemented power plant in the country from the Honorable Prime Minister Sheikh Hasina.

September 20, 2018:

Summit Gazipur II Power Limited (20% owned associate of SPL) won Best Fast Track Power Project Award, silver in a ceremony held in Jakarta, Indonesia. The award is considered as Oscars of the Power Industry.

October 01, 2018

Summit Group and Eastern Bank Limited (EBL) have closed an Interest Rate SWAP derivative deal worth 71.25 million US dollars for two power plants of the group—Summit Barisal Power Limited (120 MW) and Summit Narayanganj Power Unit II

Limited (62 MW). This transaction is first of its kind executed by a private commercial bank in Bangladesh.

November 01, 2018

Honourable Prime Minister Sheikh Hasina inaugurated Summit's 149 MW dual-fuel (Gas/HFO) based power plant Ace Alliance Power Limited. The plant is currently supplying power in the national grid at 132 KV through PGCB's Kodda grid sub-stations and located in Kodda, Gazipur about 30 km away from Dhaka city.

November 9, 2018

A Subscription Closing Ceremony held for Redeemable Preference Shares worth BDT 1,000 Million (USD 12.50 Million) for two associate companies - Summit Barisal Power Limited & Summit Narayanganj Power Unit II Limited.

November 11, 2018

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

December 19, 2018

Summit Ace Alliance Power Limited (AAPL) achieved financial close by receiving a foreign currency term loan of USD 68.6 million from IDCOL, ICD and OFID.

December 08, 2018

Summit Power Limited secured the first position at the ICMAB Best Corporate Award 2017 under the power generation category. This is the sixth time in a row that Summit Power Limited has received this recognition from the ICMAB for corporate governance. Summit Power has been consistently ICMAB award winner since 2012.

2019

March 19, 2019

A subscription closing ceremony to raise capital through issuance of Preference Shares worth BDT 805 Million for Ace Alliance Power Limited.

April 07, 2019

Summit Ace Alliance Power Limited (AAPL) and BRAC Bank signed an Interest Rate Swap (IRS) deal. Under the agreement, BRAC Bank provided hedging for AAPL's exposure in LIBOR against their borrowing of USD 68.60 million for 10.3 years. This deal is one-of-a-kind as it is the highest tenor Interest Rate Derivative for any private commercial bank in the industry.

June 17, 2019

The technology group Wärtsilä signed two major Maintenance management and operational advisory agreements with Summit Group, the largest independent power producer (IPP) in Bangladesh and long standing partner. The seven-year agreements represent the biggest ever signed service deals, in terms of MW generation, in the Bangladesh energy sector. The orders were booked by Wärtsilä in Q2, 2019.

September 27, 2019

Summit Power received Wärtsilä's Valued Customer Recognition Award 2019 from Tomas Häyry, Mayor, City of Vaasa, Finland for execution of 450 MW fast track power project complex in Gazipur in record time.

November 20, 2019

Summit Power received long term AAA (pronounced as triple A) and short term 'ST-1' credit rating by Credit Rating Information & Services Limited (CRISL). This is the third consecutive year Summit Power maintained long term AAA credit ratings.

December 17, 2019

Summit Power Limited has secured the first position at the ICMAB Best Corporate Award 2018 under the power generation category. This is the seventh time in a row that Summit Power Limited has received this recognition from the ICMAB for corporate governance. Summit Power has been consistently ICMAB award winner since 2012.

December 22, 2019

Summit Power Limited was awarded the Bronze Award at ICSB National Award 2018 under the Fuel & Power Companies Category by Institute of Chartered Secretaries of Bangladesh (ICSB).

2020-21

April 27, 2020

Summit Gazipur II received USD 140 Million in Project Financing from international commercial financial institutions Clifford Capital Pte. Ltd. of Singapore and Japan's second largest bank Sumitomo Mitsui Banking Corporation. Amidst of COVID-19 pandemic, receiving long-tenor low cost project finance from commercial lenders is a testament of Summit and Bangladesh's goodwill in the international community.

February 25, 2021

Summit Power Limited (SPL) has secured the first position at the ICMAB Best Corporate Award 2019 in the power generation category. This is the eighth times in a row that Summit Power Limited has received this recognition from the ICMAB for excellence in corporate governance since 2012.

January 23, 2021

Summit Power Limited (SPL) has been awarded the 7th ICSB National Award for Corporate Governance Excellence 2019. The Managing Director of Summit Power Limited (SPL) Lt Gen Abdul Wadud (Rtd) received the award from the Honorable Minister for Commerce Tipu Munshi, MP. This is the sixth time that Summit Power Limited has received this recognition from the ICSB.

November 16, 2020

Muhammed Aziz Khan, Founding Chairman of Summit Group of Companies has been hailed as one of Asia's Outstanding Leaders at the ACES Awards 2020. He was recognised by the Jury Panel for his outstanding leadership and was 1 of only 7 winners representing Singapore at this year's ACES Awards.

5.2 OTHER DISCLOSURES

5.2.1 Quarterly Business Highlights 2020-21

Amount in BDT Million

Particulars	1st quarter ended on 30 September 2020	Half year ended on 31 December 2020	Nine months ended on 31 March 2021	Year ended on 30 June 2021
Revenue	12,317	20,273	30,395	39,661
Cost of sales	(9,816)	(15,321)	(22,944)	(30,087)
Gross profit	2,501	4,952	7,451	9,574
Other income, net	2	246	254	254
General and admin expenses	(134)	(244)	(354)	(478)
Operating profit	2,369	4,955	7,351	9,350
Finance costs, net	(380)	(722)	(1,076)	(1,424)
Share of profit of SMPCL	129	270	420	563
Net profit before income tax	2,118	4,503	6,695	8,489
Income tax	(8)	(27)	(43)	(60)
Net profit after income tax	2,110	4,475	6,652	8,429

1. Operating performance for the 1st quarter ended on 30 September 2020

In the first quarter ended on 30 September 2020, revenue has increased by 70% over the same period of last year mainly due to increased fuel (HFO) revenue for increased volume generation. HFO cost is pass through item and hence expense is equal to revenue earned on this account, resulting in no bottom line impact on profitability. Keeping all components of the operating performance almost constant, the net profit after tax has decreased by BDT 419 million. Thus, the net profit after tax has stood BDT 2,110 million. The reasons behind profit decrease is, among others, due to record of a unrealized foreign exchange gain on Euro/USD deferred LC liabilities in the last year.

2. Operating performance for the half year ended on 31 December 2020

In the half year ended on 31 December 2020, revenue has increased by 57% over the same period of last year mainly due to increased fuel (HFO) revenue for increased volume generation. HFO cost is pass through item and hence expense is equal to revenue earned on this account, resulting in no bottom line impact on profitability. Operating profit has increased by BDT 131 million over the same period of last year because of increase of net variable revenue and some operating cost efficiency. However, despite of positive operating profit, the net profit after tax has decreased by BDT 79 million. Thus, the net profit after tax has stood BDT 4,475 million. The reasons behind profit decrease is, among others, due to lower finance income on lower FDRs base because of advances made to HFO supplier (SOSCL) for bearing import tax and duties and remarkably lower market interest rate on FDRs along with having a foreign exchange gain in last year.

3. Operating performance for the nine months ended on 31 March 2021

In the nine months ended on 31 March 2021, revenue has increased by 71% over the same period of last year mainly due to increased fuel (HFO) revenue for increased volume generation. HFO cost is pass through item and hence expense is equal to revenue earned on this account, resulting in no bottom line impact on profitability. Operating profit has increased by BDT 261 million over the same period of last year because of increase of net variable revenue and some operating cost efficiency. However, despite of positive operating profit, the net profit after tax has decreased by BDT 114 million. Thus, the net profit after tax has stood BDT 6,652 million. The reasons behind profit decrease is, among others, due to lower finance income on lower FDRs base because of advances made to HFO supplier (SOSCL) for bearing import tax and duties and remarkably lower market interest rate on FDRs along with having a unrealized foreign exchange gain in last year.

4. Operating performance for the year ended on 30 June 2021

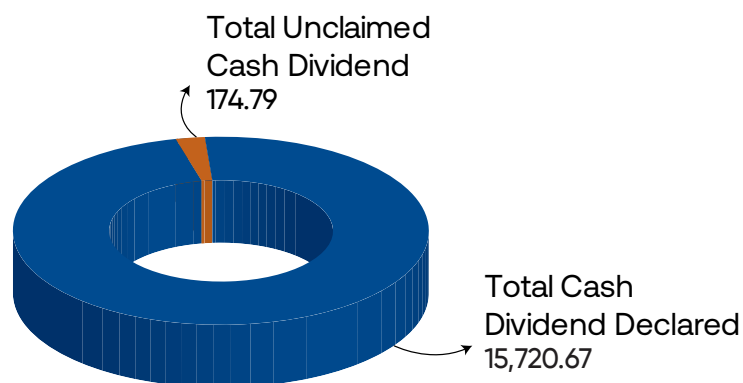
The average quarterly net profit after tax for the nine months ended on 31 March 2021 was BDT 2,217 million. Thus, the 4th quarter ended on 30 June 2021 was BDT 1,777 million. In the 4th quarter, profit decreased due to expiry of the contractual term of Summit Narayananj Power Plant Unit I with off-taker since 1st April 2021. However, an application for renewal of the contract is under active consideration of the government. Thus, the net profit after tax for the year ended has stood BDT 8,429 million against last year of BDT 8,485 million which is almost same to the last year.

5.2.2 Declaration of Status of Unclaimed Dividend

As on 30 June 2021, the amount of unclaimed dividend stood BDT 174,788,370 as detailed below. We had given notice on 31 August 2021 for collecting dividend. Following servicing the notice, a record number of shareholders collected their unclaimed dividends by 01 October 2021. Afterwards, the Company deposited BDT 15,813,458 on 3rd October 2021 relating to financial year 2014 to 30 June 2017 to the Capital Market Stabilisation Fund (CMSF) as per BSEC directive no BSEC/CMRRCD/2021-386/03, dated 14 January 2021 and BSEC CMSF rule 2021. The details of Unclaimed Dividend has also been published in the Company website.

Year	Unpaid dividend Taka
2014	8,355,925
2015	12,740,322
2016-17	1,809,842
2017-18	151,882,281
2018-19	
2019-20-Interim	
2019-20-Final	
Total unpaid dividend	174,788,370

Status of Unclaimed Cash Dividend FY 2014-20 (BDT Million)



5.2.3 PESTEL Analysis

SPL periodically identifies the macro (external) forces it faces and considers initiatives accordingly.



Political Analysis

1. Ensuring power and energy security requires continuous increase the power generation capacity
2. Mechanization agricultural process of the Country
3. Development of energy mix to reduce dependency on a specific source

Economic Analysis

1. Implementation of the mega projects requires more electricity
2. Increasing market player in this sector
3. Transition of Bangladesh from Least Developed Country (LDC) to Developing Country (Developing Market Economy) offers opportunity of more power consumption.

Social Analysis

1. Increased dependency on Ecommerce resulting more power need
2. Maintenance of social distancing causing more online based entertainment (OTT Platform)
3. Limited supply of gas for household instigating electricity based cooking system
4. Power plant requires more educated employees in contrast to labours, thus power plant jobs are socially considered as more respectable jobs.

Technological Analysis

1. Increased implementation of digital technology requires more power consumption
2. Tremor of pandemic causing more use of remote distance communication technology
3. Dependency on increased online services/ servers requires uninterrupted (Load shedding) power supply

Environmental Analysis

1. More electricity consumption as alternative of firewood, charcoal, chips, sheets, pellets, sawdust and gas helps environmental conservation
2. Promoting hybrid and electric vehicle less carbon emission and fossil fuel burning
3. Increasing demand of renewable source of electricity appreciates good environment friend practices

Legal Analysis

1. Due to size and nature, power companies are subject to abide by law and regulation under close monitoring system
2. Initially our Power Plants fall under Tax Holiday, eventually Government enjoys good National Exchequers from the power companies
3. Power Companies attracts more educated employees, consequently need to ensure good working environment and laws.

5.3 ANNUAL REPORT REVIEW CHECKLIST

Particulars	Section (Page No.)
Corporate Objectives, Values & Structure Clarity and presentation	
Vision and Mission	3.3(54)
Overall strategic objectives	3.3(54)
Core values and code of conduct/ethical principles	3.3(54), 3.7(63)
Profile of the Company	2.1 (10)
Director's profiles and their representation on Board of other companies & Organisation Chart	2.2(12), 2.3(20)
Management Report / Commentary and analysis including Director's Report / Chairman's Review/CEO's Review etc.	
A general review of the performance of the company	3.1(46, 47), 3.5(60), 3.18(104), 4.2(111)
Description of the performance of the various activities / products / segments of the company and its group companies during the period under review. (Weightage to be given for pictorial / graphical / tabular presentations used for this purpose)	2.6(29)
A brief summary of the Business and other Risks facing the organisation and steps taken to effectively manage such risks	2.1(10), 3.1(50), 3.12(75)
A general review of the future prospects/outlook.	1.3(7), 2.1(11), 3.1(46, 47)
Information on how the company contributed to its responsibilities towards the staff (including health & safety)	3.1(49), 3.7(64), 3.8(67), 3.17(102), 3.18(106, 108)
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Disclosure of adequate and properly worded accounting policies relevant to assets, liabilities, Income and expenditure in line with best reporting standards.	3.5(60)
Any Specific accounting policies	3.5(60)
Impairment of Assets	3.5(60)
Changes in accounting policies/Changes in accounting estimates	3.5(60)

Particulars	Section (Page No.)
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Comprehensive segment related information bifurcating Segment revenue, segment results and segment capital employed	2.6(29)
Availability of information regarding different segments and units of the entity as well as non-segmental entities/units	2.6(29)
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Segment analysis of Segment Results	2.6(29)
Segment analysis of Turnover	2.6(29)
Segment analysis of Operating profit	2.6(29)
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Disclosures of all contingencies and commitments	6.1(184)
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Disclosures of Remuneration & Facilities provided to Directors & CEO	6.1(175)
Statement of Financial Position / Balance Sheet and relevant schedules	6.1(143)
Income Statement / Profit and Loss Account and relevant schedules	6.1(144)
Statement of Changes in Equity / Reserves & Surplus Schedule	6.1(145)
Disclosure of Types of Share Capital	6.1(146), 6.1(163)
Statement of Cash Flow	6.1(147)
Consolidated Financial Statement (CFS)- if applicable	6.1(143)
Extent of compliance with the core IAS/IFRS or equivalent National Standards	3.1(49), 3.13(78)
Disclosures / Contents of Notes to Accounts	6.1(148)
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Board Of Directors, Chairman And CEO	2.2(12), 2.8(40)
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Risk Management & Control Environment	
Description of the Risk Management Framework	3.1(50), 3.12(75)
Risk Mitigation Methodology	3.12(75)
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Stakeholders Information	
Distribution of shareholding (Number of shares as well as category wise, e.g Promoter group, FII etc)	2.9(41), 6.1(139)
Shares held by Directors/Executives and relatives of Directors/Executives	2.9(41)
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Graphical/ Pictorial Data	
Earnings per Share	4.3(114)
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Shareholders' Funds	4.2(111), 6.1(139)
Return on Shareholders Fund	4.2(111), 4.3(114)
Horizontal/Vertical Analysis including following	
Operating Performance (Income Statement)	
Total Revenue	4.5(116, 117)
Operating profit	4.5(116, 117)
Profit Before Tax	4.5(116, 117)
Profit after Tax	4.5(116, 117)
EPS	4.5(116, 117)
Statement of Financial Position (Balance Sheet)	
Shareholders Fund	4.5(116, 117)
Property Plant & Equipment	4.5(116, 117)
Net Current Assets	4.5(116, 117)
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Market share information of the Company's product/services	3.1(46)
Economic value added	4.9(121)
Presentation of Financial Statements	
Quality of the Report/ Layout of Contents	Complied as required
Cover and printing including the theme on the cover page	
Appropriateness and effectiveness of photographs and their relevance	
Effectiveness of Charts and Graphs	
Clarity, simplicity and lucidity in presentation of Financial Statements	
Timeliness in issuing Financial Statements and holding AGMs	
3 months time to produce the Annual Report and hold AGM are considered reasonable for full marks	AGM Date 5th December 2021
Delay after the initial period of 3 months - deduction of 2 marks is to be made for each month	
If the period is over 6 months – no marks shall be awarded	
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PESTEL Analysis	5.2.3(133)
Milestones	5.1(126)

6

AUDITOR'S REPORT AND AUDITED FINANCIAL STATEMENTS, AND BRIEF DISCLOSURES OF SUBSIDIARIES

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

6.2 Brief Disclosures of Subsidiaries

6.2.1 Summit Barisal Power Limited (SBPL)

6.2.2 Summit Narayanganj Power Unit II Limited (SNPUILL)

6.2.3 Summit Gazipur II Power Limited (SGIILPL)

6.2.4 Ace Alliance Power Limited (AAPL)

6.2.5 Summit Chittagong Power Limited (SCPL)

6.3 Proxy Form



6.1 SPL'S INDEPENDENT AUDITOR'S REPORT AND AUDITED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Summit Power Limited

Report on the audit of the consolidated and separate financial statements

Opinion

We have audited the consolidated financial statements of Summit Power Limited and its subsidiaries (the "Group") as well as the separate financial statements of Summit Power Limited (the "Company"), which comprise the consolidated and separate statement of financial position as at 30 June 2021, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated and separate financial statements give true and fair view of the consolidated financial position of the Group and the separate financial position of the Company as at 30 June 2021, and of its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled

our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matters

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

1. In note 1.3 it is mentioned that the power purchase agreement with BPDB regarding Madanganj Power Plant with 102 MW capacity expired on 31 March 2021. The operation at this plant is suspended now. A proposal for extension of the PPA of this plant is under active consideration of the Government of Bangladesh under "no-electricity, no-payment" without any guaranteed off-take.
2. Note 12.1 wherein Management has explained that the receivables from Bangladesh Rural Electrification Board (BREB) amounting to Taka 6,314,245,819 is recoverable based on the outcome of writ petition filed with the High Court Division of the Honorable Supreme Court of Bangladesh.

Our opinion is not modified in respect of the above matters.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

SUMMIT POWER LIMITED

Independent auditor's report


A. QASEM & Co.
 Chartered Accountants Since 1953

Key audit matters

How the matters were addressed in our audit

01. Revenue recognition and provision for customer receivables - see note # 32 & 12 to the financial statements

Revenue recognition and provision for customer receivables are key areas of judgement, particularly in relation to:

- Energy revenue is made based on the survey of the meter reading. The customer (or government authority) verifies the electrical energy output through physical inspection of meter and/or review of relevant reports generated from the meter. Upon agreement by both parties, the electrical energy delivered for the month is evidenced by the approvals of the professional engineers representing the Group and the customer. The meter is calibrated and certified by independent professional engineers on a regular basis;
- Capacity payments are recognized according to the terms set out in the Power Purchase Agreement (PPA) which is mainly the availability factor;
- Identifying conflicting issues relating to billing and assessing whether there is little prospect cash will be received for revenue that has been billed; and
- Assessing the recoverability of receivables who do not or are unable to pay their bills.

Our audit procedures included:

- Assessed whether revenue recognition policies were applied through comparison with relevant accounting standards and industry practice, including the policy of not recognizing revenue where it is not probable that cash will be received;
- Tested the Group's controls over revenue recognition and provision for customer receivables including reconciliations between sales and cash receipts systems and the general ledger;
- Assessed the assumptions used to calculate the metered accrued income by ensuring that inputs used to the calculation have been derived appropriately;
- Assessed the customer receivables provisioning policy based on historical cash collections, credits, re-bills and write off information; and
- Assessed the Group's disclosures of its revenue recognition and customer receivables provisioning policies, including the estimation and uncertainty involved in recording revenue and the receivables provisioning.
- Discussed with the management regarding the treatment for revenue recognition and customer receivables provisioning policy of the Group.

02. Application of cash flow hedge accounting - see note # 22 to the financial statements

The four subsidiaries (SBPL, SNPUIIL, AAPL & SGIPL) of the Group are exposed to financial risks for availing loans denominated in foreign currency. Cash flow hedge accounting is applied on interest to manage these financial risks.

We considered this as an area of most significance in the current year audit of the consolidated financial statements due to the complexities associated with monitoring and application of hedge accounting.

The valuation of underlying hedged items and hedging instruments, along with the calculation of hedge effectiveness and hedge reserve balances can involve complex quantitative models and significant judgement associated with assumptions and hedge accounting methodologies that increase the risk of potential error. Furthermore, the accounting treatment results in significant balances for the Group that arise because of the election to apply hedge accounting.

We had considered the application of the accounting policies and assessed the hedge accounting methodologies applied; and compared these to the requirements of IFRS 9 Financial Instruments, including:

- Obtained an understanding of management's hedge accounting process and tested the relevant key controls in place over the process and the hedge accounting effectiveness models.
- Assessed the inputs and assumptions used in the hedging models by comparing these to external information and market data.
- Assessed the presentation for derivative financial instruments and hedge accounting applied in the financial statements.

SUMMIT POWER LIMITED

Independent auditor's report


A. QASEM & Co.
 Chartered Accountants Since 1953

Key audit matters	How the matters were addressed in our audit
<p>3. The Company's Power Purchase Agreement (PPA) of two plants will expire on 14 November 2021 and 15 December 2021 -see note 1.2</p> <p>Power Purchase Agreement (PPA) between BREB and Summit Power Limited dated 28 June 2005 (Commercial Operation Date: 14 November 2006) will expire on 13 November 2021 for Chandina Power Plant (Unit-2), 13.5 MW. Also, PPA between BREB and Summit Power Limited dated 28 June 2005 (Commercial Operation Date: 16 December 2006) will expire on 15 December 2021 for Madhabdi Power Plant (Unit-2), 24.3 MW. These two plants are gas-based power plant.</p> <p>The Company has already applied for renewal of the PPAs on 18 February 2021.</p>	<p>In order to assess that a potential non-renewal of the Agreement will not result in any material uncertainty on the operations of the Group and any material adverse impact on the profitability thereof, we performed the following procedures:</p> <ul style="list-style-type: none"> • Review of Power Purchases agreements. • Discussion with management regarding the likelihood (or otherwise) of the renewal. • Analysis of the possible impact of non-renewal vis-a-vis the operations and financial position of the company and its subsidiary.

Other information

Management is responsible for the other information. The other information comprises all of the information in the Annual report other than the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRSs, the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going

concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

SUMMIT POWER LIMITED

Independent auditor's report

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter



A. QASEM & Co.
Chartered Accountants Since 1953

should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with the Companies Act, 1994, the Securities and Exchange Rules, 1987 and other applicable rules and regulations issued by Bangladesh Securities and Exchange Commission, we also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Group and the Company so far as it appeared from our examination of those books;
- c) the statement of financial position and statement of profit and loss and other comprehensive income dealt with by the report are in agreement with the books of account and returns;
- d) the expenditures incurred, and payments made were for the purpose of the Group's and the Company's business for the year.

A. Qasem & Co.
Chartered Accountants
RJSC Firm Registration No: PF 1015

Mohammad Motaleb Hossain, FCA
Partner
Enrolment Number: 0950
DVC: 2109290950AS319665
Dhaka, 26 September 2021

SUMMIT POWER LIMITED
STATEMENT OF FINANCIAL POSITION
As at 30 June 2021

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Assets					
Property, plant and equipment	4	38,521,233,880	39,743,391,034	10,408,732,555	10,905,077,299
Intangible assets	5	43,445,939	48,015,987	8,909,887	10,192,339
Investment in subsidiaries	6	-	-	2,550,702,270	2,550,702,270
Investment in associates	7	6,770,011,468	6,386,644,316	3,801,772,452	3,801,772,452
Other asset	9	2,545,425,549	1,495,080,679	-	-
Other investments	10	2,604,649,165	3,183,406,796	2,604,649,165	3,183,406,796
Non-current assets		50,484,766,001	50,856,538,812	19,374,766,329	20,451,151,156
Inventories	11	637,307,604	601,567,551	333,578,815	363,805,232
Trade receivables	12	15,829,121,153	11,415,305,024	8,416,967,524	7,269,644,496
Other receivables	13	101,426,714	48,933,306	46,996,107	38,900,726
Intercompany receivables	14	-	-	705,466,172	328,722,629
Advances, deposits and prepayments	15	2,818,737,500	688,114,861	2,621,174,199	457,313,212
Cash and cash equivalents	16	9,164,503,454	5,727,900,496	4,025,769,905	2,141,057,165
Current assets		28,551,096,425	18,481,821,238	16,149,952,722	10,599,443,460
Total assets		79,035,862,426	69,338,360,050	35,524,719,051	31,050,594,616
Equity					
Share capital	17	10,678,772,390	10,678,772,390	10,678,772,390	10,678,772,390
Share premium	18	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639
Revaluation reserve	19	859,348,728	867,156,989	859,348,728	867,156,989
Fair value reserve	20	(1,029,512,486)	(450,754,855)	(1,029,512,486)	(450,754,855)
Capital reserve	21	1,668,093,205	1,668,093,205	1,668,093,205	1,668,093,205
Hedging reserve	22	(385,340,743)	(638,824,028)	-	-
Currency translation reserve	23	81,259,995	80,251,948	-	-
Retained earnings		18,433,124,337	14,953,387,378	12,244,853,819	10,266,988,041
Equity attributable to owners of the Company		36,784,843,065	33,637,180,666	30,900,653,295	29,509,353,409
Non-controlling interests	24	9,882,900,630	7,166,761,596	-	-
Total equity		46,667,743,695	40,803,942,262	30,900,653,295	29,509,353,409
Liabilities					
Redeemable preference shares	25	1,562,329,944	2,014,135,364	-	-
Loans and borrowings	26	17,259,897,754	19,036,096,085	-	-
Deferred liabilities	27	1,001,635,545	1,382,809,883	337,811,728	294,943,722
Deferred tax liabilities	8	12,403,887	31,576,169	30,602,020	46,400,605
Non-current liabilities		19,836,267,130	22,464,617,501	368,413,748	341,344,327
Unclaimed dividend	28	174,788,370	276,029,807	174,788,370	276,029,807
Redeemable preference shares	25	452,820,697	351,404,260	-	-
Loans and borrowings	26	4,358,864,784	1,683,641,291	2,599,780,786	-
Trade payables	29	6,926,788,859	3,175,569,328	1,233,543,703	871,719,596
Other payables and accruals	30	464,282,281	578,746,524	97,459,927	50,210,129
Intercompany payables	31	154,306,610	4,409,077	150,079,222	1,937,348
Current liabilities		12,531,851,601	6,069,800,287	4,255,652,008	1,199,896,880
Total liabilities		32,368,118,731	28,534,417,788	4,624,065,756	1,541,241,207
Total equity and liabilities		79,035,862,426	69,338,360,050	35,524,719,051	31,050,594,616

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

Signed as per our report of same date.

A. Qasem & Co.

Chartered Accountants

RJSC Firm Registration No: PF 1015



Mohammad Motaieb Hossain, FCA
Partner

Enrolment Number: 0950

DVC: 2109290950AS319665

Dhaka, 26 September 2021


Managing Director


Director


Company Secretary

SUMMIT POWER LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Revenue	32	39,660,594,317	24,030,680,364	9,837,537,741	8,274,964,857
Cost of sales	33	(30,087,381,437)	(14,555,433,002)	(6,207,247,494)	(4,640,325,610)
Gross profit		9,573,212,880	9,475,247,362	3,630,290,247	3,634,639,247
Other income, net	34	254,458,342	292,566,190	688,861,497	1,438,466,608
General and administrative expenses	35	(477,881,178)	(506,603,626)	(263,566,968)	(276,621,401)
Operating profit		9,349,790,044	9,261,209,926	4,055,584,776	4,796,484,454
Finance income/(expenses), net	36	(1,423,567,457)	(1,031,821,631)	89,881,794	212,681,881
Share of profit of equity-accounted investees	7	563,367,152	327,737,361	-	-
Profit before tax		8,489,589,739	8,557,125,656	4,145,466,570	5,009,166,335
Income tax expenses	37	(60,411,261)	(73,371,816)	(42,296,563)	(7,786,193)
Profit after tax		8,429,178,478	8,483,753,840	4,103,170,007	5,001,380,142
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Actuarial gain/(loss) on gratuity valuation, net of tax	38	(11,807,074)	(5,588,654)	(8,671,475)	(4,249,500)
Other investments – net change in fair value	10	(578,757,631)	(774,264,433)	(578,757,631)	(774,264,433)
		(590,564,705)	(779,853,087)	(587,429,106)	(778,513,933)
Items that may be reclassified subsequently to profit or loss					
Change in fair value of financial derivative instruments	27.4	423,863,046	(505,119,225)	-	-
Foreign currency translation impact		2,968,110	48,374,738	-	-
		426,831,156	(456,744,487)	-	-
Other comprehensive income		(163,733,549)	(1,236,597,574)	(587,429,106)	(778,513,933)
Total comprehensive income		8,265,444,929	7,247,156,266	3,515,740,901	4,222,866,209
Profit attributable to:					
Owners of the Company		5,605,236,376	5,525,397,094	4,103,170,007	5,001,380,142
Non-controlling interests	24	2,823,942,102	2,958,356,746	-	-
		8,429,178,478	8,483,753,840	4,103,170,007	5,001,380,142
Other comprehensive income attributable to:					
Owners of the Company		(333,132,962)	(1,067,429,135)	(587,429,106)	(778,513,933)
Non-controlling interests	24	169,399,413	(169,168,439)	-	-
		(163,733,549)	(1,236,597,574)	(587,429,106)	(778,513,933)
Total comprehensive income attributable to:					
Owners of the Company		5,272,103,414	4,457,967,959	3,515,740,901	4,222,866,209
Non-controlling interests		2,993,341,515	2,789,188,307	-	-
		8,265,444,929	7,247,156,266	3,515,740,901	4,222,866,209
Earnings per share					
Basic earnings per share (face value BDT 10)	39	5.25	5.17	3.84	4.68

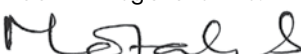
The annexed notes 1 to 54 form an integral part of these financial statements.

Signed as per our report of same date.

A. Qasem & Co.

Chartered Accountants

RJSC Firm Registration No: PF 1015



Mohammad Motaleb Hossain, FCA

Partner

Enrolment Number: 0950

DVC: 2109290950AS319665

Dhaka, 26 September 2021


Managing Director


Director


Company Secretary

SUMMIT POWER LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021

Figures in BDT

Particulars	Attributable to owners of the Company									Non-controlling interests	Total equity
	Share capital	Share premium	Revaluation reserve	Fair value reserve	Capital reserve	Hedging reserve	Currency translation reserve	Retained earnings	Total		
Balance at 1 July 2019	10,678,772,390	6,479,097,639	963,843,005	323,509,578	1,668,093,205	(333,801,733)	62,494,928	14,754,154,182	34,596,163,194	7,251,258,808	41,847,422,002
Total comprehensive income											
Profit	-	-	-	-	-	-	-	5,525,397,094	5,525,397,094	2,958,356,746	8,483,753,840
Other comprehensive income	-	-	-	(774,264,433)	-	(305,022,295)	17,757,020	(5,899,427)	(1,067,429,135)	(169,168,439)	(1,236,597,574)
Total comprehensive income	-	-	-	(774,264,433)	-	(305,022,295)	17,757,020	5,519,497,667	4,457,967,959	2,789,188,307	7,247,156,266
Transaction with owners of the Company											
Cash dividend	-	-	-	-	-	-	-	(5,339,386,195)	(5,339,386,195)	(2,873,685,519)	(8,213,071,714)
Total transactions with owners of the Company	-	-	-	-	-	-	-	(5,339,386,195)	(5,339,386,195)	(2,873,685,519)	(8,213,071,714)
Transactions recognised directly in equity											
Transfer from revaluation reserve to retained earnings	-	-	(19,121,724)	-	-	-	-	19,121,724	-	-	-
Deferred tax on revaluation of property, plant and equipment	-	-	(77,564,292)	-	-	-	-	-	(77,564,292)	-	(77,564,292)
Total transactions recognised directly in equity	-	-	(96,686,016)	-	-	-	-	19,121,724	(77,564,292)	-	(77,564,292)
Balance at 30 June 2020	10,678,772,390	6,479,097,639	867,156,989	(450,754,855)	1,668,093,205	(638,824,028)	80,251,948	14,953,387,378	33,637,180,666	7,166,761,596	40,803,942,262
Balance at 1 July 2020	10,678,772,390	6,479,097,639	867,156,989	(450,754,855)	1,668,093,205	(638,824,028)	80,251,948	14,953,387,378	33,637,180,666	7,166,761,596	40,803,942,262
Total comprehensive income											
Profit	-	-	-	-	-	-	-	5,605,236,376	5,605,236,376	2,823,942,102	8,429,178,478
Other comprehensive income	-	-	-	(578,757,631)	-	253,483,285	1,008,047	(8,866,663)	(333,132,962)	169,399,413	(163,733,549)
Total comprehensive income	-	-	-	(578,757,631)	-	253,483,285	1,008,047	5,596,369,713	5,272,103,414	2,993,341,515	8,265,444,929
Transaction with owners of the Company											
Cash dividend	-	-	-	-	-	-	-	(2,135,754,478)	(2,135,754,478)	(277,202,481)	(2,412,956,959)
Total transactions with owners of the Company	-	-	-	-	-	-	-	(2,135,754,478)	(2,135,754,478)	(277,202,481)	(2,412,956,959)
Transactions recognised directly in equity											
Transfer from revaluation reserve to retained earnings	-	-	(19,121,724)	-	-	-	-	19,121,724	-	-	-
Deferred tax on revaluation of property, plant and equipment	-	-	11,313,463	-	-	-	-	-	11,313,463	-	11,313,463
Total transactions recognised directly in equity	-	-	(7,808,261)	-	-	-	-	19,121,724	11,313,463	-	11,313,463
Balance at 30 June 2021	10,678,772,390	6,479,097,639	859,348,728	(1,029,512,486)	1,668,093,205	(385,340,743)	81,259,995	18,433,124,337	36,784,843,065	9,882,900,630	46,667,743,695
Notes	17	18	19	20	21	22	23			24	

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

SUMMIT POWER LIMITED
SEPARATE STATEMENT OF CHANGES IN EQUITY
 For the year ended 30 June 2021

Figures in BDT

Particulars	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	-	-	-	-	-	5,001,380,142	5,001,380,142
Other comprehensive income	-	-	-	(774,264,433)	-	(4,249,500)	(778,513,933)
Total comprehensive income	-	-	-	(774,264,433)	-	4,997,130,642	4,222,866,209
Transaction with owners of the company							
Cash dividend	-	-	-	-	-	(5,339,386,195)	(5,339,386,195)
Total transactions with owners of the company	-	-	-	-	-	(5,339,386,195)	(5,339,386,195)
Transactions recognised directly in equity							
Transfer from revaluation reserve to retained earnings	-	-	(19,121,724)	-	-	19,121,724	-
Deferred tax on revaluation of property, plant and equipment	-	-	(77,564,292)	-	-	-	(77,564,292)
Total transactions recognised directly in equity	-	-	(96,686,016)	-	-	19,121,724	(77,564,292)
Balance at 30 June 2020	10,678,772,390	6,479,097,639	867,156,989	(450,754,855)	1,668,093,205	10,266,988,041	29,509,353,409
Balance at 1 July 2020	10,678,772,390	6,479,097,639	867,156,989	(450,754,855)	1,668,093,205	10,266,988,041	29,509,353,409
Total comprehensive income							
Profit	-	-	-	-	-	4,103,170,007	4,103,170,007
Other comprehensive income	-	-	-	(578,757,631)	-	(8,671,475)	(587,429,106)
Total comprehensive income	-	-	-	(578,757,631)	-	4,094,498,532	3,515,740,901
Transaction with owners of the company							
Cash dividend	-	-	-	-	-	(2,135,754,478)	(2,135,754,478)
Total transactions with owners of the company	-	-	-	-	-	(2,135,754,478)	(2,135,754,478)
Transactions recognised directly in equity							
Transfer from revaluation reserve to retained earnings	-	-	(19,121,724)	-	-	19,121,724	-
Deferred tax on revaluation of property, plant and equipment	-	-	11,313,463	-	-	-	11,313,463
Total transactions recognised directly in equity	-	-	(7,808,261)	-	-	19,121,724	11,313,463
Balance at 30 June 2021	10,678,772,390	6,479,097,639	859,348,728	(1,029,512,486)	1,668,093,205	12,244,853,819	30,900,653,295
Notes	17	18	19	20	21		

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

SUMMIT POWER LIMITED
STATEMENT OF CASH FLOWS
 For the year ended 30 June 2021

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Cash flows from operating activities					
Receipts from customers		34,196,489,139	23,005,035,191	8,691,630,458	7,342,768,427
Payment to employees, suppliers and service-providers		(25,012,137,642)	(12,923,063,060)	(5,202,515,906)	(3,317,643,094)
Receipts from other sources		12,164,822	8,996,665	2,925,690	4,923,500
Income tax paid		(88,165,104)	(35,765,798)	(62,132,255)	(11,195,918)
Net cash from operating activities		9,108,351,215	10,055,202,998	3,429,907,987	4,018,852,915
Cash flows from investing activities					
Interest received and realised foreign exchange gain		151,273,040	1,144,908,295	91,931,719	210,146,242
Dividend received		418,367,880	306,296,706	684,699,675	1,430,778,872
Acquisition of property, plant and equipment		(718,750,039)	(1,332,663,769)	(323,160,134)	(164,660,276)
Acquisition of intangible asset		-	(2,674,504)	-	(2,674,504)
Proceeds for disposal of property, plant and equipment		1,392,111	886,700	1,300,220	886,700
(Payment of)/ Receipt from financial support		(2,132,307,429)	-	(2,509,050,972)	175,611,484
Net cash generated from/(used in) investing activities		(2,280,024,437)	116,753,428	(2,054,279,492)	1,650,088,518
Cash flows from financing activities					
Interest paid		(1,482,852,100)	(1,753,382,236)	(1,842,500)	(1,009,485)
Proceeds from loans and borrowings		4,874,195,089	11,013,404,920	4,874,195,089	-
Repayment of loans and borrowings		(4,044,578,794)	(11,537,533,600)	(2,274,414,303)	-
Proceeds from issue of redeemable preference shares		-	900,000,000	-	-
Repayment of redeemable preference shares		(357,500,000)	(160,000,000)	-	-
Transaction cost		(31,097,368)	(565,449,121)	-	-
Proceeds from/ (Repayment to) financial support		150,306,758	(199,596,448)	148,141,874	(534,660,553)
Dividends paid	28	(2,514,198,396)	(8,012,516,946)	(2,236,995,915)	(5,138,831,427)
Net cash generated from/(used in) financing activities		(3,405,724,811)	(10,315,073,431)	509,084,245	(5,674,501,465)
Net changes in cash and cash equivalents		3,422,601,967	(143,117,005)	1,884,712,740	(5,560,032)
Effects of currency translation		14,000,991	27,720,962	-	-
Opening cash and cash equivalents		5,727,900,496	5,843,296,539	2,141,057,165	2,146,617,197
Closing cash and cash equivalents	16	9,164,503,454	5,727,900,496	4,025,769,905	2,141,057,165

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

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

1 REPORTING ENTITY

1.1 Company profile

Summit Power Limited (hereinafter referred to as “the Company”/“SPL”) was incorporated in Bangladesh on 30 March 1997 as a private limited company under the Companies Act 1994 under registration no. C 32630(1751)/97 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215. The Company was subsequently converted into a public limited company on 7 June 2004. During October–November 2005, the Company listed its shares with both Dhaka and Chittagong Stock Exchanges. The Company took majority interest of Summit Purbanchol Power Company Limited (“SPPCL”) and Summit 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 (“SNPUILL”) 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 (“SGIIPL”) 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	20
	Ashulia Power Plant (Unit-2)	Savar, Dhaka	33.75	4 Dec 2007	15
	Madhabdi Power Plant (Unit-1)	Narsingdi	11	1 Sep 2003	20
	Madhabdi Power Plant (Unit-2)	Narsingdi	24.3	16 Dec 2006	15
	Chandina Power Plant (Unit-1)	Comilla	11	1 Sep 2003	20
	Chandina Power Plant (Unit-2)	Comilla	13.5	14 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 Fuel Oil (HFO).

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

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

1.3 Madanganj Power Plant - extension of Power Purchase Agreement

The Company contracted with Bangladesh Power Development Board ("BPDB") for Power Purchase Agreement ("PPA") on 23 June 2010 to supply electricity from Madanganj power plant for 5 years to 31 March 2016, which was subsequently extended for another 5 years till 31 March 2021. The operation at this plant is suspended now. A proposal for extension of the PPA of this plant is under active consideration of the Government of Bangladesh under "no-electricity, no-payment" without any guaranteed off-take.

2 BASIS OF PREPARATION**2.1 Statement of compliance**

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

2.2 Authorisation for issue

The financial statements were authorised by the Board of Directors on 26 September 2021 for publication.

2.3 Basis of measurement

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

2.4 Functional and presentational currency and level of precision

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

2.5 Reporting period

The financial period of the Company/Group covers one year from 1 July to 30 June and it is followed consistently. Details of the Company's accounting policies are included in Note 52.

2.6 Use of estimates and judgements

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

3 CHANGES IN SIGNIFICANT ACCOUNTING STANDARD

Below is the list of recent changes to International Financial Reporting Standards ("IFRS" or "standards") that are required to be applied by an entity with an annual reporting period beginning on or after 1 January 2020:

- *Amendments to References to Conceptual Framework in IFRS Standards.*
- *Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors on Definition of Material.*
- *Amendments to IFRS 3 Business Combinations on Definition of a Business.*
- *Amendments to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement (superseded by IFRS 9)*
- *IFRS 7 Financial Instruments: Disclosures on Interest Rate Benchmark Reform*
- *Amendment to IFRS 16 Leases on COVID-19-Related Rent Concessions.*

The amendments in standards listed above do not have any or material effect on the Group's financial statements.

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

4 PROPERTY, PLANT AND EQUIPMENT

Consolidated

For the year ended 30 June 2021

Figures in BDT

Particulars	Cost/Revaluation					Rate %	Depreciation					Written down value at 30 June 2021
	Balance at 1 July 2020	Addition/transfer in	Disposal/transfer out	Effect of exchange rate movement	Balance at 30 June 2021		Balance at 1 July 2020	Addition/transfer in	Disposal/transfer out	Effect of exchange rate movement	Balance at 30 June 2021	
a) Fixed assets : i) Cost												
Land and land development	1,306,166,837	758,489	-	56,627	1,306,981,953	-	-	-	-	-	-	1,306,981,953
Furniture and fixtures	41,098,151	4,718,714	-	3,705	45,820,570	10	20,151,584	3,784,100	-	1,417	23,937,100	21,883,469
Office and electrical equipment	94,508,282	20,436,464	(876,827)	12,433	114,080,353	20	63,902,703	13,937,822	(812,739)	5,376	77,033,162	37,047,190
Office decoration	30,386,685	70,628	-	16	30,457,329	20	28,977,551	570,776	-	46	29,548,373	908,956
Motor vehicles	179,090,030	175,697	(4,225,300)	2,038	175,042,465	20	118,520,185	22,747,005	(4,225,300)	4,504	137,046,394	37,996,071
Maintenance equipment	33,967,578	4,990,958	-	122	38,958,658	20	25,728,066	2,170,594	-	308	27,898,968	11,059,690
Civil works and others	225,736,716	1,222,209	-	2	226,958,927	20	211,658,601	7,964,015	-	4	219,622,621	7,336,306
Plant and machineries:												
Ashulia Power Plant (Unit-1)	466,046,778	29,381,070	-	-	495,427,848	3.33 - 10	309,410,852	35,722,785	-	-	345,133,637	150,294,211
Ashulia Power Plant (Unit-2)	1,589,330,191	14,530,621	-	-	1,603,860,812	3.33 - 16.67	700,926,800	85,075,784	-	-	786,002,584	817,858,228
Madhabdi Power Plant (Unit-1)	428,202,086	2,048,857	-	-	430,250,943	3.33 - 10	343,347,499	25,337,113	-	-	368,684,612	61,566,331
Madhabdi Power Plant (Unit-2)	1,066,719,485	25,034,013	-	-	1,091,753,498	3.33 - 16.67	540,349,533	55,151,094	-	-	595,500,627	496,252,871
Chandina Power Plant (Unit-1)	479,131,137	11,422,224	-	-	490,553,361	3.33 - 10	335,379,962	29,478,627	-	-	364,858,588	125,694,772
Chandina Power Plant (Unit-2)	676,137,886	14,155,659	-	-	690,293,545	3.33 - 16.67	333,157,272	39,875,934	-	-	373,033,206	317,260,339
Jangalia Power Plant	1,627,921,427	47,691,148	-	-	1,675,612,575	3.33 - 16.67	627,767,496	93,459,270	-	-	721,226,766	954,385,809
Rupganj Power Plant	1,596,551,955	16,357,342	-	-	1,612,909,297	3.33 - 16.67	623,976,396	73,526,590	-	-	697,502,986	915,406,312
Maona Power Plant	1,546,120,904	152,469,483	-	-	1,698,590,388	3.33 - 16.67	638,098,683	75,539,801	-	-	713,638,485	984,951,903
Ullapara Power Plant	650,051,158	22,649,338	-	-	672,700,496	3.33 - 16.67	267,367,439	36,947,675	-	-	304,315,113	368,385,383
Madanganj Power Plant	5,546,705,452	20,083,179	-	-	5,566,788,631	3.33 - 16.67	1,937,496,613	223,744,270	-	-	2,161,240,883	3,405,547,748
Rupatoli Power Plant	5,566,016,664	8,535,974	-	332,894	5,574,885,532	3.33 - 5	849,075,197	212,405,166	-	172,007	1,061,652,370	4,513,233,162
Madanganj Power Plant (Unit-2)	2,934,441,846	17,611,370	-	183,033	2,952,236,249	3.33 - 5	447,352,266	115,345,741	-	92,597	562,790,604	2,389,445,645
Kodda Power Plant (Unit-1)	6,516,918,882	893,282,928	(74,806,495)	802,269	7,336,197,584	3.33 - 5	443,185,027	253,544,728	(7,127,396)	157,148	689,759,507	6,646,438,077
Kodda Power Plant (Unit-2)	13,337,171,383	1,232,363,632	(56,167,608)	1,382,481	14,514,749,888	3.33 - 5	978,664,849	500,533,904	(5,657,327)	327,099	1,473,868,525	13,040,881,363
Total (i)	45,938,421,514	2,539,989,997	(136,076,230)	2,775,620	48,345,110,902		9,844,494,572	1,906,862,794	(17,822,762)	760,506	11,734,295,111	36,610,815,789
a) Fixed assets : ii) Revaluation												
Land and land development	569,663,952	-	-	-	569,663,952	-	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	-	13,002,138	20	13,002,138	-	-	-	13,002,138	-
Plant and machineries:												
Ashulia Power Plant (Unit-1)	166,227,903	-	-	-	166,227,903	3.33 - 10	57,486,594	5,540,880	-	-	63,027,474	103,200,429
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	3,310,422	3.33 - 16.67	1,144,869	110,352	-	-	1,255,221	2,055,201
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	-	161,663,341	3.33 - 10	55,908,004	5,388,720	-	-	61,296,724	100,366,617
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	79,752,991	3.33 - 16.67	27,580,998	2,658,420	-	-	30,239,418	49,513,573
Chandina Power Plant (Unit-1)	146,384,742	-	-	-	146,384,742	3.33 - 10	50,624,220	4,879,440	-	-	55,503,660	90,881,082
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	16,317,466	3.33 - 16.67	5,643,076	543,912	-	-	6,186,988	10,130,478
Total (ii)	1,156,322,955	-	-	-	1,156,322,955		211,389,898	19,121,724	-	-	230,511,622	925,811,332
Total (a=i+ii)	47,094,744,469	2,539,989,997	(136,076,230)	2,775,620	49,501,433,857		10,055,884,471	1,925,984,518	(17,822,762)	760,506	11,964,806,734	37,536,627,121
b) Spare parts												
Stock in hand	882,721,147	533,777,888	(601,728,411)	179,784	814,950,408	3.33 - 50	171,256,552	51,271,527	(54,324,988)	36,073	168,239,164	646,711,244
Stock in transit	170,800,087	732,935,073	(659,699,597)	6,372	244,041,935	-	-	-	-	-	-	244,041,935
Total (b)	1,053,521,234	1,266,712,961	(1,261,428,008)	186,156	1,058,992,343		171,256,552	51,271,527	(54,324,988)	36,073	168,239,164	890,753,179
c) Capital work-in progress												
Capital work in progress	1,801,727,148	182,108,608	(1,905,270,909)	(883,303)	77,681,544	-	-	-	-	-	-	77,681,544
Total (c)	1,801,727,148	182,108,608	(1,905,270,909)	(883,303)	77,681,544		-	-	-	-	-	77,681,544
Total own assets (a+b+c)	49,949,992,852	3,988,811,567	(3,302,775,146)	2,078,473	50,638,107,745		10,227,141,022	1,977,256,046	(72,147,750)	796,579	12,133,045,897	38,505,061,844
d) Right-of-use assets												
Leased land	24,906,390	-	-	-	24,906,390	-	4,367,182	4,367,172	-	-	8,734,354	16,172,036
Total (d)	24,906,390	-	-	-	24,906,390		4,367,182	4,367,172	-	-	8,734,354	16,172,036
Total assets (a+b+c+d)	49,974,899,242	3,988,811,567	(3,302,775,146)	2,078,473	50,663,014,135		10,231,508,204	1,981,623,218	(72,147,750)	796,579	12,141,780,251	38,521,233,880

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Consolidated

For the year ended 30 June 2020

Figures in BDT

Particulars	Cost/Revaluation					Rate %	Depreciation					Written down value at 30 June 2020
	Balance at 1 July 2019	Addition/transfer in	Disposal/transfer out	Effect of exchange rate movement	Balance at 30 June 2020		Balance at 1 July 2019	Addition/transfer in	Disposal/transfer out	Effect of exchange rate movement	Balance at 30 June 2020	
a) Fixed assets : i) Cost												
Land and land development	1,173,655,772	129,012,920	-	3,498,145	1,306,166,837	-	-	-	-	-	-	1,306,166,837
Furniture and fixtures	35,594,488	5,448,841	-	54,822	41,098,151	10	16,652,754	3,486,455	-	12,375	20,151,584	20,946,567
Office and electrical equipment	87,957,947	7,118,412	(690,200)	122,123	94,508,282	20	51,585,621	12,958,247	(690,200)	49,035	63,902,703	30,605,579
Office decoration	30,305,028	80,500	-	1,157	30,386,685	20	28,084,407	892,428	-	716	28,977,551	1,409,134
Motor vehicles	178,954,353	-	-	135,677	179,090,030	20	94,347,096	24,129,382	-	43,707	118,520,185	60,569,845
Maintenance equipment	33,724,961	234,661	-	7,956	33,967,578	20	23,876,427	1,848,108	-	3,531	25,728,066	8,239,512
Civil works and others	225,736,570	-	-	146	225,736,716	20	199,062,486	12,596,069	-	47	211,658,601	14,078,115
Plant and machineries:												
Ashulia Power Plant (Unit-1)	464,065,823	1,980,955	-	-	466,046,778	3.33 - 10	282,523,800	26,887,051	-	-	309,410,852	156,635,926
Ashulia Power Plant (Unit-2)	1,574,444,331	14,885,860	-	-	1,589,330,191	3.33 - 16.67	614,399,462	86,527,338	-	-	700,926,800	888,403,391
Madhabdi Power Plant (Unit-1)	426,272,453	1,929,633	-	-	428,202,086	3.33 - 10	318,880,033	24,467,466	-	-	343,347,499	84,854,587
Madhabdi Power Plant (Unit-2)	1,058,974,501	7,744,984	-	-	1,066,719,485	3.33 - 16.67	481,472,510	58,877,023	-	-	540,349,533	526,369,952
Chandina Power Plant (Unit-1)	474,045,869	5,085,268	-	-	479,131,137	3.33 - 10	309,576,071	25,803,891	-	-	335,379,962	143,751,175
Chandina Power Plant (Unit-2)	654,072,598	22,065,288	-	-	676,137,886	3.33 - 16.67	295,751,048	37,406,224	-	-	333,157,272	342,980,614
Jangalia Power Plant	1,577,652,299	50,269,128	-	-	1,627,921,427	3.33 - 16.67	540,769,379	86,998,117	-	-	627,767,496	1,000,153,931
Rupganj Power Plant	1,576,814,156	19,737,799	-	-	1,596,551,955	3.33 - 16.67	550,396,746	73,579,649	-	-	623,976,396	972,575,560
Maona Power Plant	1,513,233,965	32,886,939	-	-	1,546,120,904	3.33 - 16.67	561,147,777	76,950,906	-	-	638,098,683	908,022,221
Ullapara Power Plant	641,176,209	8,874,949	-	-	650,051,158	3.33 - 16.67	231,157,561	36,209,878	-	-	267,367,439	382,683,719
Madanganj Power Plant	5,493,222,130	53,483,323	-	-	5,546,705,452	3.33 - 16.67	1,675,671,897	261,824,716	-	-	1,937,496,613	3,609,208,839
Rupatoli Power Plant	5,472,940,344	70,354,340	-	22,721,980	5,566,016,664	3.33 - 5	624,845,446	221,474,758	-	2,754,993	849,075,197	4,716,941,467
Madanganj Power Plant (Unit-2)	2,900,264,600	22,410,484	-	11,766,762	2,934,441,846	3.33 - 5	325,440,423	120,520,691	-	1,391,152	447,352,266	2,487,089,580
Kodda Power Plant (Unit-1)	6,467,936,135	22,198,158	-	26,784,589	6,516,918,882	3.33 - 5	217,953,081	224,163,692	-	1,068,254	443,185,027	6,073,733,855
Kodda Power Plant (Unit-2)	12,967,222,970	316,094,881	-	53,853,532	13,337,171,383	3.33 - 5	517,311,562	458,886,595	-	2,466,692	978,664,849	12,358,506,534
Total (i)	45,028,267,501	791,897,324	(690,200)	118,946,889	45,938,421,514		7,960,905,586	1,876,488,684	(690,200)	7,790,502	9,844,494,572	36,093,926,940
a) Fixed assets : ii) Revaluation												
Land and land development	569,663,952	-	-	-	569,663,952	-	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	-	13,002,138	20	13,002,138	-	-	-	13,002,138	-
Plant and machineries:												
Ashulia Power Plant (Unit-1)	166,227,903	-	-	-	166,227,903	3.33 - 10	51,945,714	5,540,880	-	-	57,486,594	108,741,309
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	3,310,422	3.33 - 16.67	1,034,517	110,352	-	-	1,144,869	2,165,553
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	-	161,663,341	3.33 - 10	50,519,284	5,388,720	-	-	55,908,004	105,755,337
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	79,752,991	3.33 - 16.67	24,922,578	2,658,420	-	-	27,580,998	52,171,993
Chandina Power Plant (Unit-1)	146,384,742	-	-	-	146,384,742	3.33 - 10	45,744,780	4,879,440	-	-	50,624,220	95,760,522
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	16,317,466	3.33 - 16.67	5,099,164	543,912	-	-	5,643,076	10,674,390
Total (ii)	1,156,322,955	-	-	-	1,156,322,955		192,268,174	19,121,724	-	-	211,389,898	944,933,056
Total (a=i+ii)	46,184,590,456	791,897,324	(690,200)	118,946,889	47,094,744,469		8,153,173,761	1,895,610,408	(690,200)	7,790,502	10,055,884,471	37,038,859,996
b) Spare parts												
Stock in hand	894,121,445	285,373,144	(298,778,911)	2,005,469	882,721,147	3.33 - 50	145,684,059	58,368,379	(32,989,786)	193,900	171,256,552	711,464,595
Stock in transit	121,272,030	396,089,577	(346,595,329)	33,809	170,800,087	-	-	-	-	-	-	170,800,087
Total (b)	1,015,393,475	681,462,721	(645,374,240)	2,039,278	1,053,521,234		145,684,059	58,368,379	(32,989,786)	193,900	171,256,552	882,264,682
c) Capital work-in progress												
Capital work in progress	1,252,328,183	895,309,735	(351,507,236)	5,596,466	1,801,727,148	-	-	-	-	-	-	1,801,727,148
Total (c)	1,252,328,183	895,309,735	(351,507,236)	5,596,466	1,801,727,148		-	-	-	-	-	1,801,727,148
Total own assets (a+b+c)	48,452,312,114	2,368,669,780	(997,571,676)	126,582,633	49,949,992,852		8,298,857,820	1,953,978,787	(33,679,986)	7,984,402	10,227,141,022	39,722,851,826
d) Right-of-use assets												
Leased land	-	24,906,390	-	-	24,906,390	-	-	4,367,182	-	-	4,367,182	20,539,208
Total (d)	-	24,906,390	-	-	24,906,390		-	4,367,182	-	-	4,367,182	20,539,208
Total assets (a+b+c+d)	48,452,312,114	2,393,576,170	(997,571,676)	126,582,633	49,974,899,242		8,298,857,820	1,958,345,969	(33,679,986)	7,984,402	10,231,508,204	39,743,391,034

SUMMIT POWER LIMITED
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For the year ended 30 June 2021

Separate

For the year ended 30 June 2021

Figures in BDT

Particulars	Cost/Revaluation				Rate %	Depreciation				Written down value at 30 June 2021
	Balance at 1 July 2020	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2021		Balance at 1 July 2021	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2021	
a) Fixed assets : i) Cost										
Land and land development	352,578,242	-	-	352,578,242	-	-	-	-	-	352,578,242
Furniture and fixtures	23,983,109	25,929	-	24,009,038	10	15,932,527	1,746,156	-	17,678,682	6,330,355
Office and electrical equipment	61,212,634	2,202,912	(876,827)	62,538,720	20	47,143,985	6,295,272	(812,739)	52,626,518	9,912,202
Office decoration	30,106,208	70,628	-	30,176,836	20	28,757,778	513,560	-	29,271,338	905,498
Motor vehicles	146,197,977	-	(4,225,300)	141,972,677	20	102,928,810	16,504,582	(4,225,300)	115,208,092	26,764,585
Maintenance equipment	31,884,090	4,990,958	-	36,875,048	20	24,553,788	1,753,348	-	26,307,136	10,567,912
Civil works and others	225,701,485	1,222,209	-	226,923,694	20	211,641,572	7,956,891	-	219,598,464	7,325,230
Plant and machineries:										
Ashulia Power Plant (Unit-1)	466,046,778	29,381,070	-	495,427,848	3.33 - 10	309,410,850	35,722,785	-	345,133,635	150,294,213
Ashulia Power Plant (Unit-2)	1,589,330,191	14,530,621	-	1,603,860,812	3.33 - 16.67	700,926,798	85,075,784	-	786,002,582	817,858,230
Madhabdi Power Plant (Unit-1)	428,202,086	2,048,857	-	430,250,943	3.33 - 10	343,347,498	25,337,113	-	368,684,611	61,566,332
Madhabdi Power Plant (Unit-2)	1,066,719,485	25,034,013	-	1,091,753,498	3.33 - 16.67	540,349,532	55,151,094	-	595,500,626	496,252,872
Chandina Power Plant (Unit-1)	479,131,137	11,422,224	-	490,553,361	3.33 - 10	335,379,961	29,478,627	-	364,858,588	125,694,773
Chandina Power Plant (Unit-2)	676,137,886	14,155,659	-	690,293,545	3.33 - 16.67	333,157,271	39,875,934	-	373,033,205	317,260,340
Jangalia Power Plant	1,627,921,427	47,691,148	-	1,675,612,575	3.33 - 16.67	627,767,495	93,459,270	-	721,226,766	954,385,809
Rupganj Power Plant	1,596,551,955	16,357,342	-	1,612,909,297	3.33 - 16.67	623,976,395	73,526,590	-	697,502,985	915,406,312
Maona Power Plant	1,546,120,904	152,469,483	-	1,698,590,388	3.33 - 16.67	638,098,683	75,539,801	-	713,638,484	984,951,904
Ullapara Power Plant	650,051,158	22,649,338	-	672,700,496	3.33 - 16.67	267,367,438	36,947,675	-	304,315,113	368,385,383
Madanganj Power Plant	5,546,705,452	20,083,179	-	5,566,788,631	3.33 - 16.67	1,937,496,612	223,744,270	-	2,161,240,882	3,405,547,749
Total (i)	16,544,582,205	364,335,570	(5,102,127)	16,903,815,649		7,088,236,994	808,628,752	(5,038,039)	7,891,827,708	9,011,987,941
a) Fixed assets : ii) Revaluation										
Land and land development	569,663,952	-	-	569,663,952	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	13,002,138	20	13,002,138	-	-	13,002,138	-
Plant and machineries:										
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33 - 10	57,486,593	5,540,880	-	63,027,473	103,200,430
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 16.67	1,144,867	110,352	-	1,255,219	2,055,203
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33 - 10	55,908,003	5,388,720	-	61,296,723	100,366,618
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 16.67	27,580,998	2,658,420	-	30,239,418	49,513,573
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 10	50,624,219	4,879,440	-	55,503,659	90,881,083
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 16.67	5,643,077	543,912	-	6,186,989	10,130,477
Total (ii)	1,156,322,955	-	-	1,156,322,955		211,389,894	19,121,724	-	230,511,618	925,811,337
Total (i+ii)	17,700,905,160	364,335,570	(5,102,127)	18,060,138,604		7,299,626,888	827,750,476	(5,038,039)	8,122,339,326	9,937,799,278
b) Spare parts										
Stock in hand	449,184,757	247,491,102	(356,519,138)	340,156,721	3.33 - 50	124,988,150	23,853,281	(41,037,560)	107,803,871	232,352,850
Stock in transit	159,063,213	318,526,608	(255,181,430)	222,408,391	-	-	-	-	-	222,408,391
Total (b)	608,247,969	566,017,710	(611,700,568)	562,565,112		124,988,150	23,853,281	(41,037,560)	107,803,871	454,761,241
Total own assets (a+b)	18,309,153,130	930,353,281	(616,802,694)	18,622,703,716		7,424,615,038	851,603,758	(46,075,599)	8,230,143,197	10,392,560,519
c) Right-of-use assets										
Leased land	24,906,390	-	-	24,906,390	-	4,367,182	4,367,172	-	8,734,354	16,172,036
Total (c)	24,906,390	-	-	24,906,390		4,367,182	4,367,172	-	8,734,354	16,172,036
Total assets (a+b+c)	18,334,059,520	930,353,281	(616,802,694)	18,647,610,106		7,428,982,220	855,970,930	(46,075,599)	8,238,877,551	10,408,732,555

SUMMIT POWER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
 For the year ended 30 June 2021

Separate

For the year ended 30 June 2020

Figures in BDT

Particulars	Cost/Revaluation				Rate %	Depreciation				Written down value at 30 June 2020
	Balance at 1 July 2019	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2020		Balance at 1 July 2019	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2020	
a) Fixed assets : i) Cost										
Land and land development	352,578,242	-	-	352,578,242	-	-	-	-	-	352,578,242
Furniture and fixtures	23,201,020	782,089	-	23,983,109	10	13,942,802	1,989,725	-	15,932,527	8,050,582
Office and electrical equipment	59,289,710	2,613,124	(690,200)	61,212,634	20	40,831,811	7,002,373	(690,200)	47,143,985	14,068,650
Office decoration	30,025,708	80,500	-	30,106,208	20	27,921,478	836,300	-	28,757,778	1,348,430
Motor vehicles	146,197,977	-	-	146,197,977	20	84,906,147	18,022,663	-	102,928,810	43,269,167
Maintenance equipment	31,839,090	45,000	-	31,884,090	20	23,094,763	1,459,025	-	24,553,788	7,330,302
Civil works and others	225,701,485	-	-	225,701,485	20	199,052,541	12,589,032	-	211,641,572	14,059,913
Plant and machineries:	-	-	-	-	-	-	-	-	-	-
Ashulia Power Plant (Unit-1)	464,065,823	1,980,955	-	466,046,778	3.33 - 10	282,523,799	26,887,051	-	309,410,850	156,635,928
Ashulia Power Plant (Unit-2)	1,574,444,331	14,885,860	-	1,589,330,191	3.33 - 16.67	614,399,460	86,527,338	-	700,926,798	888,403,393
Madhabdi Power Plant (Unit-1)	426,272,453	1,929,633	-	428,202,086	3.33 - 10	318,880,032	24,467,466	-	343,347,498	84,854,588
Madhabdi Power Plant (Unit-2)	1,058,974,501	7,744,984	-	1,066,719,485	3.33 - 16.67	481,472,509	58,877,023	-	540,349,532	526,369,953
Chandina Power Plant (Unit-1)	474,045,869	5,085,268	-	479,131,137	3.33 - 10	309,576,071	25,803,891	-	335,379,961	143,751,176
Chandina Power Plant (Unit-2)	654,072,598	22,065,288	-	676,137,886	3.33 - 16.67	295,751,047	37,406,224	-	333,157,271	342,980,615
Jangalia Power Plant	1,577,652,299	50,269,128	-	1,627,921,427	3.33 - 16.67	540,769,379	86,998,117	-	627,767,495	1,000,153,932
Rupganj Power Plant	1,576,814,156	19,737,799	-	1,596,551,955	3.33 - 16.67	550,396,746	73,579,649	-	623,976,395	972,575,560
Maona Power Plant	1,513,233,965	32,886,939	-	1,546,120,904	3.33 - 16.67	561,147,776	76,950,906	-	638,098,683	908,022,222
Ullapara Power Plant	641,176,209	8,874,949	-	650,051,158	3.33 - 16.67	231,157,560	36,209,878	-	267,367,438	382,683,720
Madanganj Power Plant	5,493,222,130	53,483,323	-	5,546,705,452	3.33 - 16.67	1,675,671,896	261,824,716	-	1,937,496,612	3,609,208,840
Total (i)	16,322,807,565	222,464,840	(690,200)	16,544,582,205		6,251,495,817	837,431,377	(690,200)	7,088,236,994	9,456,345,211
a) Fixed assets : ii) Revaluation										
Land and land development	569,663,952	-	-	569,663,952	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	13,002,138	20	13,002,138	-	-	13,002,138	-
Plant and machineries:	-	-	-	-	-	-	-	-	-	-
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33 - 10	51,945,713	5,540,880	-	57,486,593	108,741,310
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 16.67	1,034,515	110,352	-	1,144,867	2,165,555
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33 - 10	50,519,283	5,388,720	-	55,908,003	105,755,338
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 16.67	24,922,578	2,658,420	-	27,580,998	52,171,993
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 10	45,744,779	4,879,440	-	50,624,219	95,760,523
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 16.67	5,099,165	543,912	-	5,643,077	10,674,389
Total (ii)	1,156,322,955	-	-	1,156,322,955		192,268,170	19,121,724	-	211,389,894	944,933,060
Total (i+ii)	17,479,130,520	222,464,840	(690,200)	17,700,905,160		6,443,763,987	856,553,101	(690,200)	7,299,626,888	10,401,278,271
b) Spare parts										
Stock in hand	510,562,199	157,470,195	(218,847,637)	449,184,757	3.33 - 50	118,699,009	33,011,877	(26,722,736)	124,988,150	324,196,607
Stock in transit	113,897,668	234,849,540	(189,683,996)	159,063,213	-	-	-	-	-	159,063,213
Total (b)	624,459,868	392,319,735	(408,531,633)	608,247,969		118,699,009	33,011,877	(26,722,736)	124,988,150	483,259,820
Total own assets (a+b)	18,103,590,387	614,784,575	(409,221,833)	18,309,153,130		6,562,462,996	889,564,978	(27,412,936)	7,424,615,038	10,884,538,091
c) Right-of-use assets										
Leased land	-	24,906,390	-	24,906,390	-	-	4,367,182	-	4,367,182	20,539,208
Total (c)	-	24,906,390	-	24,906,390		-	4,367,182	-	4,367,182	20,539,208
Total assets (a+b+c)	18,103,590,387	639,690,965	(409,221,833)	18,334,059,520		6,562,462,996	893,932,160	(27,412,936)	7,428,982,220	10,905,077,299

SUMMIT POWER LIMITED
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4.1 Allocation of depreciation

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Cost of sales	33	1,863,339,195	1,869,445,494	780,163,561	825,310,306
General and administrative expenses	35	51,174,311	55,910,689	34,769,808	41,899,118
		1,914,513,506	1,925,356,183	814,933,369	867,209,424

5 INTANGIBLE ASSETS

Consolidated

For the year ended 30 June 2021

Particulars	Cost					Rate %	Amortisation					Written down value at 30 June 2021
	Balance at 1 July 2020	Addition/transfer in	Disposal/transfer out	Effect of exchange rate movement	Balance at 30 June 2021		Balance at 1 July 2020	Addition/transfer in	Disposal/transfer out	Effect of exchange rate movement	Balance at 30 June 2021	
Software	18,533,411	-	-	696	18,534,107	20	2,724,094	3,306,052	-	1,356	6,031,502	12,502,605
Brand	10,000,000	-	-	-	10,000,000	3.3333	3,833,330	333,336	-	-	4,166,666	5,833,334
License*	27,900,000	-	-	-	27,900,000	-	1,860,000	930,000	-	-	2,790,000	25,110,000
Total	56,433,411	-	-	696	56,434,107		8,417,424	4,569,388	-	1,356	12,988,168	43,445,939

For the year ended 30 June 2020

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

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

Separate

For the year ended 30 June 2021

Particulars	Cost				Rate %	Amortisation				Written down value at 30 June 2021
	Balance at 1 July 2020	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2021		Balance at 1 July 2020	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2021	
Software	6,749,763	-	-	6,749,763	20	2,724,094	949,116	-	3,673,210	3,076,553
Brand	10,000,000	-	-	10,000,000	3.3333	3,833,330	333,336	-	4,166,666	5,833,334
Total	16,749,763	-	-	16,749,763		6,557,424	1,282,452	-	7,839,876	8,909,887

For the year ended 30 June 2020

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

SUMMIT POWER LIMITED

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6 INVESTMENT IN SUBSIDIARIES

Figures in BDT

Particulars	Notes	No. of shares	% of holding	Value in BDT
30 June 2021				
Summit Barisal Power Limited	6.1	50,699,516	49.00%	506,995,160
Summit Narayanganj Power Unit II Limited	6.1	27,712,222	49.00%	277,122,220
Summit Chittagong Power Limited	6.1	490,000	49.00%	4,900,000
Ace Alliance Power Limited	6.1	106,258,489	64.00%	1,090,484,890
Summit Gazipur II Power Limited	6.1	67,120,000	20.00%	671,200,000
		252,280,227		2,550,702,270
30 June 2020				
Summit Barisal Power Limited	6.1	50,699,516	49.00%	506,995,160
Summit Narayanganj Power Unit II Limited	6.1	27,712,222	49.00%	277,122,220
Summit Chittagong Power Limited	6.1	490,000	49.00%	4,900,000
Ace Alliance Power Limited	6.1	106,258,489	64.00%	1,090,484,890
Summit Gazipur II Power Limited	6.1	67,120,000	20.00%	671,200,000
		252,280,227		2,550,702,270

6.1 Summit Power Limited (SPL) hold 49% shares in each of Summit Barisal Power Limited (SBPL), Summit Narayanganj Power Unit II Limited (SNPUILL), Summit Chittagong Power Limited (SCPL); 64% shares in Ace Alliance Power Limited and 20% shares in Summit Gazipur II Power Limited (SGIPL). IFRS 10: *Consolidated Financial Statements* requires 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, SNPUILL, 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, SNPUILL, SCPL and SGIPL.

6.2 In accordance with paragraph 10 of IAS 27: *Separate Financial Statements*, investments in subsidiaries have been accounted for at cost. Details of holding structure in subsidiaries are described in Note 52.A.i.

7 INVESTMENT IN ASSOCIATES

Particulars	Notes	% of holding	30 June 2021	30 June 2020
Consolidated				
Summit Meghnaghat Power Company Limited				
Value of investment under equity method	7.1	30%	6,386,644,316	6,084,406,955
Share of profit			563,367,152	327,737,361
Dividend received			(180,000,000)	(25,500,000)
			6,770,011,468	6,386,644,316
Separate				
Summit Meghnaghat Power Company Limited				
Cost of investment	7.1	30%	3,801,772,452	3,801,772,452
			3,801,772,452	3,801,772,452

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

SUMMIT POWER LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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8 DEFERRED TAX LIABILITIES (ASSET)

Consolidated				Figures in BDT
Particulars	Notes	Carrying amount	Tax base	Taxable/ (deductible) temporary difference
30 June 2021				
Property, plant and equipment (Taxable plants)		(648,049,384)	(329,396,097)	318,653,287
Provision for gratuity	27.1	243,304,748	-	(243,304,748)
Total temporary difference		(404,744,636)	(329,396,097)	75,348,539
Applicable tax rate				22.5% to 30%
Deferred tax (asset)/ liability				12,403,887
30 June 2020				
Property, plant and equipment (Taxable plants)		(705,119,769)	(367,895,712)	337,224,057
Provision for gratuity	27.1	197,235,284	-	(197,235,284)
Total temporary difference		(507,884,485)	(367,895,712)	139,988,773
Applicable tax rate				25% to 32.5%
Deferred tax (asset)/ liability				31,576,169
Separate				
Particulars	Notes	Carrying amount	Tax base	Taxable/ (deductible) temporary difference
30 June 2021				
Property, plant and equipment (Taxable plants)		(648,049,384)	(329,396,097)	318,653,287
Provision for gratuity [SPL portion]	27.1	182,644,308	-	(182,644,308)
Total temporary difference		(465,405,076)	(329,396,097)	136,008,979
Applicable tax rate				22.50%
Deferred tax (asset)/ liability				30,602,020
30 June 2020				
Property, plant and equipment (Taxable plants)		(705,119,769)	(367,895,712)	337,224,057
Provision for gratuity [SPL portion]	27.1	151,621,637	-	(151,621,637)
Total temporary difference		(553,498,132)	(367,895,712)	185,602,420
Applicable tax rate				25.00%
Deferred tax (asset)/ liability				46,400,605

9 OTHER ASSET

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
<i>Impact of straight-lining (IFRS 16)*</i>				
Rupatoli Power Plant	(154,030,974)	(17,330,171)	-	-
Madanganj Power Plant (Unit 2)	(68,855,621)	(9,802,042)	-	-
Kodda Power Plant (Unit 1)	877,188,630	544,888,101	-	-
Kodda Power Plant (Unit 2)	1,891,123,514	977,324,791	-	-
	2,545,425,549	1,495,080,679	-	-

* With pursuant to IFRS 16 Leases the Group recognises capacity revenue earned from electricity supplied to its customers (i.e. BREB and BPDB) on a straight-line basis over the term of power purchase agreement ("PPA"). The difference between capacity revenue earned during the financial year 2020-21 and the capacity revenue with straight-line impact as per IFRS 16 has been reported as part of "revenue" in statement of profit or loss and other comprehensive income and the cumulative balance of such differential amount has been reported as "other asset" in statement of financial position. Please see Note 52.K for the relevant accounting policies.

SUMMIT POWER LIMITED
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10 OTHER INVESTMENTS

Equity securities at FVOCI

Figures in BDT

Particulars	No. of shares	Rate per share	Market value at			Movement in fair value at		Cost price
			30 June 2021	30 June 2020	30 June 2019	30 June 2021	30 June 2020	
Khulna Power Company Limited	70,108,200	37.00	2,594,003,400	3,175,901,460	3,947,091,660	(581,898,060)	(771,190,200)	3,625,296,384
People's Leasing and Financial Services Limited	408,160	3.00	1,224,480	1,224,480	1,673,456	-	(448,976)	20,500,000
Popular Life First Mutual Fund	1,495,442	6.30	9,421,285	6,280,856	7,028,577	3,140,429	(747,721)	10,000,000
	72,011,802		2,604,649,165	3,183,406,796	3,955,793,693	(578,757,631)	(772,386,897)	3,655,796,384

Particulars	For the year ended	
	30 June 2021	30 June 2020
Allocation -		
Included in profit or loss	-	1,877,536
Included in other comprehensive income	(578,757,631)	(774,264,433)
	(578,757,631)	(772,386,897)

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

11 INVENTORIES

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Consumable - others	11.1	562,496,565	551,271,760	305,541,019	338,694,419
Lubricant oil, chemicals and others	11.2	74,811,039	50,295,791	28,037,796	25,110,813
Closing balance		637,307,604	601,567,551	333,578,815	363,805,232

11.1 Consumable - others

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening Balance	551,271,760	573,222,558	338,694,419	364,905,647
Purchase/transfer	201,622,204	130,773,882	80,787,239	93,104,202
Consumption/transfer	(190,435,378)	(153,917,474)	(113,940,639)	(119,315,430)
Effect of exchange rate movement	37,979	1,192,794	-	-
Closing balance	562,496,565	551,271,760	305,541,019	338,694,419

11.2 Lubricant oil, chemicals and others

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening Balance	50,295,791	111,208,224	25,110,813	31,828,216
Purchase/transfer	691,998,004	313,234,315	152,803,360	120,727,552
Consumption/transfer	(667,496,630)	(374,107,088)	(149,876,377)	(127,444,955)
Effect of exchange rate movement	13,874	(39,660)	-	-
Closing balance	74,811,039	50,295,791	28,037,796	25,110,813

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12 TRADE RECEIVABLES

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Bangladesh Rural Electrification Board ("BREB")	12.1				
Ashulia Power Plant (Unit-1)		17,047,755	62,440,758	17,047,755	62,440,758
Ashulia Power Plant (Unit-2)		2,987,595,329	2,600,506,859	2,987,595,329	2,600,506,859
Madhabdi Power Plant (Unit-1)		17,018,019	67,933,759	17,018,019	67,933,759
Madhabdi Power Plant (Unit-2)		2,209,578,697	1,935,127,208	2,209,578,697	1,935,127,208
Chandina Power Plant (Unit-1)		14,443,731	61,682,066	14,443,731	61,682,066
Chandina Power Plant (Unit-2)		1,221,946,104	1,058,580,466	1,221,946,104	1,058,580,466
Rupganj Power Plant		134,755,028	123,206,144	134,755,028	123,206,144
Maona Power Plant		136,367,490	125,210,033	136,367,490	125,210,033
Ullapara Power Plant		37,969,931	37,065,272	37,969,931	37,065,272
Bangladesh Power Development Board ("BPDB")					
Jangalia Power Plant		261,248,326	251,665,150	261,248,326	251,665,150
Madanganj Power Plant	12.2	1,547,755,517	1,114,985,184	1,547,755,517	1,114,985,184
Rupatoli Power Plant		643,226,400	694,849,785	-	-
Madanganj Power Plant (Unit-2)		622,837,195	319,040,091	-	-
Kodda Power Plant (Unit-1)		3,064,381,626	1,342,977,251	-	-
Kodda Power Plant (Unit-2)		3,081,708,408	1,788,793,401	-	-
		15,997,879,556	11,584,063,427	8,585,725,927	7,438,402,899
Less: Provision for doubtful debt		(168,758,403)	(168,758,403)	(168,758,403)	(168,758,403)
		15,829,121,153	11,415,305,024	8,416,967,524	7,269,644,496

12.1 Out of total receivables from BREB, invoices amounting to 6,314,245,819, 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, from September 2015 to February 2020 at the rate of Taka 4.4791 per KWh and March 2020 onward at the rate of Taka 4.6170 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 statements within 6 weeks thereafter to make all the appeals ready for expeditions hearing.

After submission of concise statements by both parties, the case was heard in the Court of Chamber Judge on 25 July 2019. The Learned Judge has fixed the date of appearance in the full bench list of Appellate Division on 4 March 2020. Consequently, legal counsels of SPL have applied for modification of order of "status quo" given by the Chamber Judge. Followed by representation at the Court of Chamber Judge, the case was sent for hearing to the full bench on 29 October 2019. The case has been listed for hearing in the full court of Appellate Division which appeared in the cause list on 14 January 2020. These appeals last appeared for hearing in the list of the Full Bench of the Honourable Appellate Division on 26 February 2020 on which date the appellant, BREB prayed for an adjournment, which prayer was allowed, and the hearing was adjourned to 7 April 2020. Since 13 March 2020, the Honourable Appellate Division has not been sitting regularly, initially on account of regular spring vacations and then due to the current COVID 19 Pandemic. The Honourable Appellate Division is now functioning in a limited scale virtually hearing leave petitions and interlocutory matters. Regular appeals are not being heard. Prayers have been made on behalf of the Company, the contesting respondent in the appeals for hearing the appeals virtually, before both the Honourable Judge in Chambers and the Full Bench of the Appellate Division. The case was fixed for hearing on 7 September 2021; but this is yet to be heard.

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

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

A few hearings took place in BERC. On the other hand, BERC instructed BPDB not to deduct the pending amount from the invoices of the power plant for additional period up to 30 September 2020. Subsequently, the arbitration process has been finished. BERC has awarded judgement in favour of BPDB. Being aggrieved with the judgement of BERC, a writ petition was submitted to the honourable High Court Division of the Supreme Court of Bangladesh. The honourable High Court Division has granted a stay-order in favour of non-deduction up to 15 May 2021. Meanwhile, BPDB served notice for complete shutdown of Madanganj Power Plant after expiry of the PPA tenure on 31 March 2021 and also filed a Civil Petition for leave to appeal in order to recover its claim for reported excess fuel consumption. The full bench of Hon'ble Appellate Division of the Supreme Court heard the matter on 18 March 2021 and was pleased to pass an order that the contract between the parties would be deemed to have been extended till all litigations were over. BPDB further applied for leave to appeal which was heard in the full bench of Hon'ble Appellate Division which has instead ordered for hearing in the High Court Division. Meanwhile, the High Court Division has passed interim stay-order for non-deduction from monthly invoices of the Company. The stay-order will remain valid until the resumption of the physical functioning of the High Court Division. However, the Company has made a provision for doubtful debt on said amount of BDT 164.67 million.

13 OTHER RECEIVABLES

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Insurance claims	28,452,333	1,939,579	-	1,939,579
Interest on FDRs	67,694,781	44,409,806	46,996,107	36,961,147
SSS Soil Engineers	5,279,600	2,583,921	-	-
	101,426,714	48,933,306	46,996,107	38,900,726

14 INTERCOMPANY RECEIVABLES

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Summit Barisal Power Limited	-	-	138,598,678	147,831,177
Summit Narayanganj Power Unit II Limited	-	-	84,761,876	87,974,548
Ace Alliance Power Limited	-	-	304,112,886	92,916,904
Summit Gazipur II Power Limited	-	-	177,992,732	-
	-	-	705,466,172	328,722,629

SUMMIT POWER LIMITED
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15 ADVANCES, DEPOSITS AND PREPAYMENTS

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Advances				
C & F agents	5,701,908	25,649,738	2,974,456	19,443,799
Energypac Engineering Limited	15,962,501	1,825,540	1,000,000	1,825,540
Jakir Construction Limited	-	1,595,151	-	-
SBS International Business Limited	-	31,689,646	-	-
Padma Oil Company Limited	165,427	165,781	-	-
Bangladesh Centre for Advanced Studies (BCAS)	-	2,049,389	-	-
AEG Engineering Ltd.	174,000	1,700,000	174,000	1,700,000
ABB Pte Limited	-	7,057,464	-	7,057,464
ABB Limited	396,000	396,000	396,000	396,000
Albatross Vision	-	564,000	-	564,000
Autocon Engineering Limited	-	683,000	-	683,000
Bangla Trac Limited	-	159,899	-	159,899
BRAC Net Limited	-	300,742	-	300,742
BRB Cable Industries Ltd.	-	133,316	-	133,316
Paiker Bangladesh	665,000	665,000	665,000	665,000
Pulse Engineering Ltd.	937,868	937,868	937,868	937,868
Centre for Management Development (CMD)	350,000	350,000	350,000	350,000
Bureau Veritas (Bangladesh) Private Limited	210,741	-	100,000	-
Bangladesh Economic Zones Authority (BEZA)	1,320,907	1,320,907	-	-
Jamuna Oil Company Limited	1,125,180	-	-	-
Robi Enterprise	320,000	-	320,000	-
Rancon Motors Limited	2,500,000	-	2,500,000	-
Iconic Engineering & Trading Company	-	226,000	-	226,000
Investment Corporation of Bangladesh (ICB)	-	100,000	-	100,000
Ansar & VDP	616,998	1,622,843	-	-
Otobi Limited	-	537,274	-	-
IT Adventure BD	-	34,000	-	34,000
Kawran Bazar Ambor Shah Shahi Jame Masjid	100,000	66,666	100,000	66,666
Corporate Trading	-	50,000	-	50,000
PNL Holdings Ltd.	-	55,660	-	55,660
Rahimafrooz Distribution Limited	-	61,040	-	61,040
Ridgeben Holidays	-	166,500	-	166,500
Society for Education & Inclusion of the Disabled (SEID)	-	230,000	-	230,000
Zahara Trade International (ZTI)	180,000	180,000	180,000	180,000
Konecranes And Demag (Bangladesh) Ltd.	217,500	86,413	217,500	86,413
Resources & Solutions Limited	-	110,000	-	110,000
Thakral Information Systems Private Limited	392,381	392,381	392,381	392,381
Metro Safety Corner	-	928,000	-	928,000
Tax advisor	455,000	455,000	250,000	250,000
Car purchase	693,371	1,173,359	693,371	1,173,359
Office work/supplies	8,894,385	15,090,263	3,552,841	5,150,515
Trazz Bd	360,596	2,747,614	-	-
Techno In Time	2,200,000	1,465,000	2,200,000	1,465,000
Technaf Engineering Pvt. Ltd	82,000	-	82,000	-
Turbomech-Snipro JV	-	5,464,024	-	-

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Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Weber Power Solutions Ltd.	439,003	953,358	-	-
Electrocom Technology	1,250,811	-	-	-
3P Consulting Limited	48,030	-	-	-
Uni Filter Co.	164,250	-	-	-
BRTC, BUET	50,000	-	-	-
Corona International	-	480,489	-	60,000
Turner Grahams (Bangladesh) Ltd	-	1,373,381	-	-
Hermitage of Management & Standards Ltd	-	1,381,345	-	175,000
Linde Bangladesh Limited	-	344,800	-	344,800
Summit Corporation Limited	7,188,893	3,635,990	7,188,893	3,635,990
Summit Holdings Limited	858,138	1,323,668	858,138	1,323,668
Summit Oil & Shipping Company Limited	2,476,400,430	328,709,862	2,476,400,430	328,709,862
Advance income tax	155,305,491	103,362,505	68,478,657	19,835,233
Others	39,556	2,145,693	5,054	272,308
	2,685,766,366	552,196,569	2,570,016,589	399,299,023
Less: Provision for doubtful advance	(445,000)	(445,000)	(445,000)	(445,000)
	2,685,321,366	551,751,569	2,569,571,589	398,854,023

Deposits

Security deposit (non-interest bearing)	4,869,433	4,750,654	2,042,045	2,217,045
Bank guarantee margin:				
Controller of Import and Export (SIIBL)	1,545,053	1,545,053	1,545,053	1,545,053
Commissioner of Customs, Custom House	8,709,787	7,239,787	8,709,787	7,239,787
Pashchimanchal Gas Company Limited	1,146,135	1,113,696	1,146,135	1,113,696
Bakhrabad Gas Distribution Company Limited	3,719,194	2,990,889	3,719,194	2,990,889
Titas Gas Transmission and Distribution Co. Ltd.	5,469,760	5,262,451	5,469,760	5,262,451
Bangladesh Power Development Board	2,124,244	1,968,412	2,124,244	1,968,412
Bangladesh Rural Electrification Board	4,996,735	4,630,179	4,996,735	4,630,179
	27,710,908	24,750,467	27,710,908	24,750,467
	32,580,341	29,501,121	29,752,953	26,967,512

Prepayments

Annual license fees	2,845,051	1,189,961	603,790	89,465
Microsoft Dynamics (NAV) License Fee	894,261	898,697	178,786	179,740
Standby letter of credit commission	2,051,109	4,273,680	484,351	1,279,841
Bank guarantee/operation bond commission	7,389,754	8,800,186	3,174,488	4,779,398
Agency fee	18,144,092	16,573,087	-	-
Insurance premium	69,500,997	75,116,032	17,408,242	25,163,233
Others	10,529	10,528	-	-
	100,835,793	106,862,171	21,849,657	31,491,677
	2,818,737,500	688,114,861	2,621,174,199	457,313,212

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

SUMMIT POWER LIMITED
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For the year ended 30 June 2021

16 CASH AND CASH EQUIVALENTS

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Cash in hand	2,273,473	2,820,318	1,173,473	1,620,318
Cash at bank				
Bank Asia Limited	226,700,389	576,404,016	222,489,979	527,467,165
BRAC Bank Limited	787,495,339	875,853,302	16,608,431	193,325,272
Commercial Bank of Ceylon PLC	2,021,410	2,027,289	2,021,410	2,027,289
Dhaka Bank Limited	2,001,490	7,205,861	2,001,490	7,205,861
Dutch Bangla Bank Limited	57,535,041	83,244,733	49,342,969	75,068,481
Exim Bank Limited	906,700	1,330,271	906,700	1,330,271
One Bank Limited	42,036	2,524,332	42,036	2,524,332
The Premier Bank Limited	184,348,227	12,836,022	184,348,227	12,836,022
Shahjalal Islami Bank Limited	882,450	883,640	882,450	883,640
Sonali Bank Limited	262,369	1,636,187	262,369	1,636,187
Southeast Bank Limited	252,253	248,704	252,253	248,704
Standard Chartered Bank	421,155,505	1,064,662,260	1,699,807	6,650,677
Jamuna Bank Limited	2,374	3,266	2,374	3,266
The City Bank Limited	658,165,910	1,003,646,752	13,474,285	2,586,526
Eastern Bank Limited	1,277,164	16,864	1,266,632	-
Mutual Trust Bank Limited	1,471,263	6,098,667	1,054,642	6,067,804
Prime Bank Limited	86,828	-	86,828	-
	2,344,606,749	3,638,622,165	496,742,883	839,861,497
Fixed deposit receipts (FDR)				
Al-Arafah Islami Bank Limited	210,000,000	104,254,487	-	104,254,487
AB Bank Limited	250,000,000	-	250,000,000	-
Bank Asia Limited	175,793,051	123,425,621	16,704,851	65,871,107
BRAC Bank Limited	200,000,000	250,000,000	-	-
Exim Bank Limited	562,686,306	-	562,686,306	-
First Security Islami Bank Limited	-	101,250,000	-	101,250,000
Meghna Bank Limited	200,000,000	163,174,482	200,000,000	111,296,452
Mercantile Bank Limited	50,618,750	51,369,863	50,618,750	51,369,863
Modhumoti Bank Limited	252,156,250	-	252,156,250	-
IFIC Bank Limited	451,397,500	154,357,812	451,397,500	154,357,812
Mutual Trust Bank Limited	482,881,433	62,193,422	100,956,250	62,193,422
Dhaka Bank Limited	101,250,000	-	101,250,000	-
National Bank Limited	100,000,000	-	100,000,000	-
Eastern Bank Limited	433,276,629	415,212,694	433,276,629	415,212,694
Jamuna Bank Limited	230,562,500	-	-	-
NRB Bank Limited	-	52,312,500	-	-
Bangladesh Commerce Bank Limited	-	-	-	-
One Bank Limited	251,250,000	-	251,250,000	-
The Premier Bank Limited	456,343,264	80,965,255	356,162,639	80,965,255
Southeast Bank Limited	686,895,935	51,829,258	-	51,829,258
Standard Bank Limited	100,000,000	100,975,000	100,000,000	100,975,000
Trust Bank Limited	1,060,136,614	-	301,394,375	-
IPDC Finance Limited	-	375,137,619	-	-
The City Bank Limited	562,375,000	-	-	-
	6,817,623,232	2,086,458,013	3,527,853,550	1,299,575,350
	9,164,503,454	5,727,900,496	4,025,769,905	2,141,057,165

SUMMIT POWER LIMITED
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17 **SHARE CAPITAL**

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Authorised				
300,000,000 Ordinary shares of Tk 10 each	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
400,000,000 Ordinary shares of Tk 10 each	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000
500,000,000 Ordinary shares of Tk 10 each	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000
30,000,000 Preference shares of Tk 100 each	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
	15,000,000,000	15,000,000,000	15,000,000,000	15,000,000,000
Issued, subscribed and paid-up				
65,000,000 Ordinary shares of Tk 10 each	650,000,000	650,000,000	650,000,000	650,000,000
6,500,000 Bonus shares of Tk 10 each in 2006	65,000,000	65,000,000	65,000,000	65,000,000
14,300,000 Bonus shares of Tk 10 each in 2007	143,000,000	143,000,000	143,000,000	143,000,000
68,640,000 Right shares of Tk 10 each in 2008	686,400,000	686,400,000	686,400,000	686,400,000
30,888,000 Bonus shares of Tk 10 each in 2008	308,880,000	308,880,000	308,880,000	308,880,000
37,065,600 Bonus shares of Tk. 10 each in 2009	370,656,000	370,656,000	370,656,000	370,656,000
55,598,400 Bonus shares of Tk. 10 each in 2010	555,984,000	555,984,000	555,984,000	555,984,000
25,361,973 Ordinary shares of Tk 10 each in 2010	253,619,730	253,619,730	253,619,730	253,619,730
91,006,191 Bonus shares of Tk. 10 each in 2011	910,061,910	910,061,910	910,061,910	910,061,910
98,590,041 Bonus shares of Tk. 10 each in 2012	985,900,410	985,900,410	985,900,410	985,900,410
98,590,041 Bonus shares of Tk. 10 each in 2013	985,900,410	985,900,410	985,900,410	985,900,410
88,731,037 Bonus shares of Tk. 10 each in 2014	887,310,360	887,310,360	887,310,360	887,310,360
106,791,361 Ordinary shares of Tk. 10 each in 2014*	1,067,913,610	1,067,913,610	1,067,913,610	1,067,913,610
39,353,132 Bonus shares of Tk. 10 each in 2015	393,531,320	393,531,320	393,531,320	393,531,320
49,584,946 Bonus shares of Tk. 10 each in 2016	495,849,460	495,849,460	495,849,460	495,849,460
191,876,518 ordinary shares of Tk. 10 each in 2016**	1,918,765,180	1,918,765,180	1,918,765,180	1,918,765,180
	10,678,772,390	10,678,772,390	10,678,772,390	10,678,772,390

Details are given in Note 71.

** 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.

17.1 Shareholding position

Name of shareholders	Percentage of shareholdings		Number of shares	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Summit Corporation Limited	63.19%	63.19%	674,792,926	674,792,926
Euro Hub Investments Limited	3.65%	3.65%	38,940,126	38,940,126
Institutional investors	18.65%	21.56%	199,165,119	230,242,556
General public	14.51%	11.60%	154,979,068	123,901,631
	100.00%	100.00%	1,067,877,239	1,067,877,239

Classification of shareholders by holding

Particulars	30 June 2021		30 June 2020	
	No. of holders	% of ownership	No. of holders	% of ownership
Less than 500 shares	21,889	0.372%	21,275	0.335%
500 to 5,000 shares	14,469	2.381%	10,279	1.714%
5,001 to 10,000 shares	2,375	1.634%	1,794	1.181%
10,001 to 20,000 shares	1,010	1.395%	725	0.981%
20,001 to 30,000 shares	359	0.843%	232	0.543%
30,001 to 40,000 shares	174	0.574%	114	0.372%
40,001 to 50,000 shares	137	0.604%	87	0.393%
50,001 to 100,000 shares	238	1.642%	168	1.184%
100,001 to 1,000,000 shares	216	6.535%	206	6.024%
Over 1,000,000 shares	59	84.020%	63	87.273%
	40,926	100.000%	34,943	100.00%

SUMMIT POWER LIMITED
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18 SHARE PREMIUM

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Share premium from issue of 2,000,000 shares in 2005	80,000,000	80,000,000	80,000,000	80,000,000
Share premium from issue of 6,864,000 shares in 2008	308,880,000	308,880,000	308,880,000	308,880,000
Share premium from issue of 25,361,973 shares in 2010	2,745,940,817	2,745,940,817	2,745,940,817	2,745,940,817
	3,134,820,817	3,134,820,817	3,134,820,817	3,134,820,817
Issue costs	(234,123,160)	(234,123,160)	(234,123,160)	(234,123,160)
	2,900,697,657	2,900,697,657	2,900,697,657	2,900,697,657
Share premium on dilution of ownership in SPPCL	600,385,917	600,385,917	600,385,917	600,385,917
Share premium on issue of shares to SCL*	2,733,858,842	2,733,858,842	2,733,858,842	2,733,858,842
Transaction costs	(315,777)	(315,777)	(315,777)	(315,777)
	6,234,626,639	6,234,626,639	6,234,626,639	6,234,626,639
Share premium on amalgamation	244,471,000	244,471,000	244,471,000	244,471,000
	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639

* Details are given in Note 71.

19 REVALUATION RESERVE

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening balance	867,156,989	963,843,005	867,156,989	963,843,005
Gain on revaluation during the year	-	-	-	-
Transfer to retained earnings for depreciation of revalued assets	(19,121,724)	(19,121,724)	(19,121,724)	(19,121,724)
Deferred tax on revaluation of property, plant and equipment	11,313,463	(77,564,292)	11,313,463	(77,564,292)
Closing balance	859,348,728	867,156,989	859,348,728	867,156,989

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

20 FAIR VALUE RESERVE

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening balance		(450,754,855)	323,509,578	(450,754,855)	323,509,578
Movement in fair value of other investments during the year	10	(578,757,631)	(774,264,433)	(578,757,631)	(774,264,433)
Disposal of other investments - equity securities		-	-	-	-
Closing balance		(1,029,512,486)	(450,754,855)	(1,029,512,486)	(450,754,855)

Please see Note 52.N.

21 CAPITAL RESERVE

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening balance	1,668,093,205	1,668,093,205	1,668,093,205	1,668,093,205
Addition during the year	-	-	-	-
Release/Reversal during the year	-	-	-	-
Closing balance	1,668,093,205	1,668,093,205	1,668,093,205	1,668,093,205

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

SUMMIT POWER LIMITED
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22 HEDGING RESERVE

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening balance	(638,824,028)	(333,801,733)	-	-
Recognised in other comprehensive income	423,863,046	(505,119,225)	-	-
Transfer to non-controlling interests	(170,379,761)	200,096,930	-	-
Closing balance	(385,340,743)	(638,824,028)	-	-

Please see Note 52.N.

23 CURRENCY TRANSLATION RESERVE

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening balance	80,251,948	62,494,928	-	-
Recognised in other comprehensive income	2,968,110	48,374,738	-	-
Transfer to non-controlling interests	(1,960,063)	(30,617,718)	-	-
Closing balance	81,259,995	80,251,948	-	-

Please see Note 52.M.

24 NON-CONTROLLING INTERESTS

Particulars	30 June 2021					
	SBPL	SNPUIL	SCPL	AAPL	SGIPL	Total
NCI percentage	51%	51%	51%	36%	80%	
Non-current assets	4,627,535,659	2,692,094,114	(75,978)	7,863,607,126	15,502,390,137	30,685,551,058
Current assets	1,450,706,014	950,963,545	9,717,979	4,169,826,983	6,525,395,354	13,106,609,875
Non-current liabilities	(2,699,658,193)	(1,568,272,918)	-	(5,472,088,248)	(9,746,032,155)	(19,486,051,514)
Current liabilities	(1,074,708,881)	(878,713,028)	(55,800)	(3,472,959,814)	(3,555,228,248)	(8,981,665,771)
Net assets	2,303,874,599	1,196,071,713	9,586,201	3,088,386,047	8,726,525,088	15,324,443,648
Net assets attributable to NCI	1,174,976,046	609,996,574	4,888,963	1,111,818,977	6,981,220,070	9,882,900,630
Less: Intra-group elimination	-	-	-	-	-	-
	1,174,976,046	609,996,574	4,888,963	1,111,818,977	6,981,220,070	9,882,900,630
Revenue	3,049,113,938	2,941,958,658	-	8,778,935,921	15,053,048,059	29,823,056,576
Profit	570,653,962	267,230,691	(76,071)	684,127,047	2,687,967,485	4,209,903,114
Other comprehensive income	105,697,746	60,009,322	-	276,140,868	(18,152,379)	423,695,557
Total Comprehensive Income	676,351,708	327,240,013	(76,071)	960,267,915	2,669,815,106	4,633,598,671
Profit allocated to NCI	291,033,521	136,287,652	(38,796)	246,285,737	2,150,373,988	2,823,942,102
Other comprehensive income allocated to NCI	53,905,850	30,604,754	-	99,410,712	(14,521,903)	169,399,413
Less: Intra-group elimination	-	-	-	-	-	-
	344,939,371	166,892,406	(38,796)	345,696,449	2,135,852,085	2,993,341,515
Net cash flow from/(used in) operating activities	1,349,491,719	627,562,872	(76,071)	1,005,962,889	2,695,501,819	5,678,443,228
Net cash flow from/(used in) investing activities	10,386,330	(45,775,355)	91,891	(141,585,581)	(159,273,979)	(336,156,694)
Net cash flow from/(used in) financing activities	(1,158,553,835)	(583,581,070)	-	(870,714,327)	(1,191,448,775)	(3,804,298,007)
Net increase/(decrease) in cash and cash equivalents	201,324,215	(1,793,553)	15,820	(6,337,019)	1,344,779,065	1,537,988,528

SUMMIT POWER LIMITED
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Figures in BDT

Particulars	30 June 2020					Total
	SBPL	SNPUIIL	SCPL	AAPL	SGIPL	
NCI percentage	51%	51%	51%	36%	80%	
Non-current assets	4,982,949,584	2,820,877,507	15,913	7,622,476,779	14,933,682,717	30,360,002,500
Current assets	1,320,591,067	635,304,627	9,702,159	2,441,191,160	3,805,995,575	8,212,784,588
Non-current liabilities	(3,292,932,014)	(1,892,782,807)	-	(6,187,536,438)	(10,764,846,350)	(22,138,097,609)
Current liabilities	(995,079,246)	(539,039,851)	(55,800)	(1,748,013,369)	(1,918,121,960)	(5,200,310,226)
Net assets	2,015,529,391	1,024,359,476	9,662,272	2,128,118,132	6,056,709,982	11,234,379,253
Net assets attributable to NCI	1,027,919,990	522,423,333	4,927,759	766,122,528	4,845,367,986	7,166,761,596
Less: Intra-group elimination	-	-	-	-	-	-
	1,027,919,990	522,423,333	4,927,759	766,122,528	4,845,367,986	7,166,761,596
Revenue	2,732,033,511	1,372,561,759	-	4,770,187,485	6,880,932,752	15,755,715,507
Profit	506,953,062	238,092,195	(96,978)	613,743,306	2,946,856,917	4,305,548,502
Other comprehensive income	(66,354,094)	(39,973,692)	-	(378,325,945)	26,570,090	(458,083,641)
Total Comprehensive Income	440,598,968	198,118,503	(96,978)	235,417,361	2,973,427,007	19,603,180,368
Profit allocated to NCI	258,546,062	121,427,019	(49,459)	220,947,590	2,357,485,534	2,958,356,746
Other comprehensive income allocated to NCI	(33,840,588)	(20,386,583)	-	(136,197,340)	21,256,072	(169,168,439)
Less: Intra-group elimination	-	-	-	-	-	-
	224,705,474	101,040,436	(49,459)	84,750,250	2,378,741,606	2,789,188,307
Net cash flow from/(used in) operating activities	991,444,038	522,221,777	(80,421)	901,893,375	3,620,871,313	6,036,350,082
Net cash flow from/(used in) investing activities	50,558,738	36,906,875	121,925	(269,885,395)	(50,943,583)	(233,241,440)
Net cash flow from/(used in) financing activities	(1,606,254,314)	(943,027,344)	-	(794,503,046)	(2,591,217,134)	(5,935,001,837)
Net increase/(decrease) in cash and cash equivalents	(564,251,538)	(383,898,692)	41,504	(162,495,066)	978,710,596	(131,893,196)

25 REDEEMABLE PREFERENCE SHARES

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening balance	2,365,539,624	1,627,281,207	-	-
Addition	-	899,322,216	-	-
Effect of exchange rate movement	-	677,784	-	-
	2,365,539,624	2,527,281,207	-	-
Transaction cost	1,707,166	(8,121,138)	-	-
Amortisation of transaction cost	5,400,917	7,216,696	-	-
Effect of exchange rate movement	2,934	(837,141)	-	-
	2,372,650,641	2,525,539,624	-	-
Repayment/settlement of installment	(357,588,782)	(159,926,626)	-	-
Effect of exchange rate movement	88,782	(73,374)	-	-
	2,015,150,641	2,365,539,624	-	-
Non-current	1,562,329,944	2,014,135,364	-	-
Current	452,820,697	351,404,260	-	-
	2,015,150,641	2,365,539,624	-	-

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 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. These shares do not carry the right to vote. Both Summit Power Limited and Summit Corporation Limited, as sponsor companies, have signed Share Retention Agreement with preference shareholders.

SUMMIT POWER LIMITED

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

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

26 LOANS AND BORROWINGS

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Non-current					
Project loan	26.1	17,259,897,754	19,036,096,085	-	-
		17,259,897,754	19,036,096,085	-	-
Current					
Project loan	26.1	1,759,083,998	1,683,641,291	-	-
Short term loan	26.2	2,599,780,786	-	2,599,780,786	-
		4,358,864,784	1,683,641,291	2,599,780,786	-

26.1 Project loan

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening balance	20,719,737,376	11,056,196,128	-	-
Drawdown				
Clifford Capital Pte Ltd ("Clifford")	-	7,342,269,975	-	-
Sumitomo Mitsui Banking Corporation ("SMBC")	-	3,671,134,945	-	-
	20,719,737,376	22,069,601,048	-	-
Repayment				
Transaction cost	(1,770,146,103)	(1,082,514,038)	-	-
Amortisation of transaction cost	(31,097,344)	(362,395,655)	-	-
Effect of exchange rate movement	100,243,660	42,008,063	-	-
	244,163	53,037,958	-	-
	19,018,981,752	20,719,737,376	-	-
Non-current				
	17,259,897,754	19,036,096,085	-	-
Current				
	1,759,083,998	1,683,641,291	-	-
	19,018,981,752	20,719,737,376	-	-

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

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

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

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

Clifford and SMBC committed to provide USD 93,415,712 and USD 46,707,856 respectively as long-term project loan for a period of 9 years 9 months, repayable quarterly starting on 15 June 2020, for Summit Gazipur II Power Limited ("SGIIPL"). The rates of interest for Clifford and SMBC are 3.95% per annum plus 7 years' UTS rate and 3.95% per annum plus 3 months' LIBOR respectively. Till 30 June 2021, the Group made draw-down of USD 86,597,567 from Clifford and USD 43,298,783 from SMBC. The Group had incurred an amount of Taka 393,409,733 as transaction costs till date, which has been capitalised and is being amortised over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company along with Deed of Mortgage, Share Pledge and Bangladesh/English Law Security Assignment Agreements. Summit Corporation Limited, as a sponsor company which is also the parent company of Summit Power Limited, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time if there is any due. SGIIPL is exposed to changes in the USD LIBOR interest rate. To reduce the exposure, SGIIPL has entered into a 8-year 6 months interest rate swap agreement with effect from 15 March 2021, to hedge interest rate exposure on its USD 40,869,974.48 floating rate borrowing with fixed rate of 1.09%.

26.2 Short term loan

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
The City Bank Limited	1,246,422,053	-	1,246,422,053	-
Prime Bank Limited	1,353,358,733	-	1,353,358,733	-
	2,599,780,786	-	2,599,780,786	-

27 DEFERRED LIABILITIES

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Gratuity fund	27.1	243,304,748	197,235,284	243,304,748	197,235,284
Liability for assets retirement obligation	27.2	77,525,268	75,347,719	77,525,268	75,347,719
Lease liability	27.3	16,981,712	22,360,719	16,981,712	22,360,719
Derivative financial instrument	27.4	663,823,817	1,087,866,161	-	-
		1,001,635,545	1,382,809,883	337,811,728	294,943,722

27.1 Gratuity fund

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening balance		197,235,284	162,022,097	197,235,284	162,022,097
Service cost					
- Included in profit or loss	27.1.1	33,945,000	32,646,000	23,233,000	23,196,000
- Included in other comprehensive income	27.1.1	15,671,000	7,649,000	11,189,000	5,666,000
Benefits paid		(3,546,536)	(5,081,813)	(3,546,536)	(5,081,813)
		243,304,748	197,235,284	228,110,748	185,802,284
Transfer from subsidiaries		-	-	15,194,000	11,433,000
		243,304,748	197,235,284	243,304,748	197,235,284

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27.1.1 Defined benefit obligation charged to profit or loss and other comprehensive income

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Included in profit or loss				
Current service cost	21,126,000	18,875,000	13,378,000	12,330,000
Past service cost	-	-	-	-
Interest accrued on defined benefit obligation	12,819,000	13,771,000	9,855,000	10,866,000
	33,945,000	32,646,000	23,233,000	23,196,000
Included in other comprehensive income				
Actuarial (gain)/loss arising from:				
- Demographic assumptions	-	-	-	-
- Financial assumptions	22,757,000	-	15,577,000	-
- Experience adjustment	(7,086,000)	7,649,000	(4,388,000)	5,666,000
	15,671,000	7,649,000	11,189,000	5,666,000
	49,616,000	40,295,000	34,422,000	28,862,000

27.1.2 Actuarial assumptions

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

	30 June 2021	30 June 2020
Discount rate	6.5%	8.5%
Future salary growth	7.0%	8.5%
Withdrawal Rate	10%	10%

27.1.3 Sensitivity analysis

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

Particulars	30 June 2021		30 June 2020	
	Increase	Decrease	Increase	Decrease
Consolidated				
Discount rate (1% movement)	(42,840,000)	55,219,000	(32,130,000)	41,198,000
Future salary growth (1% movement)	54,350,000	(43,017,000)	40,771,000	(32,394,000)
Separate				
Discount rate (1% movement)	(29,424,000)	37,381,000	(23,057,000)	29,164,000
Future salary growth (1% movement)	36,797,000	(29,547,000)	28,864,000	(23,248,000)

27.2 Liability for assets retirement obligation

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening balance	75,347,719	71,951,603	75,347,719	71,951,603
Addition	2,177,549	3,396,116	2,177,549	3,396,116
Adjustment/payment	-	-	-	-
Closing balance	77,525,268	75,347,719	77,525,268	75,347,719

27.3 Lease obligation

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening balance	22,360,719	-	22,360,719	-
Addition	-	24,906,390	-	24,906,390
Financial charge	1,067,993	1,294,577	1,067,993	1,294,577
Payment	(6,447,000)	(3,840,248)	(6,447,000)	(3,840,248)
Closing balance	16,981,712	22,360,719	16,981,712	22,360,719

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

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27.4 Derivative financial instrument

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
<i>Interest rate swap</i>				
Summit Barisal Power Limited	129,296,798	234,578,688	-	-
Summit Narayanganj Power Unit II Limited	76,524,514	137,406,794	-	-
Ace Alliance Power Limited	441,801,067	715,880,679	-	-
Summit Gazipur II Power Limited	16,201,438	-	-	-
	663,823,817	1,087,866,161	-	-

To reduce the variable interest rate exposure, the Group has entered into multiple interest rate swap agreements with different commercial banks (i.e. Eastern Bank Limited for SBPL and SNPUIIL with notional amount of USD 71,249,300; BRAC Bank Limited for AAPL with notional amount of USD 68,600,000; and Sumitomo Mitsui Banking Corporation for SGIIPL with notional amount of USD 40,869,974.48). These financial instruments are valued quarterly.

28 UNCLAIMED DIVIDEND

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening balance	276,029,807	75,475,039	276,029,807	75,475,039
Cash dividend declared	2,412,956,959	8,213,071,714	2,135,754,478	5,339,386,195
Cash dividend paid	(2,514,198,396)	(8,012,516,946)	(2,236,995,915)	(5,138,831,427)
Closing balance	174,788,370	276,029,807	174,788,370	276,029,807

This includes dividends being unclaimed by the shareholders as at 30 June 2021. This is deposited in a bank account and are payable on demand.

29 TRADE PAYABLES

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Gas:				
<i>Titas Gas Transmission & Distribution Company Limited</i>				
Ashulia Power Plant (Unit-1)	7,624,600	8,179,746	7,624,600	8,179,746
Ashulia Power Plant (Unit-2)	16,714,433	19,195,741	16,714,433	19,195,741
Madhabdi Power Plant (Unit-1)	7,815,624	8,443,750	7,815,624	8,443,750
Madhabdi Power Plant (Unit-2)	15,611,412	15,496,435	15,611,412	15,496,435
Rupganj Power Plant	29,114,839	51,848,403	29,114,839	51,848,403
Maona Power Plant	28,742,365	43,080,012	28,742,365	43,080,012
<i>Bakhrabad Gas Distribution Company Limited</i>				
Chandina Power Plant (Unit-1)	7,145,702	7,275,909	7,145,702	7,275,909
Chandina Power Plant (Unit-2)	9,091,805	7,500,491	9,091,805	7,500,491
Jangalia Power Plant	28,143,904	49,009,624	28,143,904	49,009,624
<i>Pashchimanchal Gas Company Limited</i>				
Ullapara Power Plant	6,435,004	13,241,075	6,435,004	13,241,075
Heavy furnace oil (HFO):				
<i>Summit Oil & Shipping Company Limited</i>				
Madanganj Power Plant	1,035,198,269	592,724,097	1,035,198,269	592,724,097
Rupatoli Power Plant	392,850,175	282,586,193	-	-
Madanganj Power Plant (Unit-2)	482,809,496	130,641,314	-	-
Kodda Power Plant (Unit-1)	2,633,126,168	940,363,030	-	-
Kodda Power Plant (Unit-2)	2,174,583,764	908,159,556	-	-

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Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Mobil Jamuna Lubricants Bangladesh Limited	13,352,440	25,064,866	13,352,440	25,064,866
ABB Limited	3,774,249	6,249,956	3,774,249	6,249,956
Navana Petroleum Limited	-	12,843,600	-	4,837,800
Jamuna Oil Company Limited	237,120	-	-	-
Ranks Petroleum Limited	-	-	-	-
Wartsila Bangladesh Limited	26,014,523	47,750,536	17,972,447	15,268,013
Energypac Engineering Limited	608,442	288,506	608,442	288,506
Bangla Trac Limited	2,814,430	252,333	2,814,430	203,333
Noor Enterprise	57,200	203,502	57,200	203,502
Waterchem Technology	1,596,360	1,092,002	-	-
Barkat Business Co. Ltd.	250,000	250,000	250,000	250,000
Jakson International Ltd.	370,300	-	370,300	-
Competent Engineering Company	636,224	-	636,224	-
Clarke Energy Bangladesh Ltd.	-	214,042	-	214,042
Delcot Limited	765,432	1,474,532	765,432	1,474,532
Confidence Batteries Limited	292,416	-	292,416	-
Rahimafrooz Batteries Limited	76,000	-	76,000	-
Rahimafrooz Distribution Limited	102,760	-	102,760	-
Desh Bangla Enterprise	-	950,000	-	950,000
Others	833,404	1,190,077	833,407	719,763
	6,926,788,859	3,175,569,328	1,233,543,703	871,719,596

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30 OTHER PAYABLES AND ACCRUALS

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Provision for income tax		219,928,057	191,742,031	68,089,222	37,313,893
Liability for withholding tax and VAT		11,651,633	17,935,263	257,426	349,523
Summit Oil & Shipping Company Limited		22,551,250	82,332,003	-	3,002,339
Cosmopolitan Communications Limited		262,500	231,000	115,500	115,500
Provision for C&F agents		893,572	3,620,012	763,457	1,429,628
Resources & Solutions Limited		593,302	523,638	593,302	523,638
Audit and certification fees		2,116,000	2,162,000	862,500	862,500
Security services		2,732,945	2,355,883	1,206,425	1,538,860
Vehicle fuel and maintenance		229,451	19,340	198,497	19,340
Print & publications		287,900	-	287,900	-
House rent		132,778	-	132,778	-
Liability for earned leave encashment	30.1	6,000,089	5,397,434	3,722,399	3,520,012
M/s UDECO Limited		-	571,880	-	-
Bangladesh Securities and Exchange Commission		-	1,670,000	-	-
Clifford Capital Pte. Ltd.		550,577	551,194	-	-
Sumitomo Mitsui Banking Corporation (SMBC)		645,509	-	-	-
Nurul Islam Enterprise		516,668	-	516,668	-
Binary Source		53,749	-	53,749	-
Metro Safety Corner		3,060,188	-	931,630	-
Robi Enterprise		664,000	-	664,000	-
Green Dot Limited		-	113,750	-	-
Green Delta Insurance Company Limited		1,943,010	2,350,287	-	-
Interest on project loan		47,902,360	51,556,638	-	-
Interest on short-term bank loan		15,383,139	-	15,383,139	-
Dividend on redeemable preference shares		96,292,536	107,726,027	-	-
Provision for bonus to employees		4,094,739	4,030,539	-	-
Payable to employees for office work		38,485	470,549	38,485	234,133
Asset purchase		7,340,919	70,434,172	479,923	236,479
Legal and professional fees payable		7,358,370	23,553,077	2,469,247	887,086
Security money retained from vendors		9,708,393	7,417,108	-	31,000
Others		1,350,162	1,982,698	693,680	146,197
		464,282,281	578,746,524	97,459,927	50,210,129

30.1 Liability for earned leave encashment

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Opening balance	5,397,434	26,279,102	3,520,012	19,289,949
Addition	16,963,446	30,549,958	10,463,634	12,703,616
Payment	(16,357,021)	(51,436,870)	(10,261,247)	(28,473,553)
Effect of exchange rate movement	(3,770)	5,244	-	-
Closing balance	6,000,089	5,397,434	3,722,399	3,520,012

31 INTERCOMPANY PAYABLES

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Summit Corporation Limited	154,306,610	4,409,077	150,079,222	253,163
Summit Gazipur II Power Limited	-	-	-	1,684,185
	154,306,610	4,409,077	150,079,222	1,937,348

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32 REVENUE

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Sales revenue - Electricity				
Ashulia Power Plant (Unit-1)	198,507,185	164,242,180	198,507,185	164,242,180
Ashulia Power Plant (Unit-2)	990,267,576	925,947,548	990,267,576	925,947,548
Madhabdi Power Plant (Unit-1)	202,720,131	194,126,547	202,720,131	194,126,547
Madhabdi Power Plant (Unit-2)	692,920,427	658,588,500	692,920,427	658,588,500
Chandina Power Plant (Unit-1)	202,624,638	162,692,638	202,624,638	162,692,638
Chandina Power Plant (Unit-2)	411,960,816	366,854,690	411,960,816	366,854,690
Rupganj Power Plant	991,035,287	942,534,580	991,035,287	942,534,580
Jangalia Power Plant	985,211,815	827,964,889	985,211,815	827,964,889
Maona Power Plant	945,385,060	953,379,688	945,385,060	953,379,688
Ullapara Power Plant	307,968,352	293,876,940	307,968,352	293,876,940
Madanganj Power Plant	1,078,179,591	1,380,628,769	1,078,179,591	1,380,628,769
Rupatoli Power Plant	1,404,572,992	1,273,204,355	-	-
Madanganj Power Plant (Unit-2)	770,506,536	674,919,671	-	-
Kodda Power Plant (Unit-1)	1,549,104,764	1,168,608,081	-	-
Kodda Power Plant (Unit-2)	3,478,425,501	3,204,414,804	-	-
	14,209,390,671	13,191,983,880	7,006,780,878	6,870,836,969
Sales revenue - HFO				
Madanganj Power Plant	2,830,756,863	1,404,127,888	2,830,756,863	1,404,127,888
Rupatoli Power Plant	1,781,162,273	1,476,146,276	-	-
Madanganj Power Plant (Unit-2)	2,230,471,232	707,436,748	-	-
Kodda Power Plant (Unit-1)	6,897,753,432	3,057,101,655	-	-
Kodda Power Plant (Unit-2)	10,661,405,841	2,699,929,174	-	-
	24,401,549,641	9,344,741,741	2,830,756,863	1,404,127,888
Impact of straight-lining (IFRS 16)*				
Rupatoli Power Plant	(136,621,327)	(17,317,120)	-	-
Madanganj Power Plant (Unit-2)	(59,019,110)	(9,794,660)	-	-
Kodda Power Plant (Unit-1)	332,077,725	544,477,749	-	-
Kodda Power Plant (Unit-2)	913,216,717	976,588,774	-	-
	1,049,654,005	1,493,954,743	-	-
	39,660,594,317	24,030,680,364	9,837,537,741	8,274,964,857

* See accounting policies in Note 52.J.

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33 COST OF SALES

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Gas consumption:					
Ashulia Power Plant (Unit-1)		89,874,763	82,876,375	89,874,763	82,876,375
Ashulia Power Plant (Unit-2)		262,468,552	247,375,178	262,468,552	247,375,178
Madhabdi Power Plant (Unit-1)		92,202,061	89,416,223	92,202,061	89,416,223
Madhabdi Power Plant (Unit-2)		185,824,241	177,102,640	185,824,241	177,102,640
Chandina Power Plant (Unit-1)		94,216,063	80,481,304	94,216,063	80,481,304
Chandina Power Plant (Unit-2)		104,820,064	93,946,636	104,820,064	93,946,636
Rupganj Power Plant		326,583,797	315,060,191	326,583,797	315,060,191
Jangalia Power Plant		320,476,410	255,886,059	320,476,410	255,886,059
Maona Power Plant		310,355,967	310,169,483	310,355,967	310,169,483
Ullapara Power Plant		95,338,736	89,837,241	95,338,736	89,837,241
HFO consumption:					
Madanganj Power Plant		2,830,756,863	1,404,127,888	2,830,756,863	1,404,127,888
Rupatoli Power Plant		1,781,162,273	1,476,146,276	-	-
Madanganj Power Plant (Unit-2)		2,230,471,232	707,436,748	-	-
Kodda Power Plant (Unit-1)		6,897,753,432	3,057,101,655	-	-
Kodda Power Plant (Unit-2)		10,661,405,841	2,699,929,174	-	-
Tankage handling charge		112,655,989	189,147,280	26,746,454	35,268,346
Depreciation on plant and machineries	4.1	1,863,339,195	1,869,445,494	780,163,561	825,310,306
General consumables		280,365,498	206,176,393	136,837,361	122,069,244
Lubricant oil expense		626,203,159	309,039,305	142,017,191	119,240,462
Testing expense		1,903,472	1,308,323	232,457	139,900
Diesel consumption		25,321,846	52,247,712	2,475,574	5,468,521
Liquidated damages		21,411,175	11,346,952	-	-
Salaries and allowances		458,385,047	420,519,831	256,538,017	236,390,876
Insurance premium		154,239,349	152,456,149	25,212,045	37,946,970
Daily labor charges		31,638,147	30,051,619	17,755,986	17,064,007
Lease land rental		465,530	891,369	465,530	891,369
Security service		25,705,416	25,657,619	11,890,477	11,314,798
BERC license fees		1,685,454	2,164,358	506,942	431,516
Technical assistance fee		6,417,743	4,558,679	-	-
Environmental compliance		8,695,025	9,816,621	1,863,743	1,897,791
ISO certification		-	88,780	-	88,780
Plant maintenance		184,884,038	182,404,122	91,383,936	79,708,874
Employee welfare		355,059	1,219,325	240,703	814,632
		30,087,381,437	14,555,433,002	6,207,247,494	4,640,325,610

34 OTHER INCOME, NET

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Sale of empty lube oil drums and HFO sludge	14,854,330	9,005,248	2,925,690	4,923,500
Dividend income	238,367,880	280,796,706	684,699,675	1,430,778,872
Reversal of impairment loss on other investments	-	1,877,536	-	1,877,536
Gain/(loss) from disposal of assets	1,236,132	886,700	1,236,132	886,700
Miscellaneous, net of expenses	-	-	-	-
	254,458,342	292,566,190	688,861,497	1,438,466,608

SUMMIT POWER LIMITED
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35 GENERAL AND ADMINISTRATIVE EXPENSES

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Salaries and allowances		86,880,265	106,751,960	31,314,056	40,333,093
Gratuity		33,938,853	32,651,112	23,233,000	23,196,000
Directors and MD's remuneration	35.1	87,327,372	75,136,034	65,603,642	56,042,270
Tax on directors remuneration		12,228,280	17,077,687	12,228,280	17,077,687
Security service and temporary contract worker		38,602,480	37,203,499	19,018,856	19,105,868
Education and training		900,973	1,245,624	436,234	646,751
Employee welfare		787,363	699,261	607,610	699,261
Board meeting attendance fees	35.1	6,797,923	6,175,826	2,844,412	2,631,080
Board meeting - others		106,666	44,032	106,666	24,000
Audit committee meeting attendance fees		1,860,057	1,799,959	737,774	744,440
Communication		8,223,619	7,386,565	5,344,140	4,865,754
Travelling and conveyance		2,379,035	6,036,908	1,916,350	3,731,515
Vehicle fuel and maintenance		15,783,423	17,905,877	6,496,280	6,436,016
Entertainment		13,157,201	14,550,847	6,460,088	6,406,821
Food and lodging		993,369	1,378,087	430,951	654,388
Printing and stationery		3,028,100	2,702,461	996,265	904,357
Office expenses		172,467	383,588	71,612	148,824
General repair and building maintenance		29,378,182	31,415,599	10,504,170	12,048,841
Rent, rates and taxes		4,995,060	5,885,168	2,631,735	3,129,598
Utility expenses		2,551,050	2,081,443	1,456,270	976,616
Insurance premium		3,239,581	3,707,757	1,086,781	1,267,822
Advertisement and publicity		3,404,385	1,977,149	1,141,520	528,308
Gift and compliments		730,939	870,029	168,627	246,028
Donation and subscription		14,627,813	27,404,696	4,482,315	8,793,377
Legal and professional consultancy fees		7,643,744	10,557,328	4,818,240	5,043,389
Uniform and liveries		10,885,499	1,070,952	5,210,764	445,398
Audit fee		2,115,301	2,161,047	862,500	862,500
Credit rating fees		945,049	1,127,239	215,000	215,000
Technical assistance fee		-	137,195	-	-
Annual General Meeting expenses		1,046,624	3,538,030	1,046,624	3,509,319
Depreciation	4.1	51,174,311	55,910,689	34,769,808	41,899,118
Amortisation	5	4,569,388	1,623,264	1,282,452	693,264
Annual fees		7,587,521	6,957,143	4,405,773	2,043,491
Business development expense		18,311,190	21,014,641	11,412,506	11,271,207
Tender Documents Expense		216,949	-	216,949	-
Miscellaneous		1,291,146	34,930	8,718	-
		477,881,178	506,603,626	263,566,968	276,621,401

35.1 Directors and MD's remuneration

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Salaries and allowances	74,430,440	62,627,056	55,283,781	52,085,740
Festival bonus	10,916,932	10,528,978	8,630,184	3,282,983
Utility expenses	1,980,000	1,980,000	1,689,677	673,547
	87,327,372	75,136,034	65,603,642	56,042,270
Board meeting attendance fees	6,797,923	6,175,826	2,844,412	2,631,080
	94,125,295	81,311,860	68,448,054	58,673,350

SUMMIT POWER LIMITED
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36 FINANCE INCOME/(EXPENSES), NET

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Finance Income					
Interest on FDRs		158,415,813	364,086,851	79,947,044	199,186,519
Interest on STDs		44,546,655	66,041,176	22,019,635	26,087,749
Foreign exchange gain/(loss)		(6,291,443)	301,669,716	1,415,745	1,118,260
		196,671,025	731,797,742	103,382,424	226,392,527
Finance expenses					
Interest on loan					
Bank loan and overdraft		50,486,409	59,350,381	1,842,500	-
Foreign project loan		1,187,355,980	1,176,843,371	-	-
Dividend on redeemable preference shares		214,664,891	216,685,693	-	-
		1,452,507,280	1,452,879,445	1,842,500	-
Others					
Bank charges and others		17,660,031	19,097,056	4,309,654	5,216,345
Bank guarantee commission		9,248,530	8,138,039	3,357,085	2,840,581
Amortisation on ARO		2,177,549	3,396,116	2,177,549	3,396,116
Amortisation of transaction cost		105,644,577	254,758,973	-	463,993
Operation and insurance bond commission		645,849	499,034	645,849	499,034
Financial charge on lease arrangement	27.3	1,067,993	1,294,577	1,067,993	1,294,577
Agency fee		31,286,673	23,556,133	100,000	-
		167,731,202	310,739,928	11,658,130	13,710,646
Finance expenses		1,620,238,482	1,763,619,373	13,500,630	13,710,646
Finance income/(expenses), net		(1,423,567,457)	(1,031,821,631)	89,881,794	212,681,881

37 INCOME TAX EXPENSE

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Current tax expenses	37.1	64,405,918	73,323,310	44,264,160	5,573,017
Deferred tax expense/(income) recognised directly in profit	37.2	(3,994,657)	48,506	(1,967,597)	2,213,176
		60,411,261	73,371,816	42,296,563	7,786,193

37.1 Current tax expenses

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Income tax expense for current year	64,660,662	98,310,282	30,775,329	30,559,989
Adjustment/ Provision released during the year	(254,744)	(24,986,972)	13,488,831	(24,986,972)
	64,405,918	73,323,310	44,264,160	5,573,017

37.2 Deferred tax expense/(income)

Particulars	Consolidated		Separate	
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Deferred tax assets/(liabilities)				
Opening balance	(31,576,169)	43,923,588	(46,400,605)	31,960,363
Closing balance	(12,403,887)	(31,576,169)	(30,602,020)	(46,400,605)
	(19,172,282)	75,499,757	(15,798,585)	78,360,968
Deferred tax attributable to actuarial (gain)/loss recognised through OCI	3,861,353	2,061,371	2,517,525	1,416,500
Deferred tax attributable to property, plant and equipment recognised directly in equity	11,313,463	(77,564,292)	11,313,463	(77,564,292)
Effect of exchange rate movement	2,809	51,670	-	-
	(3,994,657)	48,506	(1,967,597)	2,213,176

SUMMIT POWER LIMITED
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37.3 Tax reconciliation

Figures in BDT

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Profit before tax	8,489,589,739	8,557,125,656	4,145,466,570	5,009,166,335
Corporate tax rate	22.50% to 30.00%	25.00% to 32.50%	22.50%	25.00%
Income tax using the corporate tax rate(s)	2,227,280,724	2,495,951,255	932,729,979	1,252,291,584
Factors affecting the tax charge for current period:				
Tax exempt income	(11,102,254,541)	(7,187,616,995)	(2,255,770,225)	(2,354,504,996)
Non deductible expenses	9,066,413,784	4,890,343,714	1,353,815,575	1,122,371,975
Changes in estimates related to prior years	-	10,401,426	-	10,401,426
Adjustment/ Provision released during the year	(254,744)	(24,986,972)	13,488,831	(24,986,972)
Deferred tax expense/ (income)	(3,994,657)	48,506	(1,967,597)	2,213,176
Effects of results of equity-accounted investee	(126,779,305)	(110,769,118)	-	-
Total income tax expense	60,411,261	73,371,816	42,296,563	7,786,193

38 ACTUARIAL GAIN/(LOSS) ON GRATUITY VALUATION, NET OF TAX

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Actuarial gain/(loss) on defined benefit plans	271	(15,668,427)	(7,650,025)	(11,189,000)	(5,666,000)
Deferred tax income/(expense) for actuarial loss on defined benefit plan		3,861,353	2,061,371	2,517,525	1,416,500
		(11,807,074)	(5,588,654)	(8,671,475)	(4,249,500)

39 EARNINGS PER SHARE (EPS)

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Basic earnings per share				
Profit attributable to the ordinary shareholders (basic)	5,605,236,376	5,525,397,094	4,103,170,007	5,001,380,142
Weighted average number of shares outstanding (basic)*	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Basic earnings per share (EPS)	5.25	5.17	3.84	4.68

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

40 NET ASSET VALUE PER SHARE (NAVPS)

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Net asset value	36,784,843,065	33,637,180,666	30,900,653,295	29,509,353,409
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)	34.45	31.50	28.94	27.63

41 NET OPERATING CASH FLOWS PER SHARE (NOCFPS)

Particulars	Consolidated		Separate	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
Net cash from operating activities	9,108,351,215	10,055,202,998	3,429,907,987	4,018,852,915
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)	8.53	9.42	3.21	3.76

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42 RECONCILIATION OF PROFIT AFTER INCOME TAX WITH NET CASH FROM OPERATING ACTIVITIES

Figures in BDT

Particulars	Notes	Consolidated		Separate	
		30 June 2021	30 June 2020	30 June 2021	30 June 2020
Cash flows from operating activities					
Profit after income tax		8,429,178,478	8,483,753,840	4,103,170,007	5,001,380,142
Adjustments for non-cash transactions:					
Depreciation	4	1,914,513,506	1,925,356,183	814,933,369	867,209,424
Amortisation	5	4,569,388	1,623,264	1,282,452	693,264
Impairment loss on other investments		-	(1,877,536)	-	(1,877,536)
Foreign exchange gain/(loss) unrealised		59,922	(475,669)	-	-
Amortisation on ARO		2,177,549	3,396,116	2,177,549	3,396,116
Financial charge on lease arrangement		1,067,993	1,294,577	1,067,993	1,294,577
Income tax expenses		60,411,261	73,371,816	42,296,563	7,786,193
Share of profit of equity-accounted investees		(563,367,152)	(327,737,361)	-	-
		1,419,432,467	1,674,951,390	861,757,926	878,502,038
Adjustments for items reclassified to cash flows from investing and financing activities:					
Other income					
Dividend income	34	(238,367,880)	(280,796,706)	(684,699,675)	(1,430,778,872)
Gain/(loss) from disposal of assets	34	(1,236,132)	(886,700)	(1,236,132)	(886,700)
Finance income					
Interest on FDRs and STDs	36	(202,962,468)	(430,128,027)	(101,966,679)	(225,274,268)
Finance expenses					
Interest on loan	36	1,452,507,280	1,453,376,921	1,842,500	-
Amortisation of transaction cost	36	105,644,577	254,758,973	-	463,993
Foreign exchange gain/(loss) realised		8,483,826	(63,822,503)	-	545,492
		1,124,069,203	932,501,959	(786,059,986)	(1,655,930,355)
Changes in:					
Other asset	9	(1,050,344,870)	(1,495,080,679)	-	-
Inventories	11	(35,740,053)	82,863,231	30,226,417	32,928,631
Trade receivables	12	(4,413,816,129)	441,284,186	(1,147,323,028)	(933,860,182)
Other receivables (except interest on FDR and insurance receivables)	13	(2,695,679)	80,383,063	-	-
Advances, deposits and prepayments (except short term financing to related party and advance for acquisition of asset)	15	26,834,717	684,521,982	32,473,005	216,803,347
Deferred liabilities (gratuity)	27	46,069,464	35,213,187	46,069,464	35,213,187
Less: Actuarial gain/(loss) to gratuity valuation	38	(15,668,427)	(7,650,025)	(11,189,000)	(5,666,000)
Trade payables	29	3,751,219,531	(720,685,945)	361,824,107	473,474,585
Other payables and accruals (except provision for income tax and payable for acquisition of asset)	30	(82,022,383)	(101,087,393)	1,091,330	(12,796,560)
		(1,776,163,829)	(1,000,238,393)	(686,827,704)	(193,902,992)
Cash generated from operating activities		9,196,516,319	10,090,968,796	3,492,040,242	4,030,048,833
Income tax paid		(88,165,104)	(35,765,798)	(62,132,255)	(11,195,918)
Net cash from operating activities		9,108,351,215	10,055,202,998	3,429,907,987	4,018,852,915

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

43 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

A. Accounting classifications and fair values

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

Figures in BDT ('000)

Particulars	Notes	Carrying amount							Fair value			
		Fair value - hedging instruments	Mandatorily at FVTPL - others	FVOCI - debt instruments	FVOCI - equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
30 June 2021												
Financial assets measured at fair value												
Other investments	10	-	-	-	2,604,649	-	-	2,604,649	2,604,649	-	-	2,604,649
		-	-	-	2,604,649	-	-	2,604,649	2,604,649	-	-	2,604,649
Financial assets not measured at fair value												
Trade receivables	12	-	-	-	-	15,829,121	-	15,829,121	-	-	-	-
Other receivables	13	-	-	-	-	101,427	-	101,427	-	-	-	-
Deposits	15	-	-	-	-	32,580	-	32,580	-	-	-	-
Cash and cash equivalents (except cash in hand)	16	-	-	-	-	9,162,230	-	9,162,230	-	-	-	-
		-	-	-	-	25,125,358	-	25,125,358	-	-	-	-
Financial liabilities not measured at fair value												
Redeemable preference shares	25	-	-	-	-	-	2,015,151	2,015,151	-	-	-	-
Loans and borrowings	26	-	-	-	-	-	21,618,763	21,618,763	-	-	-	-
Deferred liabilities	27	663,824	-	-	-	-	337,812	1,001,636	-	-	-	-
Unclaimed dividend	28	-	-	-	-	-	174,788	174,788	-	-	-	-
Trade payables	29	-	-	-	-	-	6,926,789	6,926,789	-	-	-	-
Other payables and accruals	30	-	-	-	-	-	464,282	464,282	-	-	-	-
Intercompany payables	31	-	-	-	-	-	154,307	154,307	-	-	-	-
		663,824	-	-	-	-	31,691,891	32,355,715	-	-	-	-

Figures in BDT ('000)

Particulars	Notes	Carrying amount							Fair value			
		Fair value - hedging instruments	Mandatorily at FVTPL - others	FVOCI - debt instruments	FVOCI - equity instruments	Financial assets at amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
30 June 2020												
Financial assets measured at fair value												
Other investments	10	-	-	-	3,183,407	-	-	3,183,407	3,183,407	-	-	3,183,407
		-	-	-	3,183,407	-	-	3,183,407	3,183,407	-	-	3,183,407
Financial assets not measured at fair value												
Trade receivables	12	-	-	-	-	11,415,305	-	11,415,305	-	-	-	-
Other receivables	13	-	-	-	-	48,933	-	48,933	-	-	-	-
Deposits	15	-	-	-	-	29,501	-	29,501	-	-	-	-
Cash and cash equivalents (except cash in hand)	16	-	-	-	-	5,725,080	-	5,725,080	-	-	-	-
		-	-	-	-	17,218,820	-	17,218,820	-	-	-	-
Financial liabilities not measured at fair value												
Redeemable preference shares	25	-	-	-	-	-	2,365,540	2,365,540	-	-	-	-
Loans and borrowings	26	-	-	-	-	-	20,719,737	20,719,737	-	-	-	-
Deferred liabilities	27	1,087,866	-	-	-	-	294,944	1,382,810	-	-	-	-
Unclaimed dividend	28	-	-	-	-	-	276,030	276,030	-	-	-	-
Trade payables	29	-	-	-	-	-	3,175,569	3,175,569	-	-	-	-
Other payables and accruals	30	-	-	-	-	-	578,747	578,747	-	-	-	-
Intercompany payables	31	-	-	-	-	-	4,409	4,409	-	-	-	-
		1,087,866	-	-	-	-	27,414,975	28,502,842	-	-	-	-

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

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

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B. Financial risk management

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

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

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

i) Credit risk

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

a) Exposure to credit risk

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

Figures in BDT

Particulars	Notes	30 June 2021	30 June 2020
Trade receivables	12	15,829,121,153	11,415,305,024
Other receivables	13	101,426,714	48,933,306
Deposits	15	32,580,341	29,501,121
Cash and cash equivalents (except cash in hand)	16	9,162,229,981	5,725,080,178
		25,125,358,189	17,218,819,629

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

Particulars	30 June 2021	30 June 2020
Not past due	5,500,053,648	4,792,468,672
Past due 0 - 30 days	2,937,666,636	885,630,018
Past due 31 - 90 days	391,615,566	145,221,035
Past due 91 - 180 days	340,683,073	300,510,623
Past due over 180 days	6,692,834,163	5,295,998,176
	15,862,853,086	11,419,828,524

ii) Liquidity risk

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

It may be noted that the Group repaid its liabilities in financial year 2020-21 on due dates. Rest of the financial liabilities are expected to be repaid in due time which are expected to be financed from operational cash flow.

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

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Figures in BDT

Particulars	Notes	Carrying amount	Contractual cash flows					
			Total	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
30 June 2021								
Non-derivative financial liabilities								
Redeemable preference shares	25	2,015,150,641	2,027,500,000	297,500,000	320,000,000	595,000,000	815,000,000	-
Loans and borrowings	26	21,618,762,538	22,089,747,939	3,511,883,885	935,882,197	2,212,435,080	7,210,236,759	8,219,310,018
Gratuity fund	27.1	243,304,748	243,304,748	-	-	-	243,304,748	-
Liability for assets retirement obligation	27.2	77,525,268	77,525,268	-	-	-	-	77,525,268
Lease liability	27.3	16,981,712	18,934,167	2,567,500	2,567,500	5,135,000	8,664,167	-
Unclaimed dividend	28	174,788,370	174,788,370	174,788,370	-	-	-	-
Trade payables	29	6,926,788,859	6,926,788,859	6,926,788,859	-	-	-	-
Other payables and accruals	30	464,282,281	464,282,281	-	464,282,281	-	-	-
Intercompany payables	31	154,306,610	154,306,610	-	154,306,610	-	-	-
		31,691,891,027	32,177,178,242	10,913,528,614	1,877,038,588	2,812,570,080	8,277,205,674	8,296,835,286
Derivative financial liabilities								
Derivative financial instrument	27.4	663,823,817	663,823,817	-	-	-	205,821,312	458,002,505
		663,823,817	663,823,817	-	-	-	205,821,312	458,002,505
		32,355,714,844	32,841,002,059	10,913,528,614	1,877,038,588	2,812,570,080	8,483,026,986	8,754,837,791

Particulars	Notes	Carrying amount	Contractual cash flows					
			Total	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
30 June 2020								
Non-derivative financial liabilities								
Redeemable preference shares	25	2,365,539,624	2,385,000,000	197,500,000	160,000,000	457,500,000	1,252,500,000	317,500,000
Loans and borrowings	26	20,719,737,376	21,259,876,970	871,856,851	899,202,666	1,847,875,133	6,940,168,665	10,700,773,655
Gratuity fund	27.1	197,235,284	197,235,284	-	-	-	197,235,284	-
Liability for assets retirement obligation	27.2	75,347,719	75,347,719	-	-	-	-	75,347,719
Lease liability	27.3	22,360,719	25,369,166	3,867,500	2,567,500	5,135,000	12,165,833	1,633,333
Unclaimed dividend	28	276,029,807	276,029,807	276,029,807	-	-	-	-
Trade payables	29	3,175,569,328	3,175,569,312	3,175,569,312	-	-	-	-
Other payables and accruals	30	578,746,524	572,112,628	-	572,112,628	-	-	-
Intercompany payables	31	4,409,077	4,409,077	-	4,409,077	-	-	-
		27,414,975,458	27,970,949,963	4,524,823,470	1,638,291,871	2,310,510,133	8,402,069,782	11,095,254,707
Derivative financial liabilities								
Derivative financial instrument	27.4	1,087,866,161	1,087,866,161	-	-	-	371,985,482	715,880,679
		1,087,866,161	1,087,866,161	-	-	-	371,985,482	715,880,679
		28,502,841,619	29,058,816,124	4,524,823,470	1,638,291,871	2,310,510,133	8,774,055,264	11,811,135,386

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

iii) **Market risk**

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

a) **Currency risk**

SPL, the parent company of the Group, is exposed to currency risk on purchases of spare parts and capital machinery that are denominated in a currency other than the functional currency, primarily the United State Dollar (USD) and EURO. For SBPL, SNPUIL, AAPL and SGIIPL, foreign currency transactions are denominated mainly in Bangladesh Taka (BDT) and EURO. The Group has not entered into any type of derivatives instrument in order to hedge foreign currency risk as at 30 June 2021.

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For the year ended 30 June 2021

i) Exposure to currency risk

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

Figures in BDT

Particulars	Currency	30 June 2021	30 June 2020
Foreign currency denominated assets			
Trade receivables	USD	347,883,773	522,270,085
Cash and cash equivalents (except cash in hand)	USD	-	-
		347,883,773	522,270,085
Foreign currency denominated liabilities			
		-	-
Net exposure - assets/(liabilities) (A)		347,883,773	522,270,085

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

Particulars	Currency	30 June 2021	30 June 2020
Foreign currency denominated assets			
Trade receivables	BDT	7,412,153,629	4,145,660,528
Other receivables	BDT	59,777,986	10,032,580
Deposit	BDT	1,851,786	1,701,589
Cash and cash equivalents (except cash in hand)	BDT	4,195,204,359	2,261,056,943
		11,668,987,760	6,418,451,640
Foreign currency denominated liabilities			
Redeemable preference shares	BDT	2,015,150,641	2,365,539,624
Trade payables	BDT	5,693,245,159	2,303,849,732
Other payables and accruals	BDT	366,766,557	528,480,601
Intercompany payables	BDT	4,227,388	4,155,914
		8,079,389,745	5,202,025,871
Net exposure - assets/(liabilities) (B)		3,589,598,015	1,216,425,769
Total net exposure - assets/(liabilities) (A+B)		3,937,481,788	1,738,695,854

ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures

A reasonably possible change of 3% in foreign currencies at 30 June 2021 and 30 June 2020 would have increased/ (decreased) equity and profit or loss of the Group by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit/(loss)		Equity	
	Strengthening	Weakening	Strengthening	Weakening
30 June 2021				
3% movement	118,124,454	(118,124,454)	118,124,454	(118,124,454)
Exchange rate sensitivity	118,124,454	(118,124,454)	118,124,454	(118,124,454)
30 June 2020				
3% movement	52,160,876	(52,160,876)	52,160,876	(52,160,876)
Exchange rate sensitivity	52,160,876	(52,160,876)	52,160,876	(52,160,876)

The following significant exchange rates are applicable:

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	2021		2020	
	Average rate	Closing rate	Average rate	Closing rate
USD	84.8063	84.8550	84.7861	84.8500
EURO	101.0923	101.1986	93.6480	95.1927

b) Interest rate risk

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

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

Particulars	Figures in BDT	
	30 June 2021	30 June 2020
Fixed rate instruments		
Financial assets		
Fixed deposit receipts	6,817,623,232	2,086,458,013
Financial liabilities		
Redeemable preference shares	(2,015,150,641)	(2,365,539,624)
Loans and borrowings	(2,599,780,786)	-
	2,202,691,805	(279,081,611)
Variable rate instruments		
Financial assets	-	-
Financial liabilities		
Loans and borrowings	(19,018,981,752)	(20,719,737,376)
Effect of interest rate swaps	12,406,117,079	10,148,943,526
	(6,612,864,673)	(10,570,793,850)

44 CAPITAL RISK MANAGEMENT

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

45 LEASES

Leases as lessee

Non-cancellable lease rentals are payable as follows:

Particulars	30 June 2021	30 June 2020
Within six months	2,567,500	3,867,500
Between six and twelve months	2,567,500	2,567,500
Between one and two years	5,135,000	5,135,000
Between two and five years	8,664,167	12,165,833
More than five years	-	1,633,333
	18,934,167	25,369,166

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

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

46 COMMITMENTS

46.1 Commitment of capital expenditure

The Group had the following commitments of capital expenditure at 30 June 2021:

Figures in BDT

Particulars	30 June 2021	30 June 2020
Workshop and store	-	9,000,000
Civil works	-	19,723,023
Staff dormitory building	-	46,518,878
Boundary wall	2,407,552	5,200,000
Water & effluent treatment plant, pump house	-	5,856,120
Auxiliary Boiler (HFO)	-	8,814,933
Fire safety works	3,750,000	4,500,000
Dehumidifier for store	1,060,621	-
Container shed, scarp yard & security post/ watch tower	3,033,325	-
Office Building	-	6,865,731
Pond construction	-	2,681,458
Guard Rooms	-	4,896,941
Village mosque	-	4,700,000
School Building construction	-	28,786,504
	10,251,498	147,543,588

46.2 Other commitments

The Group had the following letters of credit (LC) in hand at 30 June 2021.

LC number	Currency Type	Invoice Value	Commitment value (in BDT)
2228219900342	BDT	18,173,454	18,173,454
222821011651	EUR	69,386	7,021,709
222821011758	EUR	43,031	4,354,655
411011429655	USD	8,824	748,761
411011431394	EUR	92,934	9,404,717

47 CONTINGENT LIABILITY

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

Figures in BDT

Particulars	Expiry date/ Income year	Assessment year	Currency	30 June 2021	30 June 2020
Operation Security Deposits					
Ashulia Power Plant (Unit-2)	06.02.2022	-	USD	66,261,000	66,261,000
Madhabdi Power Plant (Unit-2)	06.02.2022	-	USD	47,572,000	47,572,000
Chandina Power Plant (Unit-2)	06.02.2022	-	USD	27,184,000	27,184,000
BPDB AG. Jangalia Power Plant	05.08.2022	-	BDT	39,368,234	39,368,234
BREB AG. Ruppangj Power Plant	05.08.2022	-	BDT	39,368,234	39,368,234
BREB AG. Maona Power Plant	05.08.2022	-	BDT	39,368,234	39,368,234
BREB AG. Ullapara Power Plant	05.08.2022	-	BDT	13,867,126	13,867,126
BPDB - Kodda Power Plant (Unit-1)	23.09.2022	-	BDT	160,000,000	160,000,000
BPDB - Kodda Power Plant (Unit-2)	09.05.2022	-	BDT	520,000,000	520,000,000
Bank Guarantee					
BPDB - Madanganj	31.03.2021	-	BDT	-	225,022,200
Titas gas T&D- Ruppangj	24.01.2024	-	BDT	26,690,849	26,690,849
Titas gas T&D- Ruppangj	24.01.2024	-	BDT	3,218,046	3,218,046
Bakhrabad- Jangalia	24.01.2024	-	BDT	24,703,233	24,703,233

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Figures in BDT

Particulars	Expiry date/ Income year	Assessment year	Currency	30 June 2021	30 June 2020
Bakhrabad- Jangalia	03.03.2024	-	BDT	5,205,662	5,205,662
Bakhrabad- Jangalia	24.01.2024	-	BDT	12,209,644	-
Titas gas T&D- Maona	24.01.2024	-	BDT	26,690,849	26,690,849
Pashchimanchal Gas - Ullapara	05.01.2024	-	BDT	8,234,409	8,234,409
BPDB - SBPL	30.03.2022	-	BDT	200,000,000	200,000,000
BPDB - SNPUIIL	30.03.2022	-	BDT	115,000,000	115,000,000
Stand-by Letter of Credit					
SPL - in favour of SBPL	20.12.2021	-	USD	307,285,412	325,759,344
SPL - in favour of SNPUIIL	22.01.2022	-	USD	168,001,141	177,779,247
SPL - in favour of AAPL	05.12.2021	-	USD	418,335,150	387,764,500
SPL - in favour of AAPL	04.09.2021	-	BDT	467,370,068	467,370,068
Income tax					
Summit Uttaranchol Power Company Limited	2012-2013	2013-2014	BDT	-	3,894,537

48 RELATED PARTY TRANSACTIONS

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

a) Transactions with key management personnel

Key management personnel compensation:

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

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

Particulars	Transaction value			
	Group		Company	
	FY 2021	FY 2020	FY 2021	FY 2020
Short-term employee benefits				
Directors' remuneration	87,327,372	75,136,034	65,603,642	56,042,270
Tax on directors remuneration	12,228,280	17,077,687	12,228,280	17,077,687
Board meeting attendance fees and expenses	6,797,923	6,175,826	2,844,412	2,631,080
Post-employment benefits (including CPF)				
	1,385,856	1,238,472	829,848	741,588

b) Other related party transactions

Particulars	Nature of transaction	Group			
		Transaction value		Balance outstanding at	
		FY 2021	FY 2020	30 June 2021	30 June 2020
Parent					
SCL	Building maintenance	12,442,385	12,673,917	7,188,893	3,635,990
	Financial support	1,446,601,933	229,392,443	(154,306,610)	(4,409,077)
	Dividend	1,626,788,333	6,247,650,149	-	-
Related parties					
SOSCL	HFO purchase	24,401,549,641	9,344,741,741	(6,718,567,872)	(2,854,474,190)
	Tankage handling fee	112,655,989	189,147,280	(22,551,250)	(82,332,003)
	Financial support	7,820,169,262	328,709,862	2,476,400,430	328,709,862
Summit Holdings Limited	Lease rental	465,530	465,530	858,138	1,323,668
Cosmopolitan Communications Limited	Internet service provider	2,142,000	2,003,400	(262,500)	(231,000)
Others					
KPCL	Dividend	238,367,880	280,432,800	-	-
SMPCL	Dividend	180,000,000	25,500,000	-	-

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Figures in BDT

Particulars	Nature of transaction	Company			
		Transaction value		Balance outstanding at	
		FY 2021	FY 2020	30 June 2021	30 June 2020
Parent					
SCL	Building maintenance	4,234,193	4,313,495	7,188,893	3,635,990
	Financial support	1,440,577,350	225,053,524	(150,079,222)	(253,163)
	Dividend	1,349,585,852	3,373,964,630	-	-
Subsidiary					
SBPL	Financial support	220,773,172	236,733,283	138,598,678	147,831,177
	Dividend	190,123,185	354,896,612	-	-
SNPUILL	Financial support	158,012,235	136,900,161	84,761,876	87,974,548
	Dividend	76,208,610	193,985,554	-	-
AAPL	Financial support	360,539,411	181,683,226	304,112,886	92,916,904
SGIPL	Financial support	332,544,921	556,295,873	177,992,732	(1,684,185)
	Dividend	-	575,600,000	-	-
Related parties					
SOSCL	HFO purchase	2,830,756,863	1,404,127,888	(1,035,198,269)	(592,724,097)
	Tankage handling fee	26,746,454	35,268,346	-	(3,002,339)
	Financial support	7,820,169,262	328,709,862	2,476,400,430	328,709,862
Summit Holdings Limited	Lease rental	465,530	465,530	858,138	1,323,668
Cosmopolitan Communications Limited	Internet service provider	1,386,000	1,386,000	(115,500)	(115,500)
Others					
KPCL	Dividend	238,367,880	280,432,800	-	-
SMPCL	Dividend	180,000,000	25,500,000	-	-

49 EVENTS AFTER REPORTING DATE

The Board of Directors of the Company recommended a cash dividend amounting to BDT 3,737,570,337 being 35% of the paid-up capital (i.e. BDT 3.50 per share) for the year ended 30 June 2021 at its board meeting held on 26 September 2021. The dividend is subject to approval of the shareholders in the annual general meeting scheduled to be held on 5 December 2021.

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

50 OTHER DISCLOSURES

50.1 Number of employees

During the year ended 30 June 2021 there were 581 permanent employees in the Group (FY 2020: 593 permanent employees).

50.2 Significant non-cash transactions

The Group had no significant non-cash transaction in FY 2021.

50.3 Going concern

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

50.4 Impact of COVID-19 on business performance

Following the declaration of COVID-19 as a pandemic by the World Health Organization (WHO) on 11 March 2020, and 26 March 2020, the Government of Bangladesh took restrictive measures to contain further spread of the virus affecting free movement of people and goods till 30 May 2020. To control the second wave of the virus, the Government of Bangladesh again imposed lockdown from 4 April 2021 to 10 August 2021.

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In the context of the above restrictive measures, the Group is regarded as providing an essential service in energy sector. The Company is permitted to continue its operations whilst the restrictive measures remain in force. Hence, the overall impact of the pandemic on the Company's operations is currently not expected to be significant. While no material effects on the Company's financial position, results of operations and cash flows have been identified at the date of approval of these financial statements, management will continue monitoring and evaluating them.

51 CAPACITY

Name of plants	Licensed capacity MW	Plant factor (% on licensed)		Energy sold (MWH)	
		FY 2021	FY 2020	FY 2021	FY 2020
Ashulia Power Plant (Unit-1)	11	Average: 70 Maximum: 78	Average: 64 Maximum: 77	67,318	62,290
Ashulia Power Plant (Unit-2)	33.75	Average: 71 Maximum: 77	Average: 66 Maximum: 82	210,594	196,315
Madhabdi Power Plant (Unit-1)	11	Average: 71 Maximum: 78	Average: 69 Maximum: 79	68,595	66,921
Madhabdi Power Plant (Unit-2)	24.30	Average: 68 Maximum: 76	Average: 64 Maximum: 79	144,159	136,287
Chandina Power Plant (Unit-1)	11	Average: 71 Maximum: 79	Average: 64 Maximum: 74	68,393	61,439
Chandina Power Plant (Unit-2)	13.50	Average: 74 Maximum: 82	Average: 69 Maximum: 86	87,826	81,321
Rupganj Power Plant	33	Average: 91 Maximum: 98	Average: 87 Maximum: 98	262,059	253,247
Jangalia Power Plant	33	Average: 89 Maximum: 96	Average: 72 Maximum: 95	258,258	208,182
Maona Power Plant	33	Average: 84 Maximum: 97	Average: 88 Maximum: 95	242,700	255,481
Ullapara Power Plant	11	Average: 78 Maximum: 86	Average: 75 Maximum: 88	74,934	72,690
Madanganj Power Plant	102	Average: 39 Maximum: 79	Average: 25 Maximum: 79	353,336	223,124
Rupatoli Power Plant	110	Average: 23 Maximum: 43	Average: 20 Maximum: 40	218,609	191,397
Madanganj Power Plant (Unit-2)	55	Average: 54 Maximum: 85	Average: 20 Maximum: 50	259,502	96,813
Kodda Power Plant (Unit-1)	149	Average: 61 Maximum: 88	Average: 31 Maximum: 78	791,750	403,952
Kodda Power Plant (Unit-2)	300	Average: 49 Maximum: 82	Average: 14 Maximum: 47	1,280,253	365,298

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

52 SIGNIFICANT ACCOUNTING POLICIES

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

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

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

A Basis of consolidated and separate financial statements

i) Subsidiaries

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

Name of Subsidiaries	% of controlling interest	% of non-controlling interest
Summit Barisal Power Limited	49	51
Summit 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 ("SNPUILL") 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, SNPUILL, SCPL and SGIPL are under the control of SPL because SPL directly manages the activities/operations of those entities since their commercial operation date (COD) through common corporate management and thus it has the power over these four entities and has established both exposure and rights to significantly affect returns of the investee companies. Therefore, on this ground SPL treats these entities as its subsidiaries and consolidates these entities financial statements to its financial statements. SPL also holds 64% shares in Ace Alliance Power Limited.

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

ii) Transactions eliminated on consolidation

The financial statements of the subsidiaries have been consolidated with those of Summit Power Limited in accordance with IFRS 10: *Consolidated Financial Statements*. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees (that means in any company wherein Summit Power Limited has made investments, if any) are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. However, on 30 June 2021, the Company has no such investments.

iii) Disclosure of interests in other entities

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

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iv) Business combination of subsidiaries with the Group entity

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

B Property, plant and equipment**i) Recognition and measurement**

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

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

ii) Subsequent costs

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

iii) Borrowing cost

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

iv) Revaluation of land and plant and machinery

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

v) Depreciation

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

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

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

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

In Years	2020-21	2019-20
Furniture and fixtures	10	10
Office and electrical equipment	5	5
Office decoration	5	5
Motor vehicles	5	5
Maintenance equipment	5	5
Civil works and others	5	5
Plant and machinery	20 to 30	20 to 30
Spare parts	2 to 30	2 to 30

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

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

vi) Retirements and disposals

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

vii) Asset retirement obligations

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

viii) Capital work in progress

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

ix) Spare parts

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

C Intangible assets**i) Recognition and measurement**

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

ii) Subsequent costs

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

iii) Amortisation

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

D Leased assets**Group/Company as lessor****Power Purchase Agreements**

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

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

Group/Company as lessee

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

i) Recognition and measurement

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

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

ii) Depreciation

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

E Inventories

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

F Provisions

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

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

G Contingencies**i) Contingent liability**

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

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

ii) Contingent asset

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

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

H Employee benefits

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

i) Defined benefit plan (gratuity)

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

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

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

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

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

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

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

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

ii) Defined benefit plan (leave encashment)

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

iii) Defined contribution plan (provident fund)

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

iv) Workers' Profit Participation Fund (WPPF)

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

I Taxation

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

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

Entity	Name of the plant/facility	Location	Tax provision status	Period	Expiry
Summit Power Limited	Ashulia Power Plant (Unit-1)	Savar, Dhaka	Tax applicable	20 years since commercial operation date*	31-Aug-2023
	Madhabdi Power Plant (Unit-1)	Narsingdi	Tax applicable	20 years since commercial operation date*	31-Aug-2023
	Chandina Power Plant (Unit-1)	Comilla	Tax applicable	20 years since commercial operation date*	31-Aug-2023
	Ashulia Power Plant (Unit-2)	Savar, Dhaka	Tax exemption	15 years since commercial operation date	3-Dec-2022
	Madhabdi Power Plant (Unit-2)	Narsingdi	Tax exemption	15 years since commercial operation date	15-Dec-2021
	Chandina Power Plant (Unit-2)	Comilla	Tax exemption	15 years since commercial operation date	13-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 Company Limited	Rupatoli 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

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

i) Current tax

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

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

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

ii) Deferred tax

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

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

As of 30 June 2021, many of the Group's power plants operated under tax exemption regime [as mentioned in Note 52.I]. The Group has examined the precedent of tax assessment completed of a power generation company for the year when its tax exemption ended, which shows accounting depreciation charge to be equal to the tax depreciation charge, implying that there were no temporary differences between accounting net book value and tax written down value of property, plant and equipment at that point in time. On this basis, in the preparation of these financial statements, the Group has not considered any deferred tax relating to property, plant and equipment relating to power plants that are still under tax exemption as at the reporting date.

J Revenue

Revenue is recognised in the statement of profit or loss and other comprehensive income, upon supply of electricity, quantum of which is determined by survey of meter reading. Revenue is measured at fair value of consideration received or receivable. Revenue under Power Purchase Agreement (PPA) comprise capacity component and energy component.

Capacity component

Capacity component is computed according to the terms set out in the PPA. Then, it is recognised in "Statement of profit or loss and other comprehensive income" on a straight-line basis over the term of the PPA, where the PPA is considered to be or to contain operating leases as IFRS 16: *Leases* clarifies the basis of computing the fixed element of revenue.

Energy component

Energy component includes Variable O&M and Fuel. These are calculated on the basis of electricity supplied multiplied by the factors as stated in PPA and recognised in "Statement of profit or loss and other comprehensive income".

K Other asset

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

L Finance income and expenses

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

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

M Foreign currencies**i. Foreign currency transactions and balances**

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

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

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

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

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**a. Financial assets**

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

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

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

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

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

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

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

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

Financial assets – Business model assessment

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

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

Financial assets – Subsequent measurement and gains and losses

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

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Financial assets include other investments - equity securities at FVOCI, trade receivables, other receivables, intercompany receivables, deposits and cash and cash equivalents except cash in hand.

Other investments - Equity securities at FVOCI

Financial assets classified under this class represent investments in equity securities that the Group/Company intends to hold for the long term and strategic purposes. These assets are recognised, classified and measured as per IFRS 9: *Financial Instruments* and presented in the financial statements as per IFRS 7: *Financial Instruments: Disclosures*. Subsequent to initial recognition, they are measured at fair value and changes therein, including impairment losses, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is recognised in other comprehensive income.

Trade receivables

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

Other receivables

Other receivables are stated at amounts which are considered realisable.

Deposits

Deposits are measured at payment value.

Cash and cash equivalents

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

b. Financial liability

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

Financial liabilities include redeemable preference shares, loans and borrowings, derivative financial instruments, trade payables, other payables and intercompany payables.

Redeemable preference shares

In accordance with IAS 32: *Financial Instruments: Presentation*, the substance of a financial instrument rather than its legal form governs its classification on the entity's financial statements. Accordingly, the redeemable preference shares which, in substance, meet the conditions of a financial liability, have been classified as liabilities in these financial statements. Periodic dividend paid to the holders of such shares are charged to profit or loss as finance expense.

Loans and borrowings

Principal amounts of loans and borrowings are stated at their amortised amount. Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

Derivative financial instruments and hedge accounting

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

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

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

Cash flow hedges

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

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

Trade and other payables

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

iii. Offsetting financial asset and financial liability

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

O Impairment**(i) Recognition**

Financial assets not carried at fair value through profit or loss and receivables are assessed at each reporting date to determine whether there is objective evidence that any particular asset is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The carrying value of the non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset or its cash generating unit exceeds its recoverable amount. Impairment losses, if any, are recognised in the statement of profit or loss and other comprehensive income.

(ii) Calculation of recoverable amount

The recoverable amount of asset is the greater of its net selling price or its value in use. The latter is determined by discounting the estimated future cash flows to a present value using a discount rate which reflects the current market assessment of the time value of money and risk specific to the asset. For an asset that does not generate significantly independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

(iii) Reversal of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

P Earnings per share (EPS)

The Group/Company represents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group/Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by the 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 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Paid up capital represents total amount contributed by the shareholders and bonus shares, if any, issued by the Company to the ordinary shareholders. Holders of ordinary shares are entitled to receive dividend as declared from time to time and are entitled to vote at shareholders' meetings. In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders and creditors and are fully entitled to any residual proceeds of liquidation.

R Dividend

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

S Transaction with related parties

The company carried out a number of transactions with related parties in the course of business and on arms length basis. Transaction with related parties has been appropriately recognized and disclosed in accordance with IAS 24: *Related Party Disclosures*.

SUMMIT POWER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

T Statement of cash flows

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

U Comparatives and rearrangement

Comparative information has been disclosed for all numerical information in the financial statements and narrative and descriptive information when it is relevant to have better understanding of the financial statement for the current period. To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged and reclassified, whenever necessary to conform to the current year's presentation.

V Materiality and aggregation

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

W Events after the reporting period

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

53 STANDARDS ISSUED BUT NOT YET EFFECTIVE

A number of new standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted; however, the Group/Company has not early adopted the new or amended standards in preparing these financial statements.

Effective for year beginning 1 January 2021	<ul style="list-style-type: none"> Amendments to IFRS 9: <i>Financial Instruments</i>, IAS 39: <i>Financial Instruments: Recognition and Measurement</i> (superseded by IFRS 9), IFRS 7: <i>Financial Instruments: Disclosures</i>, IFRS 4: <i>Insurance Contracts</i> (will be superseded by IFRS 17) and IFRS 16: <i>Leases on Interest Rate Benchmark Reform – Phase 2</i>
Effective for year beginning 1 January 2022	<ul style="list-style-type: none"> Amendments to IAS 37: <i>Provisions, Contingent Liabilities and Contingent Assets on Onerous Contracts – Cost of Fulfilling a Contract</i> Amendments to IAS 16: <i>Property, Plant and Equipment on Proceeds before Intended Use</i> Amendments to IFRS 3: <i>Business Combinations on Reference to the Conceptual Framework</i>
Effective for year beginning 1 January 2023	<ul style="list-style-type: none"> Amendments to IAS 1: <i>Presentation of Financial Statements on Classification of Liabilities as Current or Non-current</i> IFRS 17: <i>Insurance Contracts</i> and amendments to IFRS 17: <i>Insurance Contracts</i>
Effective date deferred indefinitely/available for optional adoption	<ul style="list-style-type: none"> Amendments to IFRS 10: <i>Consolidated Financial Statements</i> and IAS 28: <i>Investments in Associates and Joint Ventures on sale or contribution of assets between an investor and its associate or joint venture</i>

Management does not expect that the adoption of the above new and amended standards and the interpretation to a standard will have a significant impact on the Group's/Company's financial statements.

54 NAME OF AUDITORS OF THE GROUP COMPANIES

Name of the company	Status	Name of auditors
Summit Power Limited	Parent	A. Qasem & Co.
Summit Barisal Power Limited	Subsidiary	A. Qasem & Co.
Summit Narayanganj Power Unit II Limited	Subsidiary	A. Qasem & Co.
Summit Chittagong Power Limited	Subsidiary	Mak & Co.
Ace Alliance Power Limited	Subsidiary	Rahman Rahman Huq
Summit Gazipur II Power Limited	Subsidiary	Rahman Rahman Huq
Summit Meghnaghat Power Company Limited	Associate	Rahman Rahman Huq

6.2.1 SUMMIT BARISAL POWER LIMITED

Directors' & Auditor's Report and
Brief Audited Financial Statements
as at and for the year ended 30 June 2021



Directors' Report on Subsidiary – SBPL

Dear Shareholders,

Assalamu Alaikum,

The Board of Directors of Summit Barisal Power Limited (SBPL) is pleased to submit before you the operational activities and audited financial statements of the Company for the year ended on 30th June 2021.

Operating Result of SBPL

Revenue, including a fully pass-through fuel (HFO) component, over last year has increased by 12% due to higher demand of electricity generation from National Load Dispatch Centre (NLDC). Taking into consideration the effect of fuel (HFO) cost, the gross profit has increased by 3% due to increase of variable components of revenue and improved cost efficiency. Net profit has also increased by 13% over the last year because of reduction in interest expenses, net of interest income, along with the reasons stated earlier.

Particulars	FY 2021	FY 2020
Revenue (Tk in MM)	3,049	2,732
Gross Profit (Tk in MM)	876	849
Profit after Income Tax (Tk in MM)	571	507
Total Assets (Tk in MM)	6,078	6,304
Shareholder's Equity (Tk in MM)	2,304	2,016
Total Liabilities (Tk in MM)	3,774	4,288
Net Profit in %	18.73	18.56
Return on Assets in %	9.22	7.27
Return on Equity in %	26.42	23.50
Capacity Utilization in %	23	20
Electricity Sold (MWH)	218,609	191,397

In implementing the Integrated Management System, the Company has adopted the Quality Policies, Environmental Policies and Occupational Health and Safety Policies. The Company has received "Best Power Generation Project Award 2016" in Private Sector Generation by the Government.

Business Activities

Summit Barisal Power Limited (SBPL) was incorporated as a Private Limited Company on 10th February 2011 as a private company limited by shares under the Companies Act 1994 with its registered office located at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh as Summit Saidpur Power Limited. On 18th November 2013 the name of Summit Saidpur Power Limited was changed to Summit Barisal Power Limited. Since then Company is operating under the common management of the parent Company, Summit Power Limited. The Company

started its commercial operation on 5th April 2016 in Rupatoli, Barisal of its 120 MW installed HFO fired power plant and is supplying generated electricity to the Bangladesh Power Development Board (BPDB) through the National Power Grid.

Auditor

A. Qasem & Co., Chartered Accountants, as statutory auditor of the Company has carried out the audit for the year ended on 30th June 2021.

Proposed Dividend

Your Board has recommended 40% cash dividend of Tk 10 each on 103,468,400 ordinary shares for the financial year ended on 30th June 2021 for your consideration and approval, subject to clearance of lenders.

Thank you.

On behalf of the Board,

Lt Gen Engr Abdul Wadud (Retd)
Managing Director

Dhaka, 26 September 2021



A. QASEM & CO.
Chartered Accountants Since 1953

INDEPENDENT AUDITOR'S REPORT

to the shareholders of Summit Barisal Power Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Summit Barisal Power Limited (the "Company"), which comprise the statement of financial position as at 30 June 2021, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Companies Act, 1994 and other applicable laws and regulations.

Basis for opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



A. QASEM & CO.
Chartered Accountants Since 1953

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion. We communicate with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other legal and regulatory requirements

In accordance with the Companies Act, 1994 we also report that:

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

A. Qasem & Co.

Chartered Accountants

RJSC Firm Registration No: PF 1015

Mohammad Motaleb Hossain, FCA
Partner

Enrolment Number: 0950

DVC: 2109290950AS906491

Dhaka, 26 September 2021

SUMMIT BARISAL POWER LIMITED
STATEMENT OF FINANCIAL POSITION
 As at 30 June 2021

Figures in BDT

Particulars	30 June 2021	30 June 2020
Property, plant and equipment	4,774,181,626	4,992,684,508
Intangible assets	2,356,513	2,945,912
Deferred tax asset	5,028,494	4,649,335
Other asset	(154,030,974)	(17,330,171)
Non-current assets	4,627,535,659	4,982,949,584
Inventories	71,681,556	79,819,369
Trade receivables	643,226,400	694,849,785
Other receivables	689,897	-
Advances, deposits and prepayments	29,989,577	47,766,975
Cash and cash equivalents	705,118,584	498,154,938
Current assets	1,450,706,014	1,320,591,067
Total assets	6,078,241,673	6,303,540,651
Equity		
Share capital	1,034,684,000	1,034,684,000
Hedging reserve	(128,633,365)	(233,868,647)
Currency Translation Reserve	10,529,497	10,274,114
Retained earnings	1,387,294,467	1,204,439,924
Total equity	2,303,874,599	2,015,529,391
Liabilities		
Redeemable preference share	237,811,563	336,217,953
Loans and borrowings	2,332,549,832	2,722,135,373
Deferred liabilities	129,296,798	234,578,688
Non-current liabilities	2,699,658,193	3,292,932,014
Redeemable preference share	98,406,165	98,098,108
Loans and borrowings	389,639,990	388,459,564
Trade payables	393,139,343	284,787,098
Other payables and accruals	54,845,483	75,817,250
Intercompany payables	138,677,900	147,917,226
Current liabilities	1,074,708,881	995,079,246
Total liabilities	3,774,367,074	4,288,011,260
Total equity and liabilities	6,078,241,673	6,303,540,651

Signed as per our report of same date.

A. Qasem & Co.
 Chartered Accountants
 Registration No: PF1015



Mohammad Motaleb Hossain, FCA
 Partner
 Enrollment No: 0950

DVC No: 2109290950AS906491
 Dhaka, 26 September 2021



Managing Director



Director



Company Secretary

SUMMIT BARISAL POWER LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 For the year ended 30 June 2021

Figures in BDT

Particulars	30 June 2021	30 June 2020
Revenue	3,049,113,938	2,732,033,511
Cost of sales	(2,172,893,812)	(1,883,124,914)
Gross profit	876,220,126	848,908,597
Other income	884,558	476,802
General and administrative expenses	(41,283,037)	(42,278,712)
Operating profit	835,821,647	807,106,687
Finance income/(cost), net	(271,575,197)	(286,152,441)
Profit before tax	564,246,450	520,954,246
Income tax expenses	6,407,512	(14,001,184)
Profit after income tax	570,653,962	506,953,062
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Actuarial gain/(loss) on gratuity valuation, net of tax	207,081	(294,464)
	207,081	(294,464)
Items that may be reclassified subsequently to profit or loss		
Change in fair value of derivative financial instruments	105,235,282	(76,333,744)
Foreign currency translation impact	255,383	10,274,114
	105,490,665	(66,059,630)
Other comprehensive income	105,697,746	(66,354,094)
Total comprehensive income	676,351,708	440,598,968

A. Qasem & Co.
 Chartered Accountants
 Registration No: PF1015



Mohammad Motaleb Hossain, FCA
 Partner
 Enrollment No: 0950
 DVC No: 2109290950AS906491
 Dhaka, 26 September 2021



Managing Director



Director



Company Secretary

SUMMIT BARISAL POWER LIMITED
STATEMENT OF CHANGES IN EQUITY
 For the year ended 30 June 2021

Figures in BDT

Particulars	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total Equity
Balance at 1 July 2019	1,034,684,000	(157,534,903)	-	1,422,060,126	2,299,209,223
Comprehensive income					
Profit	-	-	-	506,953,062	506,953,062
Other comprehensive income	-	(76,333,744)	10,274,114	(294,464)	(66,354,094)
Total comprehensive income	-	(76,333,744)	10,274,114	506,658,598	440,598,968
Transaction with owners of the company					
Cash dividend	-	-	-	(724,278,800)	(724,278,800)
Total transactions with owners of the company	-	-	-	(724,278,800)	(724,278,800)
Balance at 30 June 2020	1,034,684,000	(233,868,647)	10,274,114	1,204,439,924	2,015,529,391
Balance at 1 July 2020	1,034,684,000	(233,868,647)	10,274,114	1,204,439,924	2,015,529,391
Comprehensive income					
Profit	-	-	-	570,653,962	570,653,962
Other comprehensive income	-	105,235,282	255,383	207,081	105,697,746
Total comprehensive income	-	105,235,282	255,383	570,861,043	676,351,708
Transaction with owners of the company					
Cash dividend	-	-	-	(388,006,500)	(388,006,500)
Total transactions with owners of the company	-	-	-	(388,006,500)	(388,006,500)
Balance at 30 June 2021	1,034,684,000	(128,633,365)	10,529,497	1,387,294,467	2,303,874,599

SUMMIT BARISAL POWER LIMITED
STATEMENT OF CASH FLOWS
 For the year ended 30 June 2021

Figures in BDT

Particulars	30 June 2021	30 June 2020
Cash flows from operating activities		
Receipts from customers	3,236,945,686	3,320,019,753
Payment to employees, suppliers and service-providers	(1,887,415,791)	(2,322,285,465)
Receipts from other sources	884,558	476,515
Income tax paid	(922,734)	(6,766,765)
Net cash from operating activities	1,349,491,719	991,444,038
Cash flows from investing activities		
Interest received	10,842,964	62,434,483
Acquisition of property, plant and equipment	(456,634)	(11,875,745)
Net cash from/(used in) investing activities	10,386,330	50,558,738
Cash flows from financing activities		
Interest paid	(262,795,609)	(299,101,406)
Dividend paid	(388,006,500)	(724,278,800)
Repayment of loan and borrowings	(398,589,590)	(398,254,970)
Repayment of redeemable preference share	(100,000,000)	(100,000,000)
Proceeds from/ (Repayment to) financial support	(9,162,136)	(84,619,138)
Net cash from/(used in) financing activities	(1,158,553,835)	(1,606,254,314)
Net changes in cash and cash equivalents	201,324,215	(564,251,538)
Effects of currency translation	5,639,431	(596,144)
Opening cash and cash equivalents	498,154,938	1,063,002,620
Closing cash and cash equivalents	705,118,584	498,154,938

6.2.2 SUMMIT NARAYANGANJ POWER UNIT II LIMITED

Directors' & Auditor's Report and
Brief Audited Financial Statements
as at and for the year ended 30 June 2021



Directors' Report on Subsidiary – SNPUIIL

Dear Shareholders,

Assalamu Alaikum,

The Board of Directors of Summit Narayanganj Power Unit II Limited (SNPUIIL) is pleased to submit before you the operational activities and audited financial statements of the Company for the year ended on 30th June 2021.

Operating Result of SNPUIIL

Revenue, including a fully pass-through fuel (HFO) component, over last year has increased by 114% due to higher demand of electricity generation from National Load Dispatch Centre (NLDC). In consideration of fuel (HFO) cost, the gross profit has increased by 4% due to increase of variable components of revenue and improved cost efficiency. Net profit has also increased by 12% over last year because of reduction in interest expenses, net of interest income, along with the reasons stated earlier.

Particulars	FY 2021	FY 2020
Revenue (Tk in MM)	2,942	1,373
Gross Profit (Tk in MM)	452	435
Profit after Income Tax (Tk in MM)	267	238
Total Assets (Tk in MM)	3,643	3,456
Shareholder's Equity (Tk in MM)	1,196	1,024
Total Liabilities (Tk in MM)	2,447	2,432
Net Profit in %	9.08	17.35
Return on Assets in %	7.53	6.32
Return on Equity in %	24.07	21.20
Capacity Utilization in %	54	20
Electricity Sold (MWH)	259,502	96,813

Business Activities including its Operating Performance

Summit Narayanganj Power Unit II Limited (SNPUIIL) was incorporated as a Private Limited Company on 10th February 2011 as a Private Company limited by shares under Companies Act 1994 with its registered office located at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh as Summit Shantahar Power Limited. On 18th November 2013, the name of Summit Shantahar Power Limited was changed as Summit Narayanganj Power Unit II Limited. Since then Company is operating under the common management of parent Company, Summit Power Limited. The Company started its commercial operation from 29th February 2016 in Madanganj, Narayanganj (55) MW HFO fired power plant and is supplying electricity generated to the Bangladesh Power Development Board (BPDB) through the National Power Grid.

Auditor

A. Qasem & Co., Chartered Accountants, as statutory auditor of the Company has carried out the audit for the year ended on 30th June 2021.

Proposed Dividend

Your Board has recommended 22.50% cash dividend of Tk. 10 each on 56,555,555 ordinary shares for the financial year ended on 30th June 2021 for your consideration and approval, subject to clearance of lenders.

Thank you.

On behalf of the Board

Lt Gen Engr Abdul Wadud (Retd)
Managing Director

Dhaka, 26 September 2021

INDEPENDENT AUDITOR'S REPORT

to the shareholders of Summit Narayanganj Power Unit II Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Summit Narayanganj Power Unit II Limited (the "Company"), which comprise the statement of financial position as at 30 June 2021, and the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company give a true and fair view of the financial position of the Company as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) and comply with the Companies Act, 1994 and other applicable laws and regulations.

Basis for opinion

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Company's audit. We remain solely responsible for our audit opinion.

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


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

Report on other legal and regulatory requirements

In accordance with the Companies Act, 1994 we also report that:

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

A. Qasem & Co.
Chartered Accountants
RJSC Firm Registration No: PF 1015



Mohammad Motaleb Hossain, FCA
Partner
Enrolment Number: 0950
DVC: 2109290950AS946198

Dhaka, 26 September 2021

SUMMIT NARAYANGANJ POWER UNIT II LIMITED
STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

Figures in BDT

Particulars	30 June 2021	30 June 2020
Assets		
Property, plant and equipment	2,755,422,222	2,825,341,312
Intangible assets	2,356,513	2,945,912
Deferred tax asset	3,171,000	2,392,325
Other asset	(68,855,621)	(9,802,042)
Non-current assets	2,692,094,114	2,820,877,507
Inventories	61,810,135	47,164,459
Trade receivables	622,837,195	319,040,091
Other receivables	213,889	-
Advances, deposits and prepayments	23,730,241	30,780,296
Cash and cash equivalents	242,372,085	238,319,781
Current assets	950,963,545	635,304,627
Total assets	3,643,057,659	3,456,182,134
Equity		
Share capital	565,555,550	565,555,550
Hedging reserve	(76,137,631)	(136,993,062)
Currency translation reserve	5,587,820	5,440,500
Retained earnings	701,065,974	590,356,488
Total equity	1,196,071,713	1,024,359,476
Liabilities		
Redeemable preference share	118,850,908	177,948,045
Loans and borrowings	1,372,897,496	1,577,427,968
Deferred liabilities	76,524,514	137,406,794
Non-current liabilities	1,568,272,918	1,892,782,807
Redeemable preference share	59,097,013	58,896,908
Loans and borrowings	204,624,700	203,978,243
Trade payables	486,109,465	131,904,900
Other payables and accruals	44,040,752	56,199,203
Intercompany payables	84,841,098	88,060,597
Current liabilities	878,713,028	539,039,851
Total liabilities	2,446,985,946	2,431,822,658
Total equity and liabilities	3,643,057,659	3,456,182,134

A. Qasem & Co.

Chartered Accountants

Registration No: PF1015

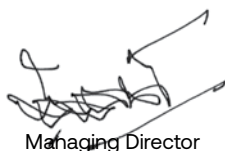


Mohammad Motaleb Hossain, FCA
Partner

Enrollment No: 0950

DVC No: 2109290950AS946198

Dhaka, 26 September 2021



Mahaging Director



Director



Company Secretary

SUMMIT NARAYANGANJ POWER UNIT II LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 For the year ended 30 June 2021

Figures in BDT

Particulars	30 June 2021	30 June 2020
Revenue	2,941,958,658	1,372,561,759
Cost of sales	(2,490,207,886)	(938,022,809)
Gross profit	451,750,772	434,538,950
Other income	691,465	71,806
General and administrative expenses	(22,064,528)	(22,024,874)
Operating profit	430,377,709	412,585,882
Finance income/(cost), net	(166,144,671)	(166,386,791)
Profit before tax	264,233,038	246,199,091
Income tax expenses	2,997,653	(8,106,896)
Profit after income tax	267,230,691	238,092,195
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Actuarial gain/(loss) on gratuity valuation, net of tax	(993,429)	(54,537)
	(993,429)	(54,537)
Items that may be reclassified subsequently to profit or loss		
Change in fair value of derivative financial instruments	60,855,431	(45,359,655)
Foreign currency translation impact	147,320	5,440,500
	61,002,751	(39,919,155)
Other comprehensive income	60,009,322	(39,973,692)
Total comprehensive income	327,240,013	198,118,503

A. Qasem & Co.
 Chartered Accountants
 Registration No: PF1015



Mohammad Motaleb Hossain, FCA
 Partner
 Enrollment No: 0950
 DVC No: 2109290950AS946198
 Dhaka, 26 September 2021



Managing Director



Director



Company Secretary

SUMMIT NARAYANGANJ POWER UNIT II LIMITED
STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021

Figures in BDT

Particulars	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total Equity
Balance at 1 July 2019	565,555,550	(91,633,407)	-	748,207,715	1,222,129,858
Total comprehensive income					
Profit	-	-	-	238,092,195	238,092,195
Other comprehensive income	-	(45,359,655)	5,440,500	(54,537)	(39,973,692)
Total comprehensive income	-	(45,359,655)	5,440,500	238,037,658	198,118,503
Transactions with owners of the Company					
Dividend distribution	-	-	-	(395,888,885)	(395,888,885)
Total transactions with owners of the Company	-	-	-	(395,888,885)	(395,888,885)
Balance at 30 June 2020	565,555,550	(136,993,062)	5,440,500	590,356,488	1,024,359,476
Balance at 1 July 2020	565,555,550	(136,993,062)	5,440,500	590,356,488	1,024,359,476
Total comprehensive income					
Profit	-	-	-	267,230,691	267,230,691
Other comprehensive income	-	60,855,431	147,320	(993,429)	60,009,322
Total comprehensive income	-	60,855,431	147,320	266,237,262	327,240,013
Transactions with owners of the Company					
Dividend distribution	-	-	-	(155,527,776)	(155,527,776)
Total transactions with owners of the Company	-	-	-	(155,527,776)	(155,527,776)
Balance at 30 June 2021	565,555,550	(76,137,631)	5,587,820	701,065,974	1,196,071,713

SUMMIT NARAYANGANJ POWER UNIT II LIMITED
STATEMENT OF CASH FLOWS
 For the year ended 30 June 2021

Figures in BDT

Particulars	30 June 2021	30 June 2020
Cash flows from operating activities		
Receipts from customers	2,697,219,032	1,492,149,471
Payment to employees, suppliers and service-providers	(2,067,185,472)	(965,946,169)
Receipts from other sources	691,465	60,063
Income tax paid	(3,162,153)	(4,041,588)
Net cash from operating activities	627,562,872	522,221,777
Cash flows from investing activities		
Interest received	3,239,420	38,935,813
Acquisition of property, plant and equipment	(49,014,775)	(2,028,938)
Net cash from/(used in) investing activities	(45,775,355)	36,906,875
Cash flows from financing activities		
Interest paid	(153,869,087)	(168,674,526)
Dividend paid	(155,527,776)	(395,888,885)
Repayment of loan and borrowings	(210,962,879)	(210,913,902)
Repayment of redeemable preference shares	(60,000,000)	(60,000,000)
Proceeds from/ (Repayment to) financial support	(3,221,328)	(107,550,031)
Net cash from/(used in) financing activities	(583,581,070)	(943,027,344)
Net changes in cash and cash equivalents	(1,793,553)	(383,898,692)
Effects of currency translation	5,845,857	(4,268,471)
Opening cash and cash equivalents	238,319,781	626,486,944
Closing cash and cash equivalents	242,372,085	238,319,781

6.2.3 SUMMIT GAZIPUR II POWER LIMITED

Directors' & Auditor's Report and
Brief Audited Financial Statements
as at and for the year ended 30 June 2021



Directors' Report on Subsidiary – SGIPL

Dear Shareholders,

Assalamu Alaikum,

The Board of Directors of Summit Gazipur II Power Limited (SGIPL) is pleased to submit before you the operational activities and audited financial statements of the Company for the year ended on 30th June 2021.

Operating Result of SGIPL

Revenue, including a fully pass-through fuel (HFO) component, over last year has increased by 119% due to higher demand of electricity generation from National Load Dispatch Centre (NLDC). Taking into consideration the effect of fuel (HFO) cost, however, the gross profit has been almost the same as last year due to the incremental variable component of revenue being absorbed by the incremental variable costs. On the other hand, the increased interest expense in the form of redeemable preference shares and long term loan has resulted in an 8.79% decrease in the net profit after tax in comparison to last year.

Particulars	FY 2021	FY 2020
Revenue (Tk in MM)	15,053	6,881
Gross Profit (Tk in MM)	3,383	3,372
Profit after income tax (Tk in MM)	2,688	2,947
Total Assets (Tk in MM)	22,028	18,740
Shareholder's Equity (Tk in MM)	8,727	6,057
Total Liabilities (Tk in MM)	13,301	12,683
Net Profit in %	17.86	42.83
Return on Assets in %	12	16
Return on Equity in %	31	49
Capacity Utilization in %	49	14
Electricity Sold (MWH)	1,280,253	365,298

Summit Gazipur II Power Limited was awarded the Silver Award at Asian Power Awards 2018 in Indonesia for Fast-Track Power Plant of the year for construction-to-power generation of 300 MW power plant in only nine months.

Business Activities including its Operating Performance

Summit Gazipur II Power Limited (SGIPL) was incorporated as a Private Limited Company on 3rd July 2017 under the Companies Act 1994. The address of the Company's registered office is at Summit Centre, 18 Kawran Bazar, Dhaka 1215. The Company started its commercial operation from 10th May 2018 in Koddia, Gazipur of its 300 MW HFO Fired power plant and is supplying generated electricity to the Bangladesh Power Development Board (BPDB) through the National Power Grid.

Auditor

Rahman Rahman Huq, Chartered Accountants, as statutory auditors of the Company has carried out the audit for the period ended on 30th June 2021.

Proposed Dividend

Your Board has recommended 72% cash dividend of Tk 10 each on 335,600,000 ordinary shares for the financial year ended on 30th June 2021 for your consideration and approval, subject to clearance of the lenders.

Thank you.

On behalf of the Board



Engr Md Mozammel Hossain
Managing Director
Dhaka, 26 September 2021



Rahman Rahman Huq

Chartered Accountants
9 & 5 Mohakhali C/A
Dhaka 1212, Bangladesh.

INDEPENDENT AUDITOR'S REPORT

to the shareholders of Summit Gazipur II Power Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Summit Gazipur II Power Limited (the "Company"), which comprise the statement of financial position as at 30 June 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that

is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Ali Ashfaq, Partner, Enrolment Number: 509
Rahman Rahman Huq, Chartered Accountants
Firm Registration Number: [N/A]
DVC: 2109300509AS146086

Dhaka, 26 September 2021

SUMMIT GAZIPUR II POWER LIMITED
STATEMENT OF FINANCIAL POSITION

Figures in BDT

Particulars	30 June 2021	30 June 2020
Assets		
Property, plant and equipment	13,602,760,110	13,949,760,314
Intangible asset	2,356,513	2,945,912
Deferred tax asset	6,150,000	3,651,700
Other asset	1,891,123,514	977,324,791
Non-current assets	15,502,390,137	14,933,682,717
Inventories	93,675,637	67,503,319
Trade receivables	3,081,708,408	1,788,793,401
Other receivables	47,503,549	6,038,816
Intercompany receivables	-	1,684,184
Advances, deposits and prepayments	100,989,346	87,608,549
Cash and cash equivalents	3,201,518,414	1,854,367,306
Current assets	6,525,395,354	3,805,995,575
Total assets	22,027,785,491	18,739,678,292
Equity		
Share capital	3,356,000,000	3,356,000,000
Hedging reserve	(16,192,140)	-
Currency translation reserve	134,031,520	132,142,569
Retained earnings	5,252,685,708	2,568,567,413
Total equity	8,726,525,088	6,056,709,982
Liabilities		
Redeemable preference shares	677,514,791	835,273,092
Loans and borrowings	9,052,315,927	9,929,573,258
Derivative financial instrument	16,201,437	-
Non-current liabilities	9,746,032,155	10,764,846,350
Liabilities		
Redeemable preference shares	158,774,094	58,144,375
Loans and borrowings	859,711,060	641,220,592
Trade payables	2,177,517,238	927,194,934
Other payables and accruals	177,703,402	288,074,901
Intercompany payables	181,522,454	3,487,158
Current liabilities	3,555,228,248	1,918,121,960
Total liabilities	13,301,260,403	12,682,968,310
Total equity and liabilities	22,027,785,491	18,739,678,292


Managing Director


Director


Company Secretary

As per our report of same date.

Dhaka, 26 September 2021



Auditor

Ali Ashfaq, Partner, Enrolment Number: 509
Rahman Rahman Huq, Chartered Accountants
KPMG in Bangladesh
Firm Registration Number: [N/A]
DVC: 2109300509AS146086

SUMMIT GAZIPUR II POWER LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in BDT

Particulars	For the year ended	
	30 June 2021	30 June 2020
Revenue	15,053,048,059	6,880,932,752
Cost of sales	(11,670,198,850)	(3,508,485,648)
Gross profit	3,382,849,209	3,372,447,104
Other income	4,962,627	1,754,909
General and administrative expenses	(92,520,032)	(100,979,100)
Operating profit	3,295,291,804	3,273,222,913
Finance income/(expense), net	(584,218,549)	(290,189,394)
Profit before tax	2,711,073,255	2,983,033,519
Income tax expense	(23,105,770)	(36,176,602)
Profit after income tax	2,687,967,485	2,946,856,917
Items that will not be reclassified to profit or loss		
Actuarial gain/(loss) on gratuity valuation, net of tax	(3,849,190)	1,920,952
	(3,849,190)	1,920,952
Items that may be reclassified subsequently to profit or loss		
Change in fair value of financial derivative instruments	(16,192,140)	-
Foreign currency translation gain/(loss)	1,888,951	24,649,138
	(14,303,189)	24,649,138
Total other comprehensive income	(18,152,379)	26,570,090
Total comprehensive income	2,669,815,106	2,973,427,007


Managing Director


Director


Company Secretary

As per our report of same date.


Auditor

Ali Ashfaq, Partner, Enrolment Number: 509
Rahman Rahman Huq, Chartered Accountants
KPMG in Bangladesh
Firm Registration Number: [N/A]
DVC: 2109300509AS146086

Dhaka, 26 September 2021

SUMMIT GAZIPUR II POWER LIMITED
STATEMENT OF CHANGES IN EQUITY

Figures in BDT

Particulars	For the year ended 30 June 2020				
	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total equity
Balance at 1 July 2019	3,356,000,000	-	107,493,431	2,497,789,544	5,961,282,975
Total comprehensive income					
Profit for the year	-	-	-	2,946,856,917	2,946,856,917
Other comprehensive income for the year	-	-	24,649,138	1,920,952	26,570,090
Total comprehensive income for the year	-	-	24,649,138	2,948,777,869	2,973,427,007
Transactions with owners of the Company					
Contribution to share money deposit	-	-	-	-	-
Transfer from intercompany loan	-	-	-	-	-
Dividend distribution	-	-	-	(2,878,000,000)	(2,878,000,000)
Total transactions with owners of the Company	-	-	-	(2,878,000,000)	(2,878,000,000)
Balance at 30 June 2020	3,356,000,000	-	132,142,569	2,568,567,413	6,056,709,982

Particulars	For the year ended 30 June 2021				
	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total equity
Balance at 1 July 2020	3,356,000,000	-	132,142,569	2,568,567,413	6,056,709,982
Total comprehensive income					
Profit for the year	-	-	-	2,687,967,485	2,687,967,485
Other comprehensive income for the year	-	(16,192,140)	1,888,951	(3,849,190)	(18,152,379)
Total comprehensive income for the year	-	(16,192,140)	1,888,951	2,684,118,295	2,669,815,106
Transactions with owners of the Company					
Dividend distribution	-	-	-	-	-
Total transactions with owners of the Company	-	-	-	-	-
Balance at 30 June 2021	3,356,000,000	(16,192,140)	134,031,520	5,252,685,708	8,726,525,088

SUMMIT GAZIPUR II POWER LIMITED
STATEMENT OF CASH FLOWS

Figures in BDT

Particulars	For the year ended	
	30 June 2021	30 June 2020
Cash flows from operating activities		
Cash received from customer	12,845,966,955	6,201,878,162
Payment to employees, suppliers and service providers	(10,142,994,302)	(2,575,121,033)
Receipts from other sources	4,967,878	1,760,122
Income taxes paid	(12,438,712)	(7,645,938)
Net cash generated from operating activities	2,695,501,819	3,620,871,313
Cash flows from investing activities		
Acquisition of property, plant and equipment	(193,742,984)	(868,712,177)
Interest received	34,469,005	817,768,595
Net cash used in investing activities	(159,273,979)	(50,943,582)
Cash flows from financing activities		
Interest and other charges paid	(585,288,474)	(789,943,004)
Dividend distribution	-	(2,878,000,000)
Proceeds from redeemable preference share	-	900,000,000
Proceeds from loans and borrowings	-	11,013,404,920
Transaction cost	(31,097,368)	(565,365,856)
Repayment of loans and borrowings	(695,195,048)	(10,535,194,463)
Repayment of redeemable preference share	(60,000,000)	-
Intercompany financing (financial support)	180,132,115	263,881,269
Net cash (used in)/generated from financing activities	(1,191,448,775)	(2,591,217,134)
Net change in cash and cash equivalents	1,344,779,065	978,710,597
Effects of currency translation	2,372,043	24,255,004
Opening cash and cash equivalents	1,854,367,306	851,401,705
Closing cash and cash equivalents	3,201,518,414	1,854,367,306

6.2.4 ACE ALLIANCE POWER LIMITED

Directors' & Auditor's Report and
Brief Audited Financial Statements
as at and for the year ended 30 June 2021



6.2.4 Directors' Report on Subsidiary – AAPL

Dear Shareholders,

Assalamu Alaikum,

The Board of Directors of Ace Alliance Power Limited (AAPL) is pleased to submit before you the operational activities and audited financial statements of the Company for the period ended on 30th June 2021

Operating Result of AAPL

Revenue, including a fully pass-through fuel (HFO) component, over last year has increased by 84% due to higher demand of electricity generation from National Load Dispatch Centre (NLDC). After considering the effect of fuel (HFO) cost, the gross profit has increased by 4% because of the increase of variable components of revenue and more efficient cost management. Decreased interest expense in the form of redeemable preference shares and long term loan has resulted in 11% increase in net profit after tax over last year.

Particulars	FY 2021	FY 2020
Revenue (Tk in MM)	8,779	4,770
Gross Profit (Tk in MM)	1,232	1,185
Profit after Income Tax (Tk in MM)	684	614
Total Assets (Tk in MM)	12,033	10,064
Shareholder's Equity (Tk in MM)	3,088	2,128
Total Liabilities (Tk in MM)	8,945	7,936
Net Profit in %	7.79	12.87
Return on Assets in %	6	6
Return on Equity in %	22	31
Capacity Utilization in %	61	31
Electricity Sold (MWH)	791,750	403,952

In implementing the Integrated Management System, the Company has adopted the Quality Policies, Environmental Policies and Occupational Health and Safety Policies. Ace Alliance Power Limited received Wärtsilä Valued Customer Recognition Award 2019 for excellent performance and co-operation in the execution of Gazipur 150 MW power project.

Business Activities including its Operating Performance

Ace Alliance Power Limited was incorporated as a Private Limited Company on 5th September 2011 under the Companies Act 1994. The address of the Company's registered office is Summit Centre, 18, Karwan Bazar C/A, Dhaka-1215. The objective of the Company is to build, own and operate a 149 MW dual fuel (HFO/Gas) power plant in Kodda, Gazipur, Bangladesh. On 24th June 2016, Aitken Spence Plc. of Sri Lanka

transferred its 6,400 shares to Summit Power Limited ("SPL") and on 29th June 2016, Alliance Holdings Limited transferred its 3,600 shares to Summit Corporation Limited ("SCL"). Since this, the Company is operating under the common management of parent Company, Summit Power Limited. The Company started its commercial operation from 12th July 2018 in Kodda, Gazipur of its 149 MW dual fuel (HFO/gas) power plant and is supplying generated electricity to the Bangladesh Power Development Board (BPDB) through the National Power Grid.

Auditor

Rahman Rahman Huq, Chartered Accountants, as statutory auditors of the Company has carried out the audit for the period ended on 30th June 2021.

Proposed Dividend

Your Board has recommended 9.5% cash dividend of Tk 10 each on 166,028,889 ordinary shares for the financial year ended on 30th June 2021 for your consideration and approval, subject to clearance of lenders.

Thank you.

On behalf of the Board



Engr Md. Mozammel Hossain
Managing Director
Dhaka, 26 September 2021



INDEPENDENT AUDITOR'S REPORT

to the shareholders of Ace Alliance Power Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ace Alliance Power Limited (the "Company"), which comprise the statement of financial position as at 30 June 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 30 June 2021, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirement that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that

Rahman Rahman Huq

Chartered Accountants

9 & 5 Mohakhali C/A

Dhaka 1212, Bangladesh.

is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and
- c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Ali Ashfaq, Partner, Enrolment Number: 509
Rahman Rahman Huq, Chartered Accountants
Firm Registration Number: [N/A]
DVC: 2109300509AS466333

Dhaka, 26 September 2021

ACE ALLIANCE POWER LIMITED
STATEMENT OF FINANCIAL POSITION

Figures in BDT

Particulars	30 June 2021	30 June 2020
Assets		
Property, plant and equipment	6,980,213,345	7,070,511,690
Intangible asset	2,356,513	2,945,913
Deferred tax asset	3,848,638	4,131,075
Other asset	877,188,630	544,888,101
Non-current assets	7,863,607,126	7,622,476,779
Inventories	76,561,461	43,275,172
Trade receivables	3,064,381,626	1,342,977,251
Other receivables	6,023,272	3,993,764
Advances, deposits and prepayments	41,328,230	63,119,919
Cash and cash equivalents	981,532,394	987,825,054
Current assets	4,169,826,983	2,441,191,160
Total assets	12,033,434,109	10,063,667,939
Equity		
Share capital	1,660,288,890	1,660,288,890
Hedging reserve	(440,257,074)	(714,221,547)
Currency translation reserve	72,744,067	72,067,611
Retained earnings	1,795,610,164	1,109,983,178
Total equity	3,088,386,047	2,128,118,132
Liabilities		
Redeemable preference shares	528,152,682	664,696,273
Loans and borrowings	4,502,134,499	4,806,959,486
Derivative financial instrument	441,801,067	715,880,679
Non-current liabilities	5,472,088,248	6,187,536,438
Redeemable preference shares	136,543,425	136,264,869
Loans and borrowings	305,108,248	449,982,892
Trade payables	2,636,479,113	959,962,800
Other payables and accruals	90,176,920	108,389,247
Intercompany payables	304,652,108	93,413,561
Current liabilities	3,472,959,814	1,748,013,369
Total liabilities	8,945,048,062	7,935,549,807
Total equity and liabilities	12,033,434,109	10,063,667,939


Managing Director


Director


Company Secretary

As per our report of same date.


Auditor

Dhaka, 26 September 2021

Ali Ashfaq, Partner, Enrolment Number: 509
Rahman Rahman Huq, Chartered Accountants
KPMG in Bangladesh
Firm Registration Number: [N/A]
DVC: 2109300509AS466333

ACE ALLIANCE POWER LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in BDT

Particulars	For the year ended	
	30 June 2021	30 June 2020
Revenue	8,778,935,921	4,770,187,485
Cost of sales	(7,546,975,844)	(3,585,583,877)
Gross profit	1,231,960,077	1,184,603,608
Other income/(expenses), net	5,389,990	1,778,231
General and administrative expenses	(57,298,093)	(63,562,705)
Operating profit	1,180,051,974	1,122,819,134
Finance income/(expense), net	(491,510,834)	(501,774,886)
Profit before tax	688,541,140	621,044,248
Income tax expense	(4,414,093)	(7,300,942)
Profit after income tax	684,127,047	613,743,306
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Actuarial gain/(loss) on gratuity valuation, net of tax	1,499,939	(2,911,105)
	1,499,939	(2,911,105)
Items that may be reclassified subsequently to profit or loss		
Foreign currency translation impact	676,456	8,010,986
Change in fair value of financial derivative instruments	273,964,473	(383,425,826)
	274,640,929	(375,414,840)
Total other comprehensive income	276,140,868	(378,325,945)
Total comprehensive income	960,267,915	235,417,361


Managing Director


Director


Company Secretary

As per our report of same date.

Dhaka, 26 September 2021


Auditor

Ali Ashfaq, Partner, Enrolment Number: 509
Rahman Rahman Huq, Chartered Accountants
KPMG in Bangladesh
Firm Registration Number: [N/A]
DVC: 2109300509AS466333

ACE ALLIANCE POWER LIMITED
STATEMENT OF CHANGES IN EQUITY

Figures in BDT

Particulars	For the year ended 30 June 2020				
	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total equity
Balance at 1 July 2019	1,660,288,890	(330,795,721)	64,056,625	499,150,977	1,892,700,771
Total comprehensive income					
Profit for the year	-	-	-	613,743,306	613,743,306
Other comprehensive income	-	(383,425,826)	8,010,986	(2,911,105)	(378,325,945)
Total comprehensive income for the year	-	(383,425,826)	8,010,986	610,832,201	235,417,361
Balance at 30 June 2020	1,660,288,890	(714,221,547)	72,067,611	1,109,983,178	2,128,118,132

Particulars	For the year ended 30 June 2021				
	Share capital	Hedging reserve	Currency translation reserve	Retained earnings	Total equity
Balance at 1 July 2020	1,660,288,890	(714,221,547)	72,067,611	1,109,983,178	2,128,118,132
Total comprehensive income					
Profit for the year	-	-	-	684,127,047	684,127,047
Other comprehensive income	-	273,964,473	676,456	1,499,939	276,140,868
Total comprehensive income for the year	-	273,964,473	676,456	685,626,986	960,267,915
Balance at 30 June 2021	1,660,288,890	(440,257,074)	72,744,067	1,795,610,164	3,088,386,047

ACE ALLIANCE POWER LIMITED
STATEMENT OF CASH FLOWS

Figures in BDT

Particulars	For the year ended	
	30 June 2021	30 June 2020
Cash flows from operating activities		
Receipts from customers	6,724,727,008	4,648,219,378
Payment to employees, suppliers and service-providers	(5,711,950,100)	(3,741,986,879)
Income taxes paid	(9,509,250)	(6,115,589)
Receipts from other sources	2,695,231	1,776,464
Net cash generated from operating activities	1,005,962,889	901,893,374
Cash flows from investing activities		
Acquisition of property, plant and equipment	(152,375,512)	(285,508,558)
Interest received and realised foreign exchange gain	10,789,931	15,623,163
Net cash used in investment activities	(141,585,581)	(269,885,395)
Cash flows from financing activities		
Interest and other charges paid	(479,056,430)	(494,653,815)
Transaction cost	-	(83,266)
Repayment of loans and borrowings	(465,416,974)	(393,170,264)
Repayment of redeemable preference share	(137,500,000)	-
Proceeds from/ (repayment to) financial support	211,259,077	93,404,300
Net cash (used in)/generated from financing activities	(870,714,327)	(794,503,045)
Net change in cash and cash equivalents	(6,337,019)	(162,495,066)
Effects of currency translation	44,359	2,666,794
Opening cash and cash equivalents	987,825,054	1,147,653,326
Closing cash and cash equivalents	981,532,394	987,825,054

6.2.5 SUMMIT CHITTAGONG POWER LIMITED

Auditor's Report and Brief Audited Financial Statements

as at and for the year ended 30 June 2021



Mak & Co.

Chartered Accountants

Mak & Co.
Chartered Accountants
BSEC Bhaban (Level-11)
102, Kazi Nazrul Islam Avenue
Karwan Bazar, Dhaka 1215

Telephone : +880 (2) 550 13647
Mobile : +88 01764 484444
: +88 01612 265262
Email : info@maknco.net
Internet : www.maknco.net

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

to the Shareholders of Summit Chittagong Power Limited

Opinion

We have audited the financial statements of Summit Chittagong Power Limited, which comprise the Statement of Financial Position (Balance Sheet) as at 30 June, 2021, Statement of Profit or Loss and Other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of Summit Chittagong Power Limited give a true and fair view of the financial position as at 30 June, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standard (IFRSs) and comply with other applicable laws and regulations.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Bangladesh, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements and Internal Controls

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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

Report on other Legal and Regulatory Requirements

In accordance with the Companies Act 1994, we also report the following:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;
- b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) The statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dhaka, 26 September 2021


Mak & Co.
Chartered Accountants

SUMMIT CHITTAGONG POWER LIMITED
STATEMENT OF FINANCIAL POSITION
 As at 30 June 2021

Figures in BDT

Particulars	30 June 2021	30 June 2020
Non-current assets		
Capital work in progress	(75,978)	15,913
	(75,978)	15,913
Current assets		
Advances, deposits and prepayments	1,525,907	1,525,907
Cash and cash equivalents	8,192,072	8,176,252
	9,717,979	9,702,159
Total assets	9,642,001	9,718,072
Shareholders' equity & liabilities		
Shareholders' equity		
Issued Subscribed & Paid Up Capital:	10,000,000	10,000,000
Retained earnings	(413,799)	(337,728)
	9,586,201	9,662,272
Liabilities		
Current liabilities		
Other liabilities	55,800	55,800
Total Liabilities	55,800	55,800
Total shareholders' equity and liabilities	9,642,001	9,718,072



Managing Director



Director



Company Secretary

Signed in terms of our separate report of even date.

Dhaka, 26 September 2021



Mak & Co.
 Chartered Accountants
 DVC: 2110031290AS597282

SUMMIT CHITTAGONG POWER LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2021

Figures in BDT

Particulars	30 June 2021	30 June 2020
Revenue		
Service charge	-	-
Other income	-	-
Operating expenses		
General & administrative expenses	(76,071)	(96,978)
Operating profit/ (loss)	(76,071)	(96,978)
Financial expense	-	-
Profit/ (loss) before tax	(76,071)	(96,978)
Less: Income tax expenses	-	-
Profit/ (loss) after income tax	(76,071)	(96,978)
Add: Other comprehensive income	-	-
Total comprehensive income	(76,071)	(96,978)



Managing Director



Director



Company Secretary

Signed in terms of our separate report of even date.

Dhaka, 26 September 2021



Mak & Co.
Chartered Accountants
DVC: 2110031290AS597282

SUMMIT CHITTAGONG POWER LIMITED
STATEMENT OF CHANGES IN EQUITY
 For the year ended 30 June 2021

Figures in BDT

Particulars	Paid up Capital	Share Money Deposit	Retained Earnings	Total Equity
Balance as at 1 July, 2019	10,000,000	-	(240,750)	9,759,250
Issue of Share	-	-	-	-
Share Money Deposit	-	-	-	-
Profit (Loss) for the Period	-	-	(96,978)	(96,978)
Balance as at 30 June , 2020	10,000,000	-	(337,728)	9,662,272
Balance as at 1 July, 2020	10,000,000	-	(337,728)	9,662,272
Issue of Share	-	-	-	-
Share Money Deposit	-	-	-	-
Profit (Loss) for the Period	-	-	(76,071)	(76,071)
Balance as at 30 June, 2021	10,000,000	-	(413,799)	9,586,201

SUMMIT CHITTAGONG POWER LIMITED
STATEMENT OF CASH FLOWS
 For the year ended 30 June 2021

Figures in BDT

Particulars	30 June 2021	30 June 2020
Cash flows from operating activities		
Payments for administrative works	(76,071)	(80,421)
Net cash used in operating activities	(76,071)	(80,421)
Cash flows from investing activities		
Capital work in progress	91,891	121,925
Net cash from investing activities	91,891	121,925
Cash flows from financing activities		
Intercompany financing	-	-
Net cash generated by financing activities	-	-
Net change in cash and cash equivalents	15,820	41,504
Opening cash and cash equivalents	8,176,252	8,134,748
Closing cash and cash equivalents	8,192,072	8,176,252



PROXY FORM

I/We of
..... being a member of Summit Power Limited hereby appoint
Mr./Ms. of
..... another member of the Company, as my proxy to attend and vote for me on my behalf at the 24th Annual General Meeting
of the Company to be held at 11.30 a.m. on 5th December 2021 through digital platform and at any adjournment thereof.

Signed this day of 2021

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

.....
Signature of the Proxy

Number of Shares held

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

Note: A member entitled to attend and vote at the Annual General Meeting may appoint at Proxy to attend and vote in his/her stead. The Proxy Form, duly stamped, must be deposited at the Registered Office/Corporate Office of the Company not later than 48 hours before the time appointed for the meeting.



Signature Verified

.....
Authorized Signature



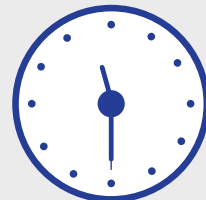
Virtual Meeting Logistics



Date
Sunday, 5th December 2021



Live Webcast
<https://summitpower.bdvirtualagm.com>

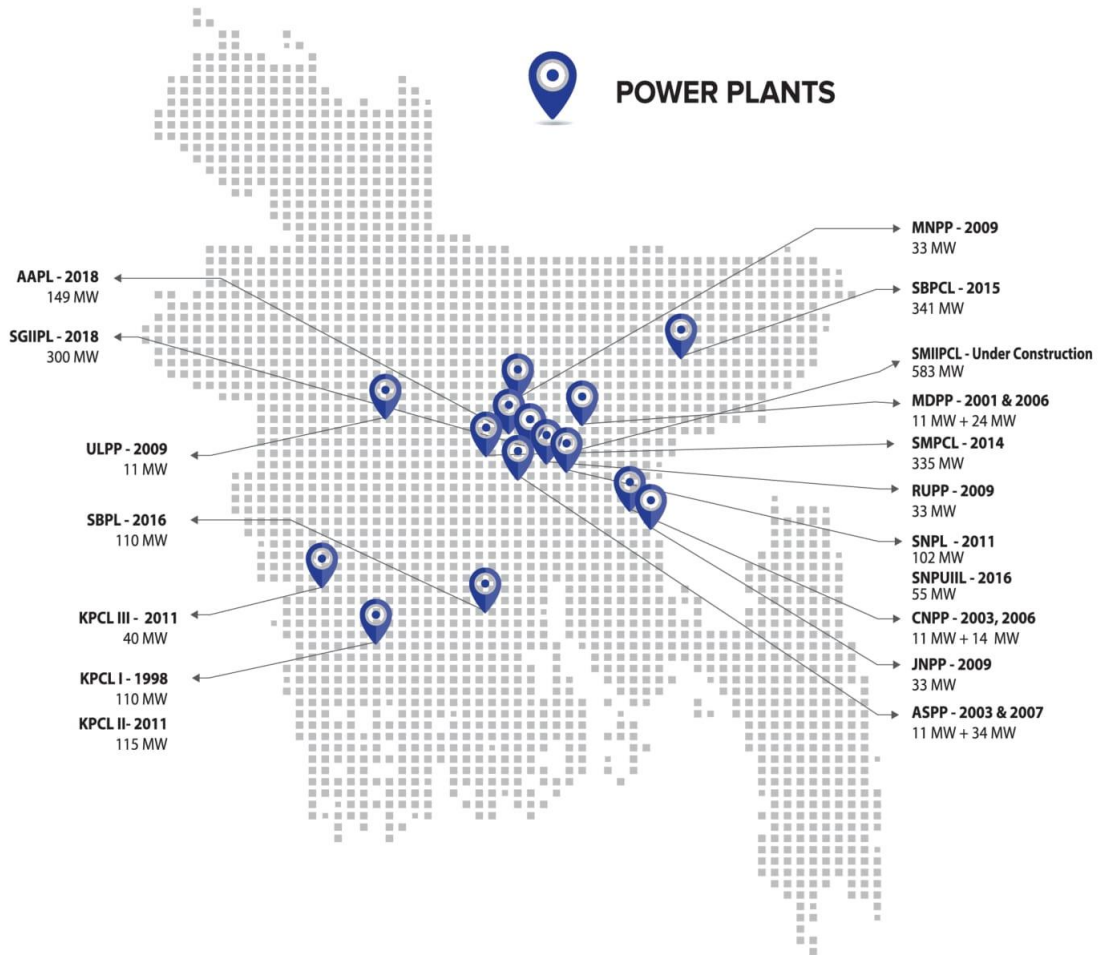


Time
11:30 AM
(Bangladesh Standard Time)

Footprint



POWER PLANTS



AAPL *Ace Alliance Power Limited*
 SGIPL *Summit Gazipur II Power Limited*
 MNPP *Maona Power Plant*
 ULPP *Ullapara Power Plant*
 ASPP *Ashulia Power Plant*
 KPCL III *Khulna Power Company Limited Unit III*
 KPCL I *Khulna Power Company Limited Unit I*
 KPCL II *Khulna Power Company Limited Unit II*
 SBPCL *Summit Bibiyana Power Company Limited*

MDPP *Madhabdi Power Plant*
 SMPCL *Summit Meghnaghat Power Company Limited*
 SMIIPCL *Summit Meghnaghat II Power Company Limited*
 RUPP *Rugganj Power Plant*
 SNPL *Summit Narayanganj Power Plant Unit I*
 SNPUIII *Summit Narayanganj Power Unit II Limited*
 CNPP *Chandina Power Plant*
 JNPP *Jangalia Power Plant*
 SBPL *Summit Barisal Power Limited*



Summit Power Limited

Summit Centre, 18, Karwan Bazar C/A, Dhaka-1215, Bangladesh
Telephone: (+8802) 55012255-56, 55012257, 55012258, 55012259
Fax: (+8802) 55012260
Email: spl.investorrelations@summit-centre.com
www.summitpowerinternational.com/spl

Summit funded newly-built '38 No. Kalakoir Government Primary School' constructed on 0.8 acres of land. Given one of the top reasons for girls to drop out of school in Bangladesh is lack of washrooms, we have built twelve washrooms. The school has a boundary wall to secure the property and has provision for a science lab, library, canteen, pantry and parents' waiting room.



summitpowerintl



summitpowerintl



Summit Power International



Summit Power International