

Summit Power Limited

Report and financial statements as at and
as at and for the year ended 30 June 2018



Rahman Rahman Huq
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Independent Auditor's Report to the Shareholders of Summit Power Limited

Report on the financial statements

We have audited the accompanying consolidated financial statements of Summit Power Limited and its subsidiary and associate ("the Group") as well as the separate financial statements of Summit Power Limited ("the Company"), which comprise the consolidated and the separate statements of financial position as at 30 June 2018, statements of profit or loss and other comprehensive income, statements of changes in equity, statements of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information. The financial statements of three subsidiaries as disclosed in Note 49 to these financial statements were not audited by us.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements of the Group and the separate financial statements of the Company in accordance with Bangladesh Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements of the Company that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the consolidated financial statements of the Group and the separate financial statements of the Company based on our audit. We conducted our audit in accordance with Bangladesh Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements of the Group and the separate financial statements of the Company are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements of the Group and the separate financial statements of the Company give a true and fair view of the financial position of the Group as well as the Company as at 30 June 2018, and of their financial performance and their cash flows for the year then ended in accordance with Bangladesh Financial Reporting Standards.

RRH



Rahman Rahman Huq
Chartered Accountants

Emphasis of Matter

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

Note 11.1: Management explains that the receivables from Bangladesh Rural Electrification Board is recoverable based on the outcome of writ petition in the High Court Division of the Supreme Court.

Our opinion is not qualified with regard to the above matter.

Report on other legal and regulatory requirements

In accordance with the Companies Act 1994 and the Securities and Exchange Rules 1987, 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 account as required by law have been kept by the Company so far as it appeared from our examination of these books;
- c) the consolidated and the separate statements of financial position and statements of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account; and
- (d) the expenditure incurred was for the purposes of the Company's/Group's business.

Dhaka, 21 OCT 2018

RRH


Rahman Rahman Huq

Summit Power Limited
Statement of financial position

In BDT	Note	Consolidated			Separate		
		30 June 2018	30 June 2017	1 July 2016	30 June 2018	30 June 2017	1 July 2016
			[Restated]	[Restated]		[Restated]	[Restated]
Assets							
Property, plant and equipment	4	39,052,567,510	21,329,114,729	20,811,451,037	11,966,100,432	12,331,140,104	12,815,990,164
Intangible assets	5	47,959,853	37,947,094	38,280,428	17,179,235	7,166,677	7,500,011
Investment in subsidiaries	6	-	-	-	2,126,981,381	1,156,981,381	616,981,381
Investment in associates	7	5,708,245,782	5,257,490,254	4,647,466,488	3,801,772,452	3,801,772,452	3,601,772,452
Deferred tax asset	8	34,821,425	23,248,750	19,412,700	30,092,575	21,688,500	18,734,750
Available-for-sale financial assets	9	4,320,803,275	3,788,733,686	4,145,858,775	4,320,803,275	3,786,733,886	4,145,858,775
Non-current assets		49,164,397,645	30,434,534,513	29,662,269,408	22,262,929,351	21,105,482,800	21,606,837,533
Inventories	10	616,243,162	527,357,510	535,601,665	468,718,263	451,279,796	503,357,767
Trade receivables	11	9,177,390,005	6,583,528,734	5,964,943,314	5,369,750,911	4,952,812,188	4,003,827,573
Other receivables	12	60,253,599	100,760,859	48,897,746	54,442,524	95,309,287	39,588,207
Intercompany receivables	13	-	-	-	249,516,371	182,083,933	25,313,590
Advances, deposits and prepayments	14	445,348,212	271,114,363	418,971,414	146,757,621	178,723,920	359,802,682
Cash and cash equivalents	15	4,881,992,406	4,913,073,317	1,896,508,535	3,070,884,147	3,530,471,298	1,454,935,874
Current assets		15,181,227,384	12,375,934,592	8,862,922,674	9,360,049,837	9,390,680,402	6,386,805,480
Total assets		64,345,625,029	42,810,369,105	38,525,192,082	31,822,979,188	30,496,143,202	27,993,443,028
Equity							
Share capital	16	10,678,772,390	10,678,772,390	8,760,007,210	10,878,772,390	10,678,772,390	8,760,007,210
Share premium	17	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639
Revaluation reserve	18	982,964,725	1,002,086,449	1,018,339,897	982,964,725	1,002,086,449	1,018,339,897
Fair value reserve		686,641,624	152,572,035	511,497,124	686,641,624	152,572,035	511,497,124
Shares to be issued on amalgamation		-	-	1,918,765,180	-	-	1,918,765,180
Capital reserve		1,868,093,205	1,668,093,205	1,674,397,994	1,668,093,205	1,688,093,205	1,674,397,994
Currency translation reserve		33,270,616	-	-	-	-	-
Retained earnings		12,849,427,782	11,341,109,707	7,055,727,287	10,094,055,565	9,382,924,582	6,019,612,837
Equity attributable to owners of the Company		33,378,267,981	31,321,731,425	27,417,832,331	30,589,625,148	29,363,546,300	26,381,917,861
Non-controlling interests	19	3,521,273,883	1,755,013,645	1,017,622,473	-	-	-
Total equity		36,899,541,864	33,076,745,070	28,435,454,804	30,589,625,148	29,363,548,300	26,381,917,861
Liabilities							
Redeemable preference shares - non current	20	826,398,267	983,677,920	-	-	-	-
Loans and borrowings - non current	21	5,401,218,269	5,755,334,936	-	-	-	-
Deferred liabilities	22	202,256,860	156,464,000	139,706,879	188,745,860	151,949,000	137,769,879
Non-current liabilities		6,429,873,396	6,895,476,856	139,706,879	188,745,860	151,949,000	137,769,879
Unclaimed dividends	23	58,429,846	43,380,882	185,051,305	58,429,846	43,380,882	185,051,305
Redeemable preference shares - current	20	157,279,653	-	1,301,682,020	-	-	312,254,100
Loans and borrowings - current	21	15,948,932,217	467,924,889	5,828,046,277	-	-	-
Trade payables	24	3,610,508,096	2,073,268,587	2,280,945,922	658,031,052	810,341,492	885,435,461
Other payables and accruals	25	363,059,957	253,572,841	354,304,875	128,147,282	126,925,528	111,014,400
Intercompany payables	26	878,000,000	-	-	-	-	-
Current liabilities		21,016,209,769	2,838,147,179	9,950,030,399	844,608,180	980,647,902	1,473,755,266
Total liabilities		27,446,083,165	9,733,824,035	10,089,737,278	1,033,354,040	1,132,596,902	1,611,525,145
Total equity and liabilities		64,345,625,029	42,810,369,105	38,525,192,082	31,822,979,188	30,496,143,202	27,993,443,028

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


Managing Director


Director


Company Secretary

As per our report of same date.


Auditor

Dhaka, 21 OCT 2018

RRH

Rahman Rahman Huq
Chartered Accountants

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

In BDT	Note	Consolidated		Separate	
		For the year ended		For the year ended	
		30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Revenue	27	18,467,638,287	16,213,948,333	8,800,057,604	8,840,783,464
Cost of sales	28	(13,062,978,853)	(11,849,136,720)	(5,018,544,136)	(5,770,708,248)
Gross profit		5,404,659,434	4,364,811,613	3,781,513,468	3,070,075,216
Other income, net	29	340,618,918	232,521,863	340,155,775	531,195,489
General and administrative expenses	30	(460,888,582)	(419,007,008)	(404,519,418)	(370,823,340)
Operating profit		5,284,389,770	4,178,326,468	3,717,149,825	3,230,447,365
Finance income/(expenses), net	31	(428,239,553)	(496,802,160)	191,544,076	110,992,182
Share of profit of equity-accounted investees	7	450,755,528	910,023,786	-	-
Profit before tax		5,306,905,745	4,591,548,094	3,908,693,901	3,341,439,547
Income tax expenses	32	(32,533,280)	3,985,150	3,054,825	3,555,000
Profit after income tax		5,274,372,465	4,595,533,244	3,911,748,726	3,344,994,547
Other comprehensive income					
Items that will not be reclassified to profit or loss					
Revaluation surplus on land		-	-	-	-
Related tax on revaluation surplus		-	-	-	-
Actuarial gain/(loss) on gratuity valuation	32.2	(28,331,000)	1,136,000	(21,477,000)	2,485,000
Related tax on gain/(loss) on gratuity valuation		7,788,150	(149,100)	5,369,250	(621,250)
		(20,562,850)	986,900	(16,107,750)	1,863,750
Items that may be reclassified subsequently to profit or loss					
Available-for-sale financial assets - net change in fair value	9	534,069,589	(358,925,089)	534,069,589	(358,925,089)
Related tax on available-for-sale financial assets		-	-	-	-
		534,069,589	(358,925,089)	534,069,589	(358,925,089)
Foreign currency translation differences		65,058,078	-	-	-
		65,058,078	-	-	-
Other comprehensive income		578,564,817	(357,938,189)	517,961,839	(357,061,339)
Total comprehensive income		5,852,937,282	4,237,595,055	4,429,710,565	2,967,933,208
Profit attributable to:					
Owners of the Company		4,696,084,430	4,287,694,878	-	-
Non-controlling interests		578,288,035	327,838,366	-	-
		5,274,372,465	4,595,533,244	-	-
Other comprehensive income attributable to:					
Owners of the Company		549,049,456	(357,490,995)	-	-
Non-controlling interests		29,515,361	(447,194)	-	-
		578,564,817	(357,938,189)	-	-
Total comprehensive income attributable to:					
Owners of the Company		5,245,133,886	3,910,203,863	-	-
Non-controlling interests		607,803,396	327,391,172	-	-
		5,852,937,282	4,237,595,055	-	-
Earnings per share					
Basic earnings per share (face value BDT 10)	33.1	4.40	4.00	3.66	3.13

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


Managing Director


Director


Company Secretary

As per our report of same date.


Auditor

Dhaka, 21 OCT 2018

RRH

Rahman Rahman Huq
Chartered Accountants

Summit Power Limited
Consolidated statement of changes in equity

In BDT	Note	Attributable to owners of the Company							Non-controlling interests	Total equity		
		Share capital	Share premium	Revaluation reserve	Fair value reserve	Shares to be issued on amalgamation	Capital reserve	Currency translation reserve			Retained earnings	Total
Balance at 1 July 2016, as previously reported		8,780,007,210	6,479,097,639	1,018,339,901	512,062,473	1,918,765,180	1,674,397,994	-	6,983,158,258	27,345,828,855	1,017,339,650	28,363,188,305
Prior year's adjustments	45	-	-	(4)	(565,349)	-	-	-	72,568,029	72,003,676	262,823	72,288,499
Restated balance at 1 July 2018		8,780,007,210	6,479,097,639	1,018,339,897	511,497,124	1,918,765,180	1,674,397,994	-	7,055,727,287	27,417,832,331	1,017,622,473	28,435,454,804
Total comprehensive income (restated)												
Profit		-	-	-	-	-	-	-	4,267,694,878	4,267,694,878	327,838,366	4,595,533,244
Other comprehensive income		-	-	-	(358,925,089)	-	-	-	1,434,094	(357,490,995)	(447,194)	(357,938,189)
Total comprehensive income (restated)		-	-	-	(358,925,089)	-	-	-	4,269,128,972	3,910,203,883	327,391,172	4,237,585,055
Transaction with owners of the Company												
Cash dividend		-	-	-	-	-	-	-	-	-	-	-
Issue of ordinary shares on amalgamation		1,918,765,180	-	-	-	(1,918,765,180)	-	-	-	-	-	-
Equity capital of non-controlling interest		-	-	-	-	-	-	-	-	-	410,000,000	410,000,000
Total transactions with owners of the Company		1,918,765,180	-	-	-	(1,918,765,180)	-	-	-	-	410,000,000	410,000,000
Transactions recognised directly in equity												
Expense on account of amalgamation		-	-	-	-	-	(6,304,789)	-	-	(6,304,789)	-	(6,304,789)
Transfer from revaluation reserve to retained earnings		-	-	(16,253,448)	-	-	-	-	18,253,448	-	-	-
Total transactions recognised directly in equity		-	-	(16,253,448)	-	-	(6,304,789)	-	16,253,448	(6,304,789)	-	(6,304,789)
Restated balance at 30 June 2017		10,878,772,390	8,479,097,639	1,002,086,448	152,572,035	-	1,688,093,205	-	11,341,109,707	31,321,731,425	1,755,013,645	33,076,745,070
Balance at 1 July 2017		10,878,772,390	8,479,097,639	1,002,088,449	152,572,035	-	1,888,093,205	-	11,341,109,707	31,321,731,426	1,755,013,645	33,076,745,070
Total comprehensive income												
Profit		-	-	-	-	-	-	-	4,898,084,430	4,898,084,430	578,285,036	5,274,372,466
Other comprehensive income		-	-	-	534,069,589	-	-	33,270,816	(18,290,749)	649,049,456	29,816,381	578,884,817
Total comprehensive income		-	-	-	534,069,589	-	-	33,270,816	4,677,793,681	5,245,133,886	807,803,398	5,852,937,262
Transaction with owners of the Company												
Cash dividend		-	-	-	-	-	-	-	(3,203,831,717)	(3,203,831,717)	-	(3,203,831,717)
Issue of ordinary shares on amalgamation		-	-	-	-	-	-	-	-	-	-	-
Equity capital of non-controlling interest		-	-	-	-	-	-	-	-	-	1,150,000,000	1,150,000,000
Total transactions with owners of the Company		-	-	-	-	-	-	-	(3,203,831,717)	(3,203,831,717)	1,150,000,000	(2,053,831,717)
Transactions recognised directly in equity												
Expense on account of amalgamation		-	-	-	-	-	-	-	-	-	-	-
Adjustment due to change in the functional currency		-	-	-	-	-	-	-	15,034,387	15,034,387	8,468,842	23,481,229
Transfer from revaluation reserve to retained earnings		-	-	(19,121,724)	-	-	-	-	19,121,724	-	-	-
Total transactions recognised directly in equity		-	-	(19,121,724)	-	-	-	-	34,158,111	15,034,387	8,468,842	23,481,229
Balance at 30 June 2018		10,878,772,390	8,479,097,639	982,964,725	888,641,624	-	1,688,093,205	33,270,816	12,849,427,782	33,376,267,981	3,521,273,883	36,899,541,864

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



Summit Power Limited
Separate statement of changes in equity

<i>In BDT</i>	Note	Share capital	Share premium	Revaluation reserve	Fair value reserve	Shares to be issued on amalgamation	Capital reserve	Retained earnings	Total Equity
Balance at 1 July 2016, as previously reported		8,760,007,210	6,479,097,639	1,018,339,901	512,062,473	1,918,765,180	1,674,397,994	5,997,801,102	26,360,471,499
Prior year's adjustments	45			(4)	(565,349)			22,011,735	21,446,382
Restated balance at 1 July 2016		8,760,007,210	6,479,097,639	1,018,339,897	511,497,124	1,918,765,180	1,674,397,994	6,019,812,837	26,381,917,881
Total comprehensive income (restated)									
Profit		-	-	-	-	-	-	3,344,994,547	3,344,994,547
Other comprehensive income		-	-	-	(358,925,089)	-	-	1,863,750	(357,061,339)
Total comprehensive income (restated)		-	-	-	(358,925,089)	-	-	3,346,858,297	2,987,933,208
Transaction with owners of the company									
Issue of ordinary shares on amalgamation		1,918,765,180	-	-	-	(1,918,765,180)	-	-	-
Total transactions with owners of the company		1,918,765,180	-	-	-	(1,918,765,180)	-	-	-
Transactions recognised directly in equity									
Transfer from revaluation reserve to retained earnings		-	-	(16,253,448)	-	-	-	16,253,448	-
Expense on account of amalgamation		-	-	-	-	-	(6,304,789)	-	(6,304,789)
Total transactions recognised directly in equity		-	-	(16,253,448)	-	-	(6,304,789)	16,253,448	(6,304,789)
Balance as at 30 June 2017		10,678,772,390	6,479,097,639	1,002,086,449	152,572,035	-	1,668,093,205	9,382,924,582	29,363,546,300
Balance at 1 July 2017		10,678,772,390	6,479,097,639	1,002,086,449	152,572,035	-	1,668,093,205	9,382,924,582	29,363,546,300
Total comprehensive income									
Profit		-	-	-	-	-	-	3,911,748,726	3,911,748,726
Other comprehensive income		-	-	-	534,069,589	-	-	(16,107,750)	517,961,839
Total comprehensive income		-	-	-	534,069,589	-	-	3,895,640,976	4,429,710,565
Transaction with owners of the company									
Cash dividend		-	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)
Total transactions with owners of the company		-	-	-	-	-	-	(3,203,631,717)	(3,203,631,717)
Transactions recognised directly in equity									
Transfer from revaluation reserve to retained earnings		-	-	(19,121,724)	-	-	-	19,121,724	-
Total transactions recognised directly in equity		-	-	(19,121,724)	-	-	-	19,121,724	-
Balance at 30 June 2018		10,678,772,390	6,479,097,639	982,964,725	686,641,624	-	1,668,093,205	10,094,055,565	30,589,625,148

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



Summit Power Limited
Statement of cash flows

<i>In BDT</i>	Consolidated		Separate	
	For the year ended		For the year ended	
	30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Cash flows from operating activities				
Receipts from customers	16,160,982,645	15,615,362,913	8,383,118,861	7,891,798,869
Payment to employees, suppliers and service-providers	(11,349,844,760)	(11,349,859,365)	(4,766,069,555)	(5,216,781,979)
Receipts from other sources	59,252,272	12,166,712	51,686,158	6,464,076
Income tax paid	(19,630,517)	(1,957,657)	-	-
Net cash from operating activities	4,850,759,640	4,275,712,603	3,668,735,464	2,681,480,966
Cash flows from investing activities				
Interest received	278,853,755	109,290,993	186,079,369	84,420,178
Acquisition of property, plant and equipment	(18,586,769,932)	(1,484,342,029)	(432,684,596)	(245,643,075)
Acquisition of intangible asset	(10,345,895)	-	(10,345,895)	-
Proceeds for disposal of property, plant and equipment	3,706,650	1,150,000	3,706,650	1,150,000
Acquisition of subsidiary	-	-	(970,000,000)	(340,000,000)
Intercompany financing - payment on behalf	-	-	(67,432,438)	(156,770,343)
Dividends received from AFS financial assets	-	223,071,548	350,917,048	223,071,548
Dividends received from equity accounted investees	350,917,048	300,000,000	-	300,000,000
Net cash used in investing activities	(17,963,638,374)	(850,829,488)	(939,759,862)	(1,33,771,692)
Cash flows from financing activities				
Interest paid	(498,733,846)	(643,925,703)	-	(11,944,338)
Proceeds from issue of share capital (NCI)	1,100,000,000	410,000,000	-	-
Repayment of redeemable preference shares	-	(314,324,100)	-	(312,254,100)
Repayment of loans and borrowings	(384,608,890)	(3,821,999,778)	-	-
Proceeds from loans and borrowings	15,114,148,698	4,113,586,460	-	-
Transaction cost	(2,012,067)	(9,984,789)	-	(6,304,789)
Proceeds from/(repayment of) intercompany financing	903,798,030	-	-	-
Dividends paid	(3,188,582,753)	(141,670,423)	(3,188,582,753)	(141,670,423)
Net cash generated from/(used in) financing activities	13,044,009,172	(408,318,333)	(3,188,582,753)	(472,173,650)
Net changes in cash and cash equivalents	(68,869,562)	3,016,564,782	(459,607,151)	2,075,535,624
Effects of currency translation	37,788,651	-	-	-
Opening cash and cash equivalents	4,913,073,317	1,896,508,535	3,530,471,298	1,454,935,674
Closing cash and cash equivalents	4,881,992,406	4,913,073,317	3,070,864,147	3,530,471,298

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



Notes to the financial statements

1 Reporting entity

1.1 Company profile

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

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

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

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

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

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

1.2 Nature of business

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

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



Notes to the financial statements

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

* Development of this power plant is yet to initiate.

2 Basis of preparation

2.1 Statement of compliance

The financial statements (consolidated and separate financial statements) have been prepared in accordance with Bangladesh Financial Reporting Standards (BFRSs), Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

2.2 Authorisation for issue

The financial statements were authorised by the Board of Directors on **21 OCT 2018** for publication.

2.3 Basis of measurement

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

2.4 Functional and presentational currency and level of precision

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

2.5 Reporting period

The financial period of the Company/Group covers one year from 1 July to 30 June.

Details of the Company's accounting policies are included in Note 47.

3 Use of estimates and judgements

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

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

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the period ended 30 June 2018 is included in the following notes:

Note 4 and 47.B.v	Depreciation
Note 5 and 47.C.iii	Amortisation
Note 22	Deferred liabilities
Note 25	Other payables and accruals
Note 41	Contingent liabilities



4 Property, plant and equipment

See accounting policies in Note 47(B)

Consolidated

In BDT	Cost/Revaluation					Rate - %	Depreciation					Written down value at 30 June 2018
	Balance at 1 July 2017	Addition/transfer in	Disposal/transfer out	Movement of exchange rate	Balance at 30 June 2018		Balance at 1 July 2017	Addition/transfer in	Disposal/transfer out	Movement of exchange rate	Balance at 30 June 2018	
For the year ended 30 June 2018												
a) Own assets : I) Cost												
Land and land development	924,771,550	188,175,304	(181,061,325)	3,520,423	953,406,952	-	-	-	-	-	-	953,406,952
Furniture and fixtures	28,071,146	5,382,548	-	43,014	31,508,708	10	10,769,370	2,598,652	-	1,578	13,369,598	18,137,110
Office and electrical equipment	51,430,101	21,764,546	(47,000)	211,582	73,359,209	20	33,167,429	7,485,466	(38,832)	8,471	40,822,683	32,736,886
Office decoration	28,050,339	1,883,889	-	-	29,704,028	20	28,801,001	850,038	-	-	27,251,039	2,452,989
Motor vehicles	138,128,544	43,091,518	(15,598,600)	382,224	164,003,784	20	89,052,898	14,730,440	(15,598,600)	40,076	88,228,912	76,778,672
Maintenance equipment	27,180,363	5,705,226	-	-	32,885,578	20	17,908,840	3,331,814	-	-	21,240,764	11,844,824
Civil works and others	208,801,320	18,087,864	-	-	224,889,004	20	145,923,882	31,825,857	-	-	177,549,839	47,339,155
Plant and machineries:												
Ashulia Power Plant (Unit-1)	454,204,689	3,752,088	-	-	467,956,738	3.33 - 10	228,291,221	28,754,654	-	-	266,046,876	202,910,863
Ashulia Power Plant (Unit-2)	1,486,580,547	14,878,302	-	-	1,480,458,849	3.33 - 16.87	464,870,733	77,230,321	-	-	532,101,053	948,356,796
Madhabdi Power Plant (Unit-1)	413,433,901	8,307,164	-	-	421,741,066	3.33 - 10	267,923,385	26,557,864	-	-	293,481,030	128,260,035
Madhabdi Power Plant (Unit-2)	988,239,163	17,268,038	-	-	1,005,495,201	3.33 - 16.87	383,054,823	42,930,260	-	-	426,984,674	679,500,327
Chandina Power Plant (Unit-1)	482,338,094	6,062,882	-	-	488,388,968	3.33 - 10	267,836,069	26,371,520	-	-	263,207,909	185,181,047
Chandina Power Plant (Unit-2)	808,371,334	18,437,847	-	-	824,809,261	3.33 - 18.67	233,046,516	27,778,976	-	-	280,824,491	383,984,790
Jengalie Power Plant	1,612,454,446	8,735,729	-	-	1,619,190,175	3.33 - 18.87	398,316,930	69,458,480	-	-	466,775,390	1,053,414,786
Rupganj Power Plant	1,457,317,703	66,336,842	-	-	1,512,863,346	3.33 - 16.67	400,112,796	73,916,448	-	-	474,028,243	1,038,826,102
Maone Power Plant	1,387,126,087	37,214,090	-	-	1,434,339,147	3.33 - 18.87	428,880,120	83,376,098	-	-	490,236,218	944,103,929
Ullapara Power Plant	611,740,411	31,243,928	-	-	642,984,339	3.33 - 16.67	176,639,690	20,588,186	-	-	197,227,866	346,756,483
Madanganj Power Plant	5,134,635,936	174,235,678	-	-	6,309,071,612	3.33 - 16.87	1,131,216,679	259,767,129	-	-	1,390,982,708	3,918,088,804
Rupailoil Power Plant	6,161,369,182	89,003,003	-	-	6,260,372,186	3.33 - 6	217,168,412	169,843,878	-	-	407,000,090	4,843,372,086
Madanganj Power Plant (Unit-2)	2,874,067,876	92,977,497	-	-	2,787,035,373	3.33 - 6	118,023,843	96,664,800	-	-	216,808,244	2,561,427,130
Kodda Power Plant (Unit-2)	-	12,636,447,438	-	244,976,413	12,780,322,851	3.33 - 6	-	71,267,479	-	1,392,164	72,869,883	12,707,863,188
Total (i)	23,643,487,872	13,388,746,798	(178,704,825)	249,032,838	37,064,671,281		5,016,780,233	1,130,848,131	(15,635,332)	1,442,307	8,132,433,339	30,952,137,942
a) Own assets : II) Revaluation												
Land and land development	669,663,962	-	-	-	669,663,962	-	-	-	-	-	-	669,663,962
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)	168,227,803	-	-	-	168,227,803	3.33 - 10	40,863,958	5,540,880	-	-	48,404,838	118,823,066
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	3,310,422	3.33 - 16.87	813,813	110,352	-	-	924,166	2,388,257
Madhabdi Power Plant (Unit-1)	181,683,341	-	-	-	181,683,341	3.33 - 10	39,741,844	5,388,720	-	-	45,130,564	116,532,777
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	79,752,991	3.33 - 16.87	19,805,738	2,858,420	-	-	22,264,168	67,488,833
Chandina Power Plant (Unit-1)	148,384,742	-	-	-	148,384,742	3.33 - 10	38,885,900	4,879,440	-	-	40,865,340	105,519,402
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	16,317,466	3.33 - 16.67	4,011,340	643,912	-	-	4,566,252	11,782,214
Total (ii)	1,166,322,966	-	-	-	1,166,322,966		164,024,730	19,121,724	-	-	173,146,454	983,176,501
Total assets (a)	24,799,820,827	13,388,746,798	(178,704,825)	249,032,838	38,240,894,238		5,169,804,964	1,149,967,856	(15,835,332)	1,442,307	8,305,579,793	31,935,314,443
b) Spare parts												
Stock in hand**	749,005,147	678,728,067	(464,166,218)	-	973,676,986	3.33 - 50	109,363,833	64,275,917	(31,893,998)	-	131,746,753	641,830,233
Stock in transit*	113,220,889	984,219,054	(904,875,913)	-	192,764,020	-	-	-	-	-	-	192,764,020
Total spare parts (b)	862,226,016	1,862,946,121	(1,368,831,131)	-	1,166,340,006		109,363,833	64,275,917	(31,893,998)	-	131,746,753	1,034,594,253
c) Capital work-in progress												
Capital work in progress	946,236,882	4,979,104,645	-	167,317,286	6,082,658,814	-	-	-	-	-	-	6,082,658,814
Total capital work-in progress (c)	946,236,882	4,979,104,645	-	167,317,286	6,082,658,814	-	-	-	-	-	-	6,082,658,814
Total (a+b+c)	28,608,283,825	20,010,795,566	(1,536,636,958)	408,349,922	45,489,993,057		5,279,168,797	1,204,243,772	(47,629,330)	1,442,307	8,437,326,546	38,052,587,610

* BDT 678,728,057 of transfer out was taken to stock in hand and BDT 225,949,858 was taken to inventories.

** BDT 454,155,218 of transfer out was taken to plant and machineries.



Notes to the financial statements (Continued)

In BDT	For the year ended 30 June 2017									
	Cost/Revaluation				Rate %	Depreciation				Written down value at 30 June 2017
	Balance at 1 July 2016	Addition/ transfer In	Disposal/ transfer out	Balance at 30 June 2017		Balance at 1 July 2016	Addition/ transfer In	Disposal/ transfer out	Balance at 30 June 2017	
a) Own assets : I) Cost										
Land and land development	835,064,623	69,706,927	-	924,771,550	-	-	-	-	-	924,771,550
Furniture and fixtures	20,998,729	5,074,417	-	26,073,146	10	8,476,359	2,293,011	-	10,769,370	15,303,776
Office and electrical equipment	42,933,247	8,496,854	-	51,430,101	20	27,308,179	5,859,250	-	33,167,429	18,262,672
Office decoration	26,791,843	1,258,496	-	28,050,339	20	25,810,893	790,108	-	26,601,001	1,449,338
Motor vehicles	101,641,294	39,477,500	(4,992,250)	138,126,544	20	90,574,275	3,470,871	(4,992,250)	89,052,896	47,073,648
Maintenance equipment	22,242,020	4,938,333	-	27,180,353	20	13,781,880	4,127,080	-	17,908,940	9,271,413
Civil works and others	199,375,959	9,425,361	-	208,801,320	20	113,661,457	32,262,425	-	145,923,882	62,877,436
Plant and machineries:										
Ashulia Power Plant (Unit-1)	432,983,617	21,221,052	-	454,204,669	3.33 - 10	207,294,195	20,997,027	-	228,291,221	225,913,448
Ashulia Power Plant (Unit-2)	1,448,546,111	85,880,782	(48,648,348)	1,485,560,547	3.33 - 18.67	424,818,160	76,698,919	(48,646,348)	454,870,733	1,010,709,814
Madhabdi Power Plant (Unit-1)	413,433,901	-	-	413,433,901	3.33 - 10	250,408,181	17,515,185	-	287,923,385	145,510,535
Madhabdi Power Plant (Unit-2)	988,239,163	-	-	988,239,163	3.33 - 16.67	349,774,296	33,290,328	-	383,064,623	605,174,540
Chendina Power Plant (Unit-1)	458,516,094	5,820,000	-	462,336,094	3.33 - 10	239,263,401	18,572,689	-	257,838,089	204,500,005
Chandina Power Plant (Unit-2)	608,371,334	-	-	608,371,334	3.33 - 16.67	214,707,764	18,337,751	-	233,045,515	375,325,819
Jangalia Power Plant	1,468,098,009	87,512,577	(83,154,140)	1,512,454,446	3.33 - 16.67	389,725,222	69,745,848	(83,154,140)	398,318,930	1,116,137,516
Rupganj Power Plant	1,452,657,756	14,915,059	(10,255,112)	1,457,317,703	3.33 - 18.67	349,428,596	60,938,310	(10,255,112)	400,112,795	1,057,204,908
Maona Power Plant	1,397,125,057	-	-	1,397,125,057	3.33 - 16.67	360,404,783	66,455,337	-	426,860,120	970,284,938
Ullapara Power Plant	511,740,411	-	-	511,740,411	3.33 - 16.67	148,718,294	27,921,395	-	176,639,690	335,100,721
Madanganj Power Plant	5,134,835,936	-	-	5,134,835,936	3.33 - 16.67	912,761,990	218,453,589	-	1,131,215,579	4,003,620,357
Rupaolj Power Plant	5,021,988,777	139,400,405	-	5,181,389,182	3.33 - 5	42,785,551	174,370,861	-	217,156,412	4,944,212,770
Madanganj Power Plant (Unit-2)	2,592,454,713	81,603,183	-	2,674,057,878	3.33 - 5	29,425,937	89,597,706	-	119,023,643	2,555,034,233
Total (I)	23,198,014,594	574,530,926	(127,047,848)	23,643,497,872		4,199,129,392	943,898,689	(127,047,848)	5,015,780,233	18,627,717,439
a) Own assets : II) Revaluation										
Land and land development	569,683,952	-	-	569,683,952	-	-	-	-	-	569,683,952
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	36,154,214	4,709,744	-	40,863,958	125,383,945
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 18.67	720,017	93,796	-	813,813	2,496,609
Madhabdi Power Plant (Unit-1)	161,863,341	-	-	161,863,341	3.33 - 10	35,181,428	4,580,416	-	39,741,844	121,921,497
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 18.67	17,348,094	2,259,644	-	19,605,738	60,147,253
Chendina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 10	31,838,372	4,147,528	-	35,985,900	110,398,842
Chendina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 18.67	3,549,016	482,324	-	4,011,340	12,306,126
Total (II)	1,156,322,955	-	-	1,156,322,955		137,771,278	16,253,452	-	154,024,730	1,002,298,225
Total assets (a)	24,352,337,549	574,530,926	(127,047,848)	24,799,820,827		4,336,900,670	959,952,141	(127,047,848)	5,169,804,964	19,630,015,664
b) Spare parts										
Stock in hand**	671,087,796	655,292,137	(577,374,786)	749,005,147	3.33 - 50	65,923,082	43,440,751	-	109,363,833	639,641,314
Stock in transit*	157,981,368	948,947,443	(993,707,940)	113,220,869	-	-	-	-	-	113,220,869
Total spare parts (b)	829,069,162	1,604,239,580	(1,571,082,726)	862,226,016		65,923,082	43,440,751	-	109,363,833	752,862,183
c) Capital work-in progress										
Capital work in progress	32,868,078	913,368,804	-	948,236,882	-	-	-	-	-	948,236,882
Total capital work-in progress (c)	32,868,078	913,368,804	-	948,236,882		-	-	-	-	948,236,882
Total (a+b+c)	25,214,274,789	3,092,139,310	(1,698,130,574)	26,608,283,526		4,402,823,752	1,003,392,892	(127,047,848)	5,279,188,797	21,329,114,729

* BDT 655,292,137 of transfer out was taken to stock in hand and BDT 338,415,803 was taken to inventories.

** BDT 577,374,786 of transfer out was taken to plant and machineries.



Notes to the financial statements (Continued)

In BDT	For the year ended 30 June 2018										value at 30 June 2018			
	Cost/Revaluation					Rate %	Depreciation							
	Balance at 1 July 2016	Addition/ Due to amalgamation	Transfer in After amalgamation	Disposal/ Transfer out Due to amalgamation	Disposal/ Transfer out		Balance at 30 June 2016	Balance at 1 July 2016	Addition/ Due to amalgamation	Transfer in After amalgamation		Disposal/ Transfer out Due to amalgamation	Disposal/ Transfer out	Balance at 30 June 2016
a) Own assets : i) Cost														
Land and land development	421,444,666	321,679,698	91,740,057	-	-	835,064,623	-	-	-	-	-	-	835,064,623	
Furniture and fixtures	9,329,449	9,567,419	2,079,661	-	-	20,966,729	10	3,666,984	3,377,129	1,432,246	-	8,478,359	12,520,370	
Office and electrical equipment	23,114,104	12,985,466	8,653,875	-	-	42,833,247	20	15,144,067	8,412,855	3,751,107	-	27,308,179	15,825,088	
Office decoration	26,461,091	292,752	28,400	-	(10,400)	26,791,843	20	22,823,834	250,203	2,636,856	-	25,610,893	980,950	
Motor vehicles	76,461,031	25,037,263	143,000	-	-	101,641,294	20	57,828,476	23,398,412	9,349,365	-	90,574,275	11,067,019	
Maintenance equipment	8,412,651	13,078,256	753,113	-	-	22,242,020	20	3,876,449	8,594,858	3,308,753	-	13,781,660	8,480,180	
Civil works and others	47,874,204	129,498,980	22,202,775	-	-	199,375,959	20	41,678,558	54,688,834	16,996,965	-	113,891,457	85,714,502	
Plant and machineries:														
Ashulla Power Plant (Unit-1)	432,983,617	-	-	-	-	432,983,617	3.33 - 10	181,229,414	-	28,084,781	-	207,294,185	225,689,422	
Ashulla Power Plant (Unit-2)	1,443,638,931	-	4,907,160	-	-	1,448,646,111	3.33 - 18.67	384,102,054	-	60,716,105	-	424,616,160	1,023,727,951	
Madhabdi Power Plant (Unit-1)	413,433,901	-	-	-	-	413,433,901	3.33 - 10	218,996,834	-	33,409,247	-	250,408,181	163,025,720	
Madhabdi Power Plant (Unit-2)	988,239,183	-	-	-	-	988,239,183	3.33 - 18.67	300,566,407	-	49,207,888	-	349,774,296	838,464,668	
Chandina Power Plant (Unit-1)	456,518,094	-	-	-	-	456,518,094	3.33 - 10	206,746,867	-	32,516,533	-	239,283,401	217,252,693	
Chandina Power Plant (Unit-2)	608,371,334	-	-	-	-	608,371,334	3.33 - 18.67	182,514,508	-	32,193,258	-	214,707,764	383,663,570	
Jangala Power Plant	-	1,488,098,009	-	-	-	1,488,098,009	3.33 - 18.67	-	358,667,766	33,057,438	-	389,725,222	1,099,370,787	
Rupganj Power Plant	-	1,457,777,365	24,258,823	(11,296,806)	(16,079,826)	1,452,857,756	3.33 - 18.67	-	337,958,307	40,848,722	(11,296,806)	(16,079,826)	349,428,596	
Maona Power Plant	-	1,395,943,212	22,047,230	(10,096,845)	(10,766,540)	1,397,125,057	3.33 - 18.67	-	346,072,364	35,197,804	(10,096,845)	(10,766,540)	380,404,783	
Ullapara Power Plant	-	511,740,411	-	-	-	511,740,411	3.33 - 18.67	-	134,172,107	14,546,188	-	-	148,718,294	
Madanganj Power Plant	-	5,167,649,699	84,983,118	(44,861,806)	(73,115,073)	5,134,635,936	3.33 - 18.67	-	660,727,719	150,031,150	(44,861,806)	(73,115,073)	912,761,990	
Rupatoli Power Plant	-	-	5,021,968,777	-	-	5,021,968,777	3.33 - 18.67	-	-	42,765,551	-	-	42,765,551	
Madanganj Power Plant (Unit-2)	-	-	2,592,454,713	-	-	2,592,454,713	3.33 - 18.67	-	-	29,425,937	-	-	29,425,937	
Total (i)	4,956,100,436	10,533,744,532	7,874,420,720	(66,277,257)	(101,973,639)	23,196,014,584		1,597,276,575	2,152,616,603	617,474,910	(66,277,257)	(101,963,439)	4,199,128,362	16,996,885,202
a) Own assets : ii) Revaluation														
Land and land development	-	300,550,154	269,113,798	-	-	569,663,952	-	-	-	-	-	-	569,663,952	
Civil works and others	13,002,136	-	-	-	-	13,002,136	20	13,002,136	-	-	-	-	13,002,136	
Plant and machineries:														
Ashulla Power Plant (Unit-1)	166,227,803	-	-	-	-	166,227,803	3.33 - 10	31,444,470	-	4,709,744	-	-	36,154,214	
Ashulla Power Plant (Unit-2)	3,310,422	-	-	-	-	3,310,422	3.33 - 18.67	626,222	-	93,795	-	-	720,017	
Madhabdi Power Plant (Unit-1)	181,663,341	-	-	-	-	181,663,341	3.33 - 10	30,581,012	-	4,580,418	-	-	35,161,428	
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	-	79,752,991	3.33 - 18.67	15,088,449	-	2,259,645	-	-	17,348,094	
Chandina Power Plant (Unit-1)	146,364,742	-	-	-	-	146,364,742	3.33 - 10	27,690,845	-	4,147,527	-	-	31,838,372	
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	-	16,317,466	3.33 - 18.67	3,086,692	-	462,324	-	-	3,549,016	
Total (ii)	586,659,003	300,550,164	269,113,798	-	-	1,168,322,965		121,617,828	-	16,253,460	-	-	137,771,278	1,018,551,677
Total assets (a)	5,542,759,441	10,834,294,696	8,143,534,518	(66,277,257)	(101,973,639)	24,352,337,549		1,718,796,403	2,152,616,603	633,728,360	(66,277,257)	(101,963,439)	4,336,900,670	20,015,436,879
b) Spare parts														
Stock in hand**	174,785,740	365,226,773	458,239,596	-	(345,146,315)	671,087,796	3.33 - 50	42,168,076	-	23,755,006	-	-	65,923,062	
Stock in transit*	50,234,927	24,826,834	841,918,623	-	(559,001,018)	157,981,366	-	-	-	-	-	-	157,981,366	
Total spare parts (b)	225,020,667	390,053,607	1,300,158,219	-	(904,147,333)	829,069,162		42,168,076	-	23,755,006	-	-	65,923,062	763,146,080
c) Capital work-in progress														
Capital work in progress	7,256,512	-	25,611,566	-	-	32,868,078	-	-	-	-	-	-	32,868,078	
Total capital work-in progress (c)	7,256,512	-	25,611,566	-	-	32,868,078		-	-	-	-	-	32,868,078	
Total (a+b+c)	5,775,016,820	11,224,348,303	9,287,304,505	(66,277,257)	(1,006,121,172)	25,214,274,769		1,780,964,479	2,152,616,603	657,483,366	(66,277,257)	(101,963,439)	4,402,823,762	20,611,451,037

* BDT 456,045,598 of transfer out was taken to stock in hand and BDT 102,955,420 was taken to inventories.

** BDT 345,146,315 of transfer out was taken to plant and machineries.



4 Property, plant and equipment

See accounting policies in Note 47(B)

Separate

In BDT	Cost/Revaluation				Rate %	Depreciation				Written down value at 30 June 2018
	Balance at 1 July 2017	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2018		Balance at 1 July 2017	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2018	
						For the year ended 30 June 2018				
a) Own assets : I) Cost										
Land and land development	511,930,111	-	(161,061,326)	360,868,788	-	-	-	-	-	360,868,788
Furniture and fixtures	19,811,280	1,502,623	-	21,313,903	10	10,073,678	1,819,349	-	11,893,027	9,420,876
Office and electrical equipment	40,835,379	8,581,304	(47,000)	49,369,683	20	30,646,008	4,734,011	(38,832)	35,341,187	14,028,496
Office decoration	27,771,019	1,653,689	-	29,424,708	20	26,549,792	594,178	-	27,143,970	2,280,738
Motor vehicles	129,950,544	26,622,960	(16,596,500)	141,177,004	20	87,536,362	12,155,482	(15,596,600)	84,095,344	57,081,660
Maintenance equipment	28,133,840	5,358,750	-	31,492,590	20	17,741,147	3,043,301	-	20,784,448	10,708,142
Civil works and others	208,751,320	16,052,599	-	224,803,919	20	145,923,882	31,623,032	-	177,546,914	47,257,005
Plant and machineries:										
Ashulla Power Plant (Unit-1)	454,204,669	3,752,069	-	457,956,738	3.33 - 10	228,291,221	26,754,853	-	255,046,074	202,910,866
Ashulia Power Plant (Unit-2)	1,465,680,547	14,876,302	-	1,480,466,849	3.33 - 16.67	454,870,732	77,230,320	-	532,101,052	948,355,797
Madhabdi Power Plant (Unit-1)	413,433,901	8,307,164	-	421,741,065	3.33 - 10	267,923,365	25,687,864	-	293,481,029	128,260,036
Madhabdi Power Plant (Unit-2)	988,239,163	17,256,038	-	1,005,495,201	3.33 - 16.67	383,064,623	42,930,250	-	426,994,873	579,500,328
Chandina Power Plant (Unit-1)	462,336,094	6,052,862	-	468,388,956	3.33 - 10	257,836,089	25,371,820	-	283,207,909	186,181,047
Chandina Power Plant (Unit-2)	608,371,334	16,437,947	-	624,809,281	3.33 - 16.67	233,045,515	27,778,975	-	260,824,490	363,984,791
Jangalla Power Plant	1,512,454,446	6,735,729	-	1,519,190,176	3.33 - 16.67	396,316,930	69,458,460	-	465,775,390	1,053,414,786
Rupganj Power Plant	1,457,317,703	55,335,842	-	1,512,653,545	3.33 - 16.67	400,112,794	73,915,448	-	474,028,243	1,038,625,102
Maona Power Plant	1,397,126,057	37,214,090	-	1,434,339,147	3.33 - 18.87	426,860,119	63,375,098	-	490,236,217	944,103,930
Ullapara Power Plant	511,740,411	31,243,928	-	642,984,339	3.33 - 16.67	178,639,689	20,568,166	-	197,227,856	345,756,483
Madanganj Power Plant	6,134,835,936	174,235,676	-	5,309,071,512	3.33 - 16.67	1,131,215,578	259,767,129	-	1,390,982,707	3,918,088,805
Total (i)	15,370,822,754	431,419,272	(176,704,825)	15,625,537,201		4,674,647,523	766,897,338	(15,635,332)	5,426,709,528	10,199,827,673
a) Own assets : II) Revaluation										
Land and land development	569,663,952	-	-	569,663,952	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	13,002,138	20	13,002,138	-	-	13,002,138	-
Plant and machineries:										
Ashulla Power Plant (Unit-1)	168,227,803	-	-	168,227,803	3.33 - 10	40,883,957	5,540,880	-	46,404,837	119,823,066
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 16.67	813,811	110,352	-	924,183	2,386,259
Madhabdi Power Plant (Unit-1)	161,683,341	-	-	161,683,341	3.33 - 10	39,741,643	5,388,720	-	45,130,583	116,532,778
Madhabdi Power Plant (Unit-2)	79,762,991	-	-	79,762,991	3.33 - 15.87	19,605,738	2,858,420	-	22,264,158	67,488,633
Chandina Power Plant (Unit-1)	148,384,742	-	-	148,384,742	3.33 - 10	35,985,899	4,879,440	-	40,865,339	105,519,403
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 16.67	4,011,341	543,912	-	4,555,253	11,762,213
Total (II)	1,156,322,955	-	-	1,156,322,955		154,024,726	19,121,724	-	173,146,450	983,176,505
Total assets (i+II)	16,527,145,709	431,419,272	(176,704,825)	16,781,860,166		4,828,672,249	786,019,062	(15,635,332)	5,599,856,978	11,183,004,178
b) Spare parts										
Stock in hand	832,260,098	437,116,333	(354,701,730)	714,673,701	3.33 - 50	103,726,559	42,122,245	(30,225,206)	115,623,599	599,050,101
Stock in transit	104,133,106	648,007,630	(568,094,683)	184,046,153	-	-	-	-	-	184,046,153
	736,393,204	1,085,122,963	(922,796,313)	898,719,854		103,726,559	42,122,245	(30,225,205)	115,623,599	763,096,254
Total (a+b)	17,263,538,912	1,516,542,235	(1,099,501,138)	17,880,680,010		4,932,398,808	827,941,307	(45,880,537)	5,714,479,577	11,966,100,432

* BDT 473,115,333 of transfer out was taken to stock in hand and BDT 130,979,250 was taken to inventories.

** BDT 354,701,730 of transfer out was taken to plant and machineries.



Notes to the financial statements (Continued)

In BDT	Cost/Revaluation					Depreciation				For the year ended 30 June 2017	
	Balance at	Addition/	Disposal/	Balance at	Rate	Balance at	Addition/	Disposal/	Balance at	Written down	
	1 July 2016	transfer In	transfer out	30 June 2017		%	1 July 2016	transfer In	transfer out		30 June 2017
										30 June 2017	
a) Own assets : i) Cost											
Land and land development	426,716,004	85,214,107	-	511,930,111	-	-	-	-	-	-	511,930,111
Furniture and fixtures	18,531,298	1,279,984	-	19,811,280	10	8,274,395	1,799,283	-	10,073,678	-	9,737,602
Office and electrical equipment	37,076,946	3,758,433	-	40,835,379	20	26,670,487	3,975,541	-	30,646,008	-	10,189,371
Office decoration	26,791,643	979,176	-	27,771,019	20	25,810,893	738,869	-	26,549,792	-	1,221,227
Motor vehicles	99,498,284	35,444,500	(4,992,250)	129,950,544	20	89,755,208	2,773,404	(4,992,250)	87,536,362	-	42,414,182
Maintenance equipment	21,538,907	4,594,933	-	26,133,840	20	13,781,880	3,959,287	-	17,741,147	-	8,392,693
Civil works and others	199,325,959	9,425,381	-	208,751,320	20	113,681,457	32,262,425	-	145,923,882	-	62,827,438
Plant and machineries:											
Ashulia Power Plant (Unit-1)	432,983,817	21,221,052	-	454,204,869	3.33 - 10	207,294,195	20,997,026	-	228,291,221	-	225,913,448
Ashulia Power Plant (Unit-2)	1,448,546,111	65,680,782	(48,646,348)	1,465,580,547	3.33 - 16.67	424,818,180	78,698,916	(48,646,348)	454,870,732	-	1,010,709,815
Madhabdi Power Plant (Unit-1)	413,433,901	-	-	413,433,901	3.33 - 10	250,408,181	17,515,184	-	267,923,365	-	145,510,538
Madhabdi Power Plant (Unit-2)	988,239,163	-	-	988,239,163	3.33 - 16.67	349,774,296	33,290,327	-	383,064,623	-	605,174,541
Chandina Power Plant (Unit-1)	458,516,094	5,820,000	-	464,336,094	3.33 - 10	239,283,401	18,572,668	-	257,856,069	-	204,500,005
Chandina Power Plant (Unit-2)	606,371,334	-	-	606,371,334	3.33 - 16.67	214,707,764	18,337,751	-	233,045,515	-	375,325,819
Jangalia Power Plant	1,488,096,009	87,512,577	(83,154,140)	1,512,454,448	3.33 - 16.67	389,725,222	89,745,846	(63,154,140)	396,316,930	-	1,118,137,518
Rupganj Power Plant	1,452,657,756	14,915,059	(10,255,112)	1,457,317,703	3.33 - 16.67	349,428,596	60,939,310	(10,255,112)	400,112,794	-	1,057,204,909
Maona Power Plant	1,397,125,057	-	-	1,397,125,057	3.33 - 16.67	380,404,783	66,455,336	-	428,880,119	-	970,264,938
Ullapara Power Plant	511,740,411	-	-	511,740,411	3.33 - 16.67	148,718,294	27,921,395	-	176,639,689	-	335,100,722
Madanganj Power Plant	5,134,835,936	-	-	5,134,835,936	3.33 - 16.67	912,761,890	218,453,588	-	1,131,215,576	-	4,003,620,358
Total (i)	15,162,024,638	335,845,964	(127,047,848)	15,370,822,754		4,125,259,161	678,436,210	(127,047,848)	4,674,647,523		10,696,175,231
a) Own assets : ii) Revaluation											
Land and land development	569,663,952	-	-	569,663,952	-	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	13,002,138	20	13,002,138	-	-	13,002,138	-	-
Plant and machineries:											
Ashulia Power Plant (Unit-1)	166,227,903	-	-	166,227,903	3.33 - 10	36,154,214	4,709,743	-	40,863,957	-	125,363,946
Ashulia Power Plant (Unit-2)	3,310,422	-	-	3,310,422	3.33 - 16.67	720,017	83,794	-	813,811	-	2,498,811
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	161,663,341	3.33 - 10	35,181,428	4,580,415	-	39,741,843	-	121,921,498
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	79,752,991	3.33 - 16.67	17,346,094	2,259,644	-	19,605,738	-	60,147,253
Chandina Power Plant (Unit-1)	146,384,742	-	-	146,384,742	3.33 - 10	31,838,372	4,147,527	-	35,985,899	-	110,398,843
Chandina Power Plant (Unit-2)	16,317,466	-	-	16,317,466	3.33 - 16.67	3,549,016	462,325	-	4,011,341	-	12,306,125
Total (ii)	1,156,322,955	-	-	1,156,322,955		137,771,278	16,253,448	-	154,024,726	-	1,002,298,229
Total assets (i+ii)	16,318,347,593	335,845,964	(127,047,848)	16,527,145,709		4,263,030,439	692,689,658	(127,047,848)	4,828,672,249		11,698,473,460
b) Spare parts											
Stock in hand**	670,893,766	470,642,109	(509,275,807)	632,260,068	3.33 - 50	85,923,082	37,803,477	-	103,726,559	-	528,533,538
Stock in transit*	155,702,296	682,893,819	(734,463,009)	104,133,108	-	-	-	-	-	-	104,133,108
	826,596,062	1,153,535,928	(1,243,738,816)	736,393,204		65,923,082	37,803,477	-	103,726,559	-	632,666,644
Total (a+b)	17,144,943,665	1,489,381,892	(1,370,786,664)	17,263,538,912		4,328,953,521	730,493,135	(127,047,848)	4,932,398,808		12,331,140,104

Addition to the plant and machinery had resulted from major overhauling completed in Ashulia Power Plant (Unit 2) at 64,000 running hours (all units of gen sets), in Jangalia Power Plant at 46,000 running hours (all units of gen sets), in Rupganj Power Plant at 48,000 running hours (1 unit out of 4 gen sets) and from additional provision made for Assets Retirement Obligation (ARO) for Ashulia Power Plant Unit 1 and Unit 2, Chandina Power Plant Unit 1 & Unit 2, Madhabdi Power Plant Unit 1 & Unit 2, Maona Power Plant and Ullapara Power Plant.

* BDT 470,642,109 of transfer out was taken to stock in hand and BDT 283,620,900 was taken to inventories.

** BDT 509,275,807 of transfer out was taken to plant and machineries.



Notes to the financial statements (Continued)

Own assets : I) Cost

In BDT	Cost/Revaluation						Depreciation						For the year ended 30 June 2016	
	Balance as at 1 July 2015	Addition/Transfer In		(Disposal)/Transfer out		Balance as at 30 June 2016	Rate %	Balance as at 1 July 2015	Addition/Transfer In		(Disposal)/Transfer out		Balance as at 30 June 2016	Written down value as at 30 June 2016
		Due to amalgamation	After	Due to amalgamation	After				Due to amalgamation	After				
Land and land development	26,504,350	321,879,698	78,331,956	-	-	426,718,004	-	-	-	-	-	-	-	426,718,004
Furniture and fixtures	8,504,050	9,587,419	439,827	-	-	18,531,296	10	3,623,116	3,377,129	1,274,150	-	-	8,274,395	10,258,901
Office and electrical equipment	21,910,316	12,965,488	2,201,162	-	-	37,078,946	20	15,020,727	8,412,985	3,236,755	-	-	28,670,467	10,406,479
Office decoration	26,481,091	292,752	18,000	-	-	26,791,843	20	22,923,834	250,203	2,638,856	-	-	25,810,893	960,950
Motor vehicles	74,461,031	25,037,263	-	-	-	99,498,294	20	57,428,478	23,396,412	8,930,318	-	-	89,755,208	9,743,086
Maintenance equipment	8,412,651	13,126,256	-	-	-	21,538,907	20	3,878,449	6,594,658	3,308,753	-	-	13,781,860	7,757,047
Civil works and others	47,674,204	129,448,980	22,202,775	-	-	199,325,959	20	41,878,558	54,986,934	16,995,965	-	-	113,661,457	85,664,502
Plant and machinery :														
Ashulia Power Plant (Unit-1)	432,983,817	-	-	-	-	432,983,817	3.33 - 10	181,229,414	-	26,064,781	-	-	207,294,195	225,689,422
Ashulia Power Plant (Unit-2)	1,443,638,931	-	4,907,180	-	-	1,448,546,111	3.33 - 16.67	384,102,054	-	60,718,105	-	-	424,818,160	1,023,727,951
Madhabdi Power Plant (Unit-1)	413,433,901	-	-	-	-	413,433,901	3.33 - 10	216,998,934	-	33,409,247	-	-	250,408,181	183,025,720
Madhabdi Power Plant (Unit-2)	968,239,163	-	-	-	-	968,239,163	3.33 - 16.87	300,586,407	-	49,207,888	-	-	349,774,296	638,484,868
Chandina Power Plant (Unit-1)	456,516,094	-	-	-	-	456,516,094	3.33 - 10	206,746,867	-	32,516,533	-	-	239,263,401	217,252,893
Chandina Power Plant (Unit-2)	608,371,334	-	-	-	-	608,371,334	3.33 - 16.87	182,514,508	-	32,193,256	-	-	214,707,764	393,663,570
Jangalia Power Plant	-	1,486,096,009	-	-	-	1,488,096,009	3.33 - 16.87	-	358,667,766	33,057,436	-	-	389,725,222	1,098,370,787
Rupganj Power Plant	-	1,457,777,365	24,258,823	(11,298,606)	(18,079,826)	1,452,857,756	3.33 - 16.67	-	337,958,307	40,848,722	(11,298,606)	(18,079,826)	349,428,596	1,103,229,160
Maona Power Plant	-	1,395,943,212	22,047,230	(10,096,645)	(10,768,540)	1,397,125,057	3.33 - 16.87	-	346,072,384	35,197,804	(10,096,645)	(10,768,540)	360,404,783	1,036,720,274
Ullapara Power Plant	-	511,740,411	-	-	-	511,740,411	3.33 - 16.67	-	134,172,107	14,546,188	-	-	148,718,294	363,022,117
Madanganj Power Plant	-	5,167,849,699	84,983,116	(44,881,806)	(73,115,073)	5,134,835,936	3.33 - 16.87	-	880,727,719	150,031,150	(44,881,806)	(73,115,073)	912,761,890	4,222,073,946
Total (I)	4,557,130,733	10,533,744,532	239,390,069	(66,277,257)	(101,963,439)	15,162,024,638		1,596,711,347	2,152,616,603	544,171,908	(66,277,257)	(101,963,439)	4,125,259,161	11,036,765,477
Own assets : II) Revaluation														
Land and land development	-	300,550,154	269,113,798	-	-	569,663,952	-	-	-	-	-	-	-	569,663,952
Civil works and others	13,002,138	-	-	-	-	13,002,138	20	13,002,136	-	-	-	-	13,002,138	-
Plant and machinery :														
Ashulia Power Plant (Unit-1)	166,227,903	-	-	-	-	166,227,903	3.33 - 10	31,444,470	-	4,709,744	-	-	36,154,214	130,073,689
Ashulia Power Plant (Unit-2)	3,310,422	-	-	-	-	3,310,422	3.33 - 16.87	626,222	-	93,795	-	-	720,017	2,590,405
Madhabdi Power Plant (Unit-1)	161,663,341	-	-	-	-	161,663,341	3.33 - 10	30,581,012	-	4,560,416	-	-	35,161,428	126,501,913
Madhabdi Power Plant (Unit-2)	79,752,991	-	-	-	-	79,752,991	3.33 - 16.67	15,068,449	-	2,259,645	-	-	17,346,094	62,406,897
Chandina Power Plant (Unit-1)	146,384,742	-	-	-	-	146,384,742	3.33 - 10	27,690,845	-	4,147,527	-	-	31,838,372	114,546,370
Chandina Power Plant (Unit-2)	16,317,466	-	-	-	-	16,317,466	3.33 - 16.67	3,068,692	-	462,324	-	-	3,549,016	12,768,450
Total (II)	586,658,003	300,550,154	269,113,798	-	-	1,156,322,955		121,517,828	-	16,253,450	-	-	137,771,278	1,018,551,674
Total assets (I+II)	5,143,789,736	10,834,294,686	506,503,867	(66,277,257)	(101,963,439)	16,318,347,593		1,718,229,175	2,152,616,603	560,425,357	(66,277,257)	(101,963,439)	4,263,030,439	12,055,317,164
b) Spare parts														
Stock in hand*	174,765,740	385,228,773	466,045,698	-	(345,146,315)	670,893,796	3.33 - 50	42,168,076	-	23,755,006	-	-	65,923,082	604,970,714
Stock in transit*	50,234,927	24,828,634	639,639,753	-	(559,001,018)	155,702,296	-	-	-	-	-	-	-	155,702,296
	225,000,667	410,057,407	1,095,685,351	-	(904,147,333)	826,596,092	-	42,168,076	-	23,755,006	-	-	65,923,082	760,673,010
Total (a+b)	5,368,790,402	11,244,352,094	1,604,189,218	(66,277,257)	(1,006,110,772)	17,144,943,685		1,760,397,251	2,152,616,603	584,180,363	(66,277,257)	(101,963,439)	4,328,953,521	12,815,990,164

Notes:

Land and land development of the Company were revalued by the independent professional valuer S. F. Ahmad & Co., Chartered Accountants as on 30 June 2016. Such revaluation is made with sufficient regularity to ensure that carrying amount does not differ materially from their fair value. The items of property, plant and equipment were also revalued last in 2013 and 2008 accordingly.

* BDT 456,045,598 of transfer out was taken to stock in hand and BDT 102,955,420 was taken to inventories.

** BDT 345,146,315 of transfer out was taken to plant and machineries.



Notes to the financial statements

4.1 Allocation of depreciation

	Consolidated		Separate	
	FY 2018	FY 2017 [Restated]	FY 2018	FY 2017 [Restated]
<i>In BDT</i>				
Cost of sales	1,111,927,387	954,590,147	743,746,748	684,984,296
General and administrative expenses	60,422,386	48,802,745	53,969,353	45,508,839
	1,172,349,773	1,003,392,892	797,716,101	730,493,135

5 Intangible assets

See accounting policies in Note 47(C)

Consolidated

<i>In BDT</i>	Cost				Rate %	Amortisation			For the year ended 30 June 2018	
	Balance at 1 July 2017	Addition/ transfer in	Disposal/ transfer out	Balance at 30 June 2018		Balance at 1 July 2017	Addition/ transfer in	Disposal/ transfer out	Balance at 30 June 2018	Written down value at 30 June 2018
	Software	2,004,238	1,799,613	-		3,803,851	20	2,004,238	-	-
Brand	10,000,000	-	-	10,000,000	3.3333	2,833,323	333,335	-	3,166,658	6,833,342
Software in development	-	8,546,281	-	8,546,281	-	-	-	-	-	8,546,281
License*	30,780,417	-	-	30,780,417	-	-	-	-	-	30,780,417
Total	42,784,655	10,345,894	-	53,130,549		4,837,561	333,335	-	5,170,896	47,959,653

<i>In BDT</i>	Cost				Rate %	Amortisation			For the year ended 30 June 2017	
	Balance at 1 July 2016	Addition/ transfer in	Disposal/ transfer out	Balance at 30 June 2017		Balance at 1 July 2016	Addition/ transfer in	Disposal/ transfer out	Balance at 30 June 2017	Written down value at 30 June 2017
	Software	2,004,238	-	-		2,004,238	20	2,004,238	-	-
Brand	10,000,000	-	-	10,000,000	3.3333	2,499,989	333,334	-	2,833,323	7,166,677
License*	30,780,417	-	-	30,780,417	-	-	-	-	-	30,780,417
Total	42,784,655	-	-	42,784,655		4,504,227	333,334	-	4,837,561	37,947,094



Notes to the financial statements

In BDT	Cost				Rate %	Amortisation				Written down value at 30 June 2016
	Balance at 1 July 2015	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2016		Balance at 1 July 2015	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2016	
	Software	2,004,238	-	-		2,004,238	20	1,504,238	500,000	
Brand	10,000,000	-	-	10,000,000	3.3333	2,166,656	333,333	-	2,499,989	7,500,011
License*	-	30,780,417	-	30,780,417	-	-	-	-	-	30,780,417
Total	12,004,238	30,780,417	-	42,784,655		3,670,894	833,333	-	4,504,227	38,280,428

Separate

In BDT	Cost				Rate %	Amortisation				Written down value at 30 June 2018
	Balance at 1 July 2017	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2018		Balance at 1 July 2017	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2018	
	Software	2,004,238	1,799,613	-		3,803,851	20	2,004,238	-	
Brand	10,000,000	-	-	10,000,000	3.3333	2,833,323	333,335	-	3,166,658	6,833,342
Software in development	-	8,546,281	-	8,546,281	-	-	-	-	-	8,546,281
Total	12,004,238	10,345,894	-	22,350,132		4,837,561	333,335	-	5,170,896	17,179,236

In BDT	Cost				Rate %	Amortisation				Written down value at 30 June 2017
	Balance at 1 July 2016	Addition/Transfer In	(Disposal)/(Transfer out)	Balance at 30 June 2017		Balance at 1 July 2016	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2017	
	Software	2,004,238	-	-		2,004,238	20	2,004,238	-	
Brand	10,000,000	-	-	10,000,000	3.3333	2,499,989	333,334	-	2,833,323	7,166,677
Total	12,004,238	-	-	12,004,238		4,504,227	333,334	-	4,837,561	7,166,677

In BDT	Cost				Rate %	Amortisation				Written down value at 30 June 2016
	Balance at 1 July 2015	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2016		Balance at 1 July 2015	Addition/transfer in	Disposal/transfer out	Balance at 30 June 2016	
	Software	1,504,238	500,000	-		2,004,238	20	1,504,238	500,000	
Brand	10,000,000	-	-	10,000,000	3.3333	2,166,656	333,333	-	2,499,989	7,500,011
Total	11,504,238	500,000	-	12,004,238		3,670,894	833,333	-	4,504,227	7,500,011

*This license has been acquired due to purchase of 64% shares in Ace Alliance Power Limited. This will be amortised over 15-year period beginning from commercial operation date of AAPL.



Notes to the financial statements (Continued)

6 Investment in subsidiaries

<i>In BDT</i>	<i>Note</i>	<i>No. of shares</i>	<i>% of holding</i>	<i>Value</i>
30 June 2018				
Summit Barisal Power Limited	6.1	50,699,516	49.00%	506,995,160
Summit Narayanganj Unit II Power Limited	6.1	27,712,222	49.00%	277,122,221
Summit Chittagong Power Limited	6.1	490,000	49.00%	4,900,000
Ace Alliance Power Limited		86,400,000	64.00%	917,964,000
Summit Gazipur II Power Limited	6.1	2,000,000	20.00%	420,000,000
		167,301,738		2,126,981,381
30 June 2017				
Summit Barisal Power Limited	6.1	50,699,516	49.00%	506,995,160
Summit Narayanganj Unit II Power Limited	6.1	27,712,222	49.00%	277,122,221
Summit Chittagong Power Limited	6.1	490,000	49.00%	4,900,000
Ace Alliance Power Limited		6,400	64.00%	367,964,000
		78,908,138		1,156,981,381
1 July 2016				
Summit Barisal Power Limited	6.1	50,699,516	49.00%	506,995,160
Summit Narayanganj Unit II Power Limited	6.1	27,712,222	49.00%	277,122,221
Summit Chittagong Power Limited	6.1	490,000	49.00%	4,900,000
Ace Alliance Power Limited		6,400	64.00%	27,964,000
		78,908,138		816,981,381

- 6.1 Summit Power Limited (SPL) hold 49% shares in Summit Barisal Power Limited (SBPL), Summit Narayanganj Power Unit II Limited (SNPL-II), Summit Chittagong Power Limited (SCPL) and 20% shares in Summit Gazipur II Power Limited (SGIPL). BFRS 10: *Consolidated Financial Statements* requires presentation and preparation of consolidated financial statements when an entity controls one or more other entities unless falls within the scope of exceptions. According to control procedures as detailed in paragraph 7 of the said BFRS under reference, SBPL, SNPL-II, SCPL and SGIPL are under the control of SPL because SPL directly manages the activities/ operations of those entities since their commercial operation date (COD) through common corporate management and thus it has the power over these four entities and has established both exposure and rights to significantly affect returns of the investee companies. Therefore SPL is in compliance with BFRS 10 to prepare and present its financial statements in consolidation with that of SBPL, SNPL-II, SCPL and SGIPL.
- 6.2 In accordance with paragraph 10 of BAS 27: *Separate Financial Statements*, investments in subsidiaries have been accounted for at cost. Details of holding structure in subsidiaries are described in Note 47.A.i.

7 Investment in associates

<i>In BDT</i>	<i>Note</i>	<i>% of holding</i>	<i>30 June 2018</i>	<i>30 June 2017</i>	<i>1 July 2016</i>
Consolidated					
Summit Meghnaghat Power Company Limited					
Value of investment under equity method	7.1	30%	5,257,490,254	4,647,466,468	4,204,873,961
Share of profit			450,755,528	910,023,786	442,592,507
Dividend received			-	(300,000,000)	-
			5,708,245,782	5,257,490,254	4,647,466,468
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	3,801,772,452	3,801,772,452

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



8 Deferred tax asset

See accounting policies in Note 47(l)

Consolidated

<i>In BDT</i>	<i>Note</i>	<i>Carrying amount</i>	<i>Tax base</i>	<i>Taxable/ (deductible) temporary difference</i>
30 June 2018				
Provision for gratuity	22.1	133,881,298	-	(133,881,298)
Total temporary difference		133,881,298	-	(133,881,298)
<i>Applicable tax rate</i>				25% to 35%
<i>Deferred tax (asset)/ liability</i>				(34,821,425)
30 June 2017				
Provision for gratuity	22.1	91,189,000	-	(91,189,000)
Total temporary difference		91,189,000	-	(91,189,000)
<i>Applicable tax rate</i>				25% to 35%
<i>Deferred tax (asset)/ liability</i>				(23,248,750)
1 July 2016				
Provision for gratuity	22.1	76,876,000	-	(76,876,000)
Total temporary difference		76,876,000	-	(76,876,000)
<i>Applicable tax rate</i>				25% to 35%
<i>Deferred tax (asset)/ liability</i>				(19,412,700)

Separate

<i>In BDT</i>	<i>Note</i>	<i>Carrying amount</i>	<i>Tax base</i>	<i>Taxable/ (deductible) temporary difference</i>
30 June 2018				
Provision for gratuity	22.1	120,370,298	-	(120,370,298)
Total temporary difference		120,370,298	-	(120,370,298)
<i>Applicable tax rate</i>				25%
<i>Deferred tax (asset)/ liability</i>				(30,092,575)
30 June 2017				
Provision for gratuity	22.1	86,674,000	-	(86,674,000)
Total temporary difference		86,674,000	-	(86,674,000)
<i>Applicable tax rate</i>				25%
<i>Deferred tax (asset)/ liability</i>				(21,668,500)
1 July 2016				
Provision for gratuity	22.1	74,939,000	-	(74,939,000)
Total temporary difference		74,939,000	-	(74,939,000)
<i>Applicable tax rate</i>				25%
<i>Deferred tax (asset)/ liability</i>				(18,734,750)



Notes to the financial statements (Continued)

9 Available-for-sale financial assets

See accounting policies in Note 47M(i)

<i>In BDT</i>	No. of shares	Rate per share	Market value at			Change in fair value at		Cost price
			30 June 2018	30 June 2017	30 June 2016	30 June 2018	30 June 2017	
Khulna Power Company Limited .	63,734,728	67.60	4,308,467,612	3,773,095,898	4,136,383,847	535,371,714	(363,287,949)	3,625,296,384
People's Leasing and Financial Services Limited	408,160	9.90	4,040,784	4,244,864	3,550,992	(204,080)	693,872	20,500,000
Popular Life First Mutual Fund	1,455,242	5.70	8,294,879	9,392,924	5,723,936	(1,098,045)	3,668,988	10,000,000
	65,598,130		4,320,803,275	3,786,733,686	4,145,658,775	534,069,589	(358,925,089)	3,655,796,384

On 28 December 2011, Summit Power Limited (SPL) had acquired 53,955,328 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 Available-for-Sale (AFS) financial asset.

10 Inventories

See accounting policies in Note 47(E)

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017	1 July 2016	30 June 2018	30 June 2017	1 July 2016
Opening balance	527,357,519	535,601,665	515,839,141	451,279,796	503,357,767	515,839,141
Purchase/transfer	582,153,013	630,409,778	462,921,548	328,474,102	417,571,183	409,741,830
Exchange rate movement	608,894	-	-	-	-	-
Consumption/transfer	(493,876,264)	(638,653,924)	(443,159,024)	(311,035,635)	(469,649,154)	(422,223,204)
Closing balance	616,243,162	527,357,519	535,601,665	468,718,263	451,279,796	503,357,767

Inventories include consumable-others, lubricant oil, chemicals and general consumables.



Notes to the financial statements (Continued)

11 Trade receivables

See accounting policies in Note 47M(i)

In BDT	Note	Consolidated			Separate		
		30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Bangladesh Rural Electrification Board ("BREB")	11.1						
Ashulla Power Plant		15,074,305	17,832,285	15,229,393	15,074,305	17,832,285	15,229,393
Ashulla Power Plant (expansion)		1,921,347,885	1,564,381,565	1,262,876,140	1,921,347,885	1,564,381,565	1,262,876,140
Madhabdi Power Plant		16,391,475	15,761,995	14,710,910	16,391,475	15,761,995	14,710,910
Madhabdi Power Plant (expansion)		1,443,998,643	1,188,149,616	954,985,118	1,443,998,643	1,188,149,616	954,985,118
Chandina Power Plant		15,638,986	15,851,531	14,858,809	15,638,986	15,851,531	14,858,809
Chandina Power Plant (expansion)		791,032,373	648,683,911	504,172,584	791,032,373	648,683,911	504,172,584
Rupganj Power Plant		63,449,005	160,104,310	54,878,771	63,449,005	160,104,310	54,878,771
Maona Power Plant		156,053,075	155,135,273	62,216,882	156,053,075	155,135,273	62,216,882
Ullapara Power Plant		20,563,827	48,591,687	43,014,006	20,563,827	48,591,687	43,014,006
Bangladesh Power Development Board ("BPDB")							
Jangalia Power Plant		233,391,125	177,595,908	63,932,959	233,391,125	177,595,908	63,932,959
Madanganj Power Plant	11.2	861,568,615	1,129,482,490	1,181,710,404	861,568,615	1,129,482,490	1,181,710,404
Barisal Power Plant		834,840,899	1,124,770,867	1,214,970,152	-	-	-
Narayanganj Unit II Power Plant		748,929,788	485,945,899	746,145,589	-	-	-
Kodda Power Plant (Unit II)		2,222,858,407	-	-	-	-	-
		9,346,148,408	6,732,287,137	6,133,701,717	5,538,509,314	5,121,570,571	4,172,585,976
Less: Provision for doubtful debt		(188,758,403)	(168,758,403)	(168,758,403)	(168,758,403)	(168,758,403)	(168,758,403)
		9,177,390,005	6,563,528,734	5,964,943,314	5,369,750,911	4,952,812,168	4,003,827,573

11.1 Out of total receivables from BREB, invoices amounting to BDT 4,054,460,700, raised by the Company, pertaining to the three Expansion Power Plants, have yet not been accepted by BREB due to using different unit rate in calculating revenue. As per contracts for supply of electricity and Government's gazette notification, the Company has been raising invoices at the rate of Taka 3.1141 per kWh from December 2011 to January 2012, for February 2012 at the rate of Taka 3.3741, from March to August 2012 at the rate of Taka 3.6216 per kWh, from September 2012 to August 2015 at the rate of Taka 4.2316 per kWh and September 2015 onward at the rate of Taka 4.4791 per kWh due to rise in BST (Bulk Supply Tariff). BREB has been paying at the rate 2.8333 per kWh. In order to resolve the above matter, the Company went for arbitration in Bangladesh Energy Regulatory Commission (BERC) and a favourable verdict was given upon the Company. Later on, upon request from BREB, the verdict was reviewed by BERC and the reviewed verdict was also in favour of the Company. After this, BREB solely 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. A hearing to this effect was held on 2 August 2018. The case is now under the disposal of Appellate Division. Meanwhile, the Company has submitted execution suit to the District Court which is under process. The management believes that the amount is recoverable.

11.2 In accordance with the clause 26.1 of the previous Power Purchase Agreement (PPA), "Bangladesh Petroleum Corporation (BPC) will be the liquid fuel supplier (furnace oil/HFO) and BPDB will make payment for the fuel". But since the start of the operation of the plant, the quality and quantity of the supplied fuel were not as per given specifications in the PPA. For this reason, the actual fuel consumption was higher per unit of electricity generation. On account of the actual fuel consumption, BPDB started deduction from some of the Company's monthly invoices which amounted to BDT 164.30 million up to March 2013. The Company made a writ petition to the High Court Division for further non deduction on account of excess fuel outage amounting to USD 1.96 million (approximately). 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 in disposal of the Rule. Subsequently, an application was made on 23 February 2016 to Bangladesh Energy Regulatory Commission (BERC) to take up the matter and commence an arbitration proceedings for full and final settlement of the dispute between the parties as per law after vacating the order of injunction. A few hearings have already taken place in BERC. Lately, BERC requested for additional information from Bangladesh Petroleum Corporation (BPC). Meanwhile, BERC has instructed BPDB, not to deduct the pending amount from the invoices of the power plant for next six months up to January 2019. The arbitration process is still ongoing. However, the Company has made a provision for doubtful debt on said amount of BDT 164.30 million.



Notes to the financial statements (Continued)

12 Other receivables

See accounting policies in Note 47M(l)

<i>In BDT</i>	Note	Consolidated			Separate		
		30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Insurance claims		19,366,661	48,167,675	20,593,597	19,366,661	48,167,675	20,593,597
Interest on FDRs		40,886,938	29,399,489	3,110,654	35,075,863	29,399,489	1,232,487
VAT deducted at sources	12.1	-	22,195,381	22,195,381	-	22,195,381	22,195,381
Bhairab Power Limited	12.2	-	5,451,372	5,451,372	-	-	-
		60,253,699	105,213,917	51,351,004	54,442,524	99,782,545	44,021,465
Less: Provision for doubtful debt		-	(4,453,258)	(4,453,258)	-	(4,453,258)	(4,453,258)
		60,253,699	100,760,659	46,897,746	54,442,524	95,309,287	39,568,207

12.1 VAT at source up to June 2009 amounting to Taka 22,195,381 was deducted by BREB under the purview of regulations declared by the National Board of Revenue (NBR). But in the Power Purchase Agreement (PPA) it was declared that "Nothing herein, however, shall in any way limit or override any provisions of the Implementation Agreement, that provide certain Tax exemptions under this Agreement, that allow certain Taxes and charges to be reimbursed to the Company in accordance with Article X of this Agreement". Therefore, as per PPA the Group had been claiming refund of the VAT at source so far deducted by BREB. Simultaneously, the Group recognised a provision for doubtful debt amounting BDT 4,453,258 against such claim. Later on, the Group, upon discussion with BREB in all possible ways, has concluded that the amount of BDT 22,195,381 is no longer collectible. Hence management has decided to write-off this receivable amount in FY 2018.

12.2 The receivable from Bhalrob Power Limited, which was a sister concern of Ace Alliance Power Limited, prior to being acquired by Summit Power Limited and Summit Corporation Limited. The Group management believes that this amount is no longer recoverable and hence has been written off.

13 Intercompany receivables

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Summit Barisal Power Limited	-	-	-	63,229,869	3,004,848	-
Summit Narayanganj Power Unit II Limited	-	-	-	48,287,415	388,183	-
Summit Chittagong Power Limited	-	-	-	-	1,089,507	-
Ace Alliance Power Limited	-	-	-	117,496,947	177,601,395	25,313,590
Summit Gazipur II Power Limited	-	-	-	22,500,340	-	-
	-	-	-	249,516,371	182,083,933	25,313,590



Notes to the financial statements (Continued)

14 Advances, deposits and prepayments

See accounting policies in Note 47M(i)

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Advances						
Managham Agencies Ltd.	23,146,000	-	-	17,146,000	-	-
Projukti Annasha	1,206,980	240,298	1,190,298	200,000	240,298	1,190,298
Desh Bangla Enterprise	1,124,515	1,450,000	-	-	-	-
Energypac Engineering Limited	1,817,640	1,000,000	1,000,000	1,817,640	1,000,000	1,000,000
R. M. Trade International	10,026,000	-	180,000	7,775,000	-	180,000
Tyser Risk Management (Bangladesh) Limited	400,000	700,000	-	400,000	-	-
Jakir Construction Limited	1,986,861	2,315,138	-	-	-	-
UDECO Limited	25,970,904	25,000,000	-	-	-	-
SBS Int Business Ltd.	5,784,660	12,595,000	5,000,000	-	-	-
Hyundai Motors Bangladesh Limited	500,000	-	-	500,000	-	-
Ranks Petroleum Limited	26,785,913	-	-	-	-	-
Padma Oil Company Limited	28,298,720	-	-	-	-	-
Navana Petroleum Limited	43,628,211	-	-	-	-	-
Nadim Enterprise	-	-	3,366,000	-	-	3,366,000
Siemens	-	-	4,680,000	-	-	4,680,000
Bangladesh Centre for Advanced Studies (BCAS)	300,000	550,000	-	-	-	-
ABG Engineering Services (Pvt.) Ltd.	626,000	-	-	-	-	-
AEG Engineering Ltd.	180,600	-	-	-	-	-
Sciencetech Engineering and Services	2,796,732	2,691,215	-	-	-	-
Center for Management Development	200,000	200,000	200,000	200,000	200,000	200,000
Bangladesh Economic Zones Authority (BEZA)	1,089,507	1,089,507	-	-	-	-
Jamuna Oil Company Limited	-	-	2,261,160	-	-	-
Hamida Construction	-	-	1,855,000	-	-	-
Land for AAPL project	-	9,601,506	-	-	9,601,506	-
Precision Tech	-	1,265,000	-	-	1,265,000	-
Otobi Limited	530,150	-	-	-	-	-
Alam Associate	-	11,350,000	2,600,000	-	11,350,000	2,600,000
Resources & Solutions Limited	-	1,550,000	12,030,000	-	1,550,000	12,030,000
Green Development Consulting	-	480,000	480,000	-	-	-
Land lord	220,000	241,000	293,000	220,000	145,000	101,000
Environmental consultancy	1,277,072	1,229,330	526,830	-	-	-
Tax advisor	405,000	100,000	100,000	200,000	100,000	100,000
Issue of redeemable preference shares	3,966,443	-	-	-	-	-
Initial Public Offer (IPO)	-	2,084,693	2,084,693	-	2,084,693	2,084,693
Car purchase	1,386,861	1,129,173	645,834	1,386,861	1,129,173	645,834
Employees	63,668,070	18,197,143	5,384,367	3,369,597	16,938,597	3,355,387
Other suppliers	10,615,845	6,528,504	6,245,040	2,496,476	3,828,255	3,200,064
Advance income tax	74,818,387	55,182,485	53,224,828	62,164,447	52,164,447	52,164,447
	332,730,761	156,769,992	103,347,070	87,873,910	101,596,969	86,897,723
Less: Provision for doubtful advance	(445,000)	(445,000)	(445,100)	(445,000)	(445,000)	(445,100)
	332,285,761	156,324,992	102,901,970	87,428,910	101,151,969	86,452,623



Notes to the financial statements (Continued)

In BDT	Note	Consolidated			Separate		
		30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Deposits							
	Security deposit (non-interest bearing)	3,072,307	4,215,240	2,681,650	1,388,045	1,758,045	1,758,045
	Bank guarantee margin:						
	Controller of Import and Export (SJIBL)	1,545,053	1,545,053	1,545,053	1,545,053	1,545,053	1,545,053
	Pashchimanchal Gas Company Limited	823,441	823,441	823,441	823,441	823,441	823,441
	Bakhrabad Gas Distribution Company Limited	2,470,323	2,470,323	2,470,323	2,470,323	2,470,323	2,470,323
	Bangladesh Power Development Board (BPDB)	1,968,412	3,936,823	32,102,905	1,968,412	3,936,823	3,936,823
	Commisloner of Customs, Custom House	7,239,787	7,239,787	7,239,787	7,239,787	7,239,787	7,239,787
	Bangladesh Rural Electrification Board (BREB)	4,630,179	9,260,359	9,260,359	4,630,179	9,260,359	9,260,359
	Titas Gas Transmission and Distribution Co. Ltd.	4,940,646	4,940,646	4,940,646	4,940,646	4,940,646	4,940,646
		23,617,841	30,216,432	58,382,514	23,617,841	30,216,432	30,216,432
		26,680,148	34,431,672	61,064,164	25,006,886	31,974,477	31,974,477
Prepayments							
	Annual license fees	393,905	716,056	2,336,961	393,905	716,056	2,336,961
	Standby letter of credit commission	1,213,088	2,964,765	1,016,285	1,213,088	2,964,765	1,016,285
	Bank guarantee/operation bond commission	4,548,896	6,355,925	3,286,755	968,155	5,051,825	2,810,430
	Agency fee	5,267,812	3,700,845	-	-	-	-
	Insurance premium	69,414,561	53,764,782	29,288,186	26,213,025	24,019,502	25,161,078
	Land lease rental	859,141	988,954	986,303	859,141	988,954	986,303
	Others	10,389	10,000	10,000	-	-	-
		81,697,792	68,501,327	36,934,490	29,547,314	33,741,102	32,311,057
Related party transactions							
	Summit Corporation Limited	2,419,783	9,368,879	3,785,750	2,419,783	9,368,879	3,785,750
	Summit Holdings Limited	2,254,728	2,487,493	3,418,553	2,254,728	2,487,493	3,418,553
	Summit Oil & Shipping Company Limited	-	-	210,866,487	-	-	201,860,222
		4,674,511	11,856,372	218,070,790	4,674,511	11,856,372	209,064,525
		445,348,212	271,114,363	418,971,414	146,757,821	178,723,920	359,802,682

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



Notes to the financial statements (Continued)

16 Cash and cash equivalents

See accounting policies in Note 47M(i)

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Cash in hand	2,733,063	1,755,306	1,381,439	1,657,281	834,959	808,683
Cash at bank						
Bank Asla Limited	131,431,472	137,380,328	113,244,906	70,108,439	48,370,651	105,736,217
Bank Alfalah Limited	-	-	244,183	-	-	244,183
BRAC Bank Limited	138,378,918	4,235,972	153,340,524	138,378,918	4,235,972	138,502,149
Commercial Bank of Ceylon Limited	2,031,939	2,035,819	2,039,029	2,031,939	2,035,819	2,039,029
Dhaka Bank Limited	9,642,689	4,855,412	13,475,996	9,642,689	4,855,412	13,475,996
Dutch-Bangla Bank Limited	231,213,626	317,604,973	212,058,643	223,157,298	308,226,358	198,528,843
Exim Bank Limited	865,252	422,473	653,847	865,252	422,473	653,847
One Bank Limited	641,880	1,569,267	21,911,684	292,937	1,202,493	21,911,684
Premier Bank Limited	17,510,325	19,989,161	166,160,926	17,510,325	19,989,161	35,683,401
Rupali Bank Limited	754,557	25,767	-	754,557	25,767	-
Shahjalal Islami Bank Limited	1,166,231	1,169,881	1,213,741	1,166,231	1,169,881	1,213,741
Sonali Bank Limited	43,021	593,257	259,332	43,021	593,257	259,332
Southeast Bank Limited	246,952	247,266	247,587	246,952	247,266	247,587
Standard Chartered Bank	27,770,068	27,389,625	33,629,843	27,770,068	27,389,625	27,551,412
The City Bank Limited	206,633,827	1,278,451,628	4,187,261	16,874	15,730	15,399
Eastern Bank Limited	1,318,347	976,923	-	-	-	-
Mutual Trust Bank Limited	557,522	-	8,316,178	-	-	8,316,178
Prime Bank Limited	9,344,859	460,785	661,592	-	-	661,592
Trust Bank Limited	3,911	-	-	-	-	-
	778,466,296	1,797,408,537	731,645,272	491,985,600	418,779,865	555,040,590



Notes to the financial statements (Continued)

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Fixed deposit receipts (FDR)						
AB Bank Limited	-	180,000,000	-	-	180,000,000	-
Al Arafah Islami Bank Limited	102,291,440	-	-	102,291,440	-	-
Bank Asla Limited	71,968,402	7,071,000	87,395,423	768,000	4,018,000	-
BRAC Bank Limited	-	520,000,000	-	-	520,000,000	-
Exim Bank Limited	410,101,261	314,159,517	277,481,750	308,053,761	314,159,517	277,481,750
First Security Islami Bank Limited	50,000,000	-	-	50,000,000	-	-
Meghna Bank Limited	184,780,339	337,202,412	71,312,500	184,780,339	337,202,412	71,312,500
Mercantile Bank Limited	104,581,562	50,000,000	-	104,581,562	50,000,000	-
Modhumoti Bank Limited	373,869,236	205,553,994	163,000,000	373,869,236	205,553,994	163,000,000
Mutual Trust Bank Limited	154,989,717	50,625,000	-	154,989,717	50,625,000	-
NRB Global Bank Limited	53,362,773	-	-	53,362,773	-	-
One Bank Limited	408,276,828	501,447,832	-	408,276,828	501,447,832	-
Premier Bank Limited	531,851,617	643,054,272	277,415,162	531,851,617	643,054,272	277,415,162
South Bangla Agricultural & Commerce Bank Limited	52,166,809	-	-	52,166,809	-	-
Southeast Bank Limited	52,282,294	-	-	52,282,294	-	-
Standard Bank Limited	50,000,000	-	-	50,000,000	-	-
The Farmers Bank Limited	-	100,000,000	109,876,989	-	100,000,000	109,876,989
Trust Bank Limited	-	204,795,447	-	-	204,795,447	-
IPDC Finance Limited	50,000,000	-	-	50,000,000	-	-
Lankabangla Finance Limited	100,000,000	-	-	100,000,000	-	-
The City Bank Limited	1,350,331,779	-	177,000,000	-	-	-
	4,100,803,047	3,113,909,474	1,163,481,824	2,577,221,366	3,110,856,474	899,086,401
	4,881,992,406	4,913,073,317	1,896,508,535	3,070,864,147	3,530,471,298	1,454,935,674



Notes to the financial statements (Continued)

16 Share capital

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
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	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	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	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	3,000,000,000	3,000,000,000
	15,000,000,000	15,000,000,000	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	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	65,000,000	85,000,000
14,300,000 Bonus shares of Tk 10 each in 2007	143,000,000	143,000,000	143,000,000	143,000,000	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	688,400,000	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	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	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	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	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	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	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	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	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	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	393,531,320	393,531,320
49,584,846 Bonus shares of Tk. 10 each in 2016	495,849,460	495,849,460	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	8,760,007,210	10,678,772,390	10,678,772,390	8,760,007,210

* Details are given in the Note 7.1.

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

16.1 Shareholding position

Name of shareholders	Percentage of shareholdings			Number of shares		
	30 June 2018	30 June 2017	1 July 2016	30 June 2018	30 June 2017	1 July 2016
Summit Corporation Limited	63.19%	56.61%	53.52%	674,792,929	604,555,430	468,835,292
Euro Hub Investments Limited	3.65%	3.65%	4.45%	38,940,126	38,940,126	38,940,126
Institutional investors	18.38%	24.34%	24.77%	196,294,116	259,900,891	216,962,884
General public	14.78%	15.40%	17.27%	157,850,068	164,480,792	151,262,419
	100.00%	100.00%	100.00%	1,067,877,239	1,067,877,239	876,000,721



Notes to the financial statements (Continued)

16.2 Classification of shareholders by holding

	30 June 2018		30 June 2017		1 July 2016	
	No. of holders	% of ownership	No. of holders	% of ownership	No. of holders	% of ownership
Less than 500 shares	24,754	0.40%	28,564	0.46%	20,490	0.42%
500 to 5,000 shares	12,844	2.18%	14,575	2.45%	14,639	2.95%
5,001 to 10,000 shares	2,206	1.45%	2,403	1.58%	2,336	1.78%
10,001 to 20,000 shares	918	1.23%	990	1.32%	961	1.49%
20,001 to 30,000 shares	328	0.76%	368	0.87%	357	0.99%
30,001 to 40,000 shares	137	0.46%	158	0.52%	142	0.55%
40,001 to 50,000 shares	111	0.49%	130	0.57%	98	0.50%
50,001 to 100,000 shares	212	1.48%	219	1.52%	218	1.75%
100,001 to 1,000,000 shares	239	7.16%	242	6.84%	203	6.48%
Over 1,000,000 shares	61	84.41%	80	84.09%	56	83.09%
	41,810	100%	47,709	100%	39,498	100%

17 Share premium

	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
<i>In BDT</i>						
Share premium from issue of 2,000,000 shares in 2005	80,000,000	80,000,000	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	308,880,000	308,880,000
Share premium from issue of 25,361,973 shares in 2010	2,746,940,817	2,745,940,817	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	3,134,820,817	3,134,820,817
Issue costs	(234,123,160)	(234,123,160)	(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	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	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	2,733,858,842	2,733,858,842
Transaction costs	(315,777)	(315,777)	(315,777)	(315,777)	(315,777)	(315,777)
	6,234,626,639	6,234,626,639	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	244,471,000	244,471,000
	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639	6,479,097,639

* Details are given in the Note 7.1.



Notes to the financial statements (Continued)

18 Revaluation reserve

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Opening balance	1,002,086,449	1,018,339,897	765,479,551	1,002,086,449	1,018,339,897	465,141,177
Transfer from SPPCL, SUPCL and SNPL on amalgamation	-	-	-	-	-	300,338,374
Gain on revaluation during the year	-	-	269,113,798	-	-	269,113,798
Transfer to retained earnings for depreciation	(19,121,724)	(16,253,448)	(16,253,452)	(19,121,724)	(16,253,448)	(16,253,452)
Closing balance	982,964,725	1,002,086,449	1,018,339,897	982,964,725	1,002,086,449	1,018,339,897

The Company carried out revaluation as on 30 June 2016 against which there is an upward revaluation of Tk. 269,113,798. The Company also performed such revaluation of land in 2008 and 2013 and the amount of Tk. 269,113,798 has been added after making necessary adjustment with the surplus and loss balances of last revaluation of 2013.

19 Non-controlling interests

<i>In BDT</i>	30 June 2018					
	SBPL	SNPL-II	SCPL	AAPL	SGIPL	Total
NCI percentage	51%	51%	51%	36%	80%	
Non-current assets	5,204,904,240	2,885,508,284	290,915	6,122,890,135	12,877,612,368	27,091,195,942
Current assets	2,039,990,009	1,412,467,237	9,582,136	250,760,837	2,481,658,067	6,194,448,075
Non-current liabilities	(3,990,419,374)	(2,252,602,187)	-	-	-	(6,243,021,561)
Current liabilities	(1,204,855,831)	(924,355,125)	(39,300)	(4,977,937,558)	(13,435,790,282)	(20,642,978,096)
Net assets	2,049,619,044	1,121,018,209	9,833,750	1,395,693,214	1,923,480,143	6,499,644,360
Net assets attributable to NCI	1,045,305,712	571,719,287	5,015,213	502,449,557	1,538,784,114	3,663,273,883
Less: Intra-group elimination	-	-	-	(26,000,000)	(116,000,000)	(142,000,000)
	1,045,305,712	571,719,287	5,015,213	476,449,557	1,422,784,114	3,521,273,883
Revenue	4,959,271,925	2,792,645,980	-	-	1,915,662,778	9,667,680,683
Profit	366,303,813	172,760,584	(49,250)	(11,602,194)	384,485,244	911,868,207
Other comprehensive income	(3,092,060)	(1,363,050)	-	46,043,179	19,014,899	60,602,978
Total Comprehensive Income	363,211,763	171,387,544	(49,250)	34,440,985	403,480,143	10,640,051,868
Profit allocated to NCI	186,814,945	88,102,803	(25,118)	(4,176,790)	307,572,195	578,288,035
Other comprehensive income allocated to NCI	(1,576,948)	(695,156)	-	16,575,544	15,211,919	29,515,361
Less: Intra-group elimination	-	-	-	-	-	-
						607,803,396
Net cash flow from/(used in) operating activities	912,117,208	441,049,423	(50,250)	(132,175,761)	(38,916,454)	1,182,024,178
Net cash flow from/(used in) investing activities	(148,906,691)	(121,640,115)	(1,272,137)	(5,167,594,983)	(12,746,936,223)	(18,186,350,149)
Net cash flow from/(used in) financing activities	(492,566,888)	(225,125,938)	-	6,251,565,092	12,674,413,597	17,408,295,963
Net increase/(decrease) In cash and cash equivalents	270,653,629	94,283,370	(1,322,387)	(48,205,642)	88,661,020	403,989,990



Notes to the financial statements (Continued)

	30 June 2017					
<i>In BDT</i>	SBPL	SNPL-II	SCPL	AAPL	SGIPL	Total
NCI percentage	51%	51%	51%	36%	-	
Non-current assets	5,198,851,805	2,852,526,419	313,285	949,863,376	-	8,999,554,885
Current assets	2,004,309,604	1,026,466,860	10,699,522	125,762,138	-	3,167,238,124
Non-current liabilities	(4,320,029,604)	(2,429,006,058)	-	-	-	(6,749,035,662)
Current liabilities	(1,194,724,524)	(500,356,556)	(1,129,807)	(337,864,514)	-	(2,034,075,401)
Net assets	1,686,407,281	949,630,665	9,883,000	737,761,000	-	3,383,681,946
Net assets attributable to NCI	860,067,715	484,311,640	5,040,330	265,593,960	-	1,615,013,645
Less: Intra-group elimination	-	-	-	140,000,000	-	140,000,000
	860,067,715	484,311,640	5,040,330	405,593,960	-	1,755,013,645
Revenue	5,278,016,886	2,095,147,983	-	-	-	7,373,164,869
Profit	431,605,884	216,818,413	(71,000)	(7,838,349)	-	640,514,928
Other comprehensive income	(868,400)	(8,450)	-	-	-	(876,850)
Total Comprehensive Income	430,737,464	216,809,963	(71,000)	(7,838,349)	-	8,012,802,947
Profit allocated to NCI	220,118,991	110,577,391	(36,210)	(2,821,806)	-	327,838,366
Other comprehensive income allocated to NCI	(442,884)	(4,310)	-	-	-	(447,194)
Less: Intra-group elimination	-	-	-	-	-	-
						327,391,172
Net cash flow from/(used in) operating activities	1,053,295,784	552,282,606	(76,700)	(11,270,033)	-	1,594,231,637
Net cash flow from/(used in) investing activities	(236,819,934)	(157,282,274)	(15,309)	(844,134,705)	-	(1,238,052,222)
Net cash flow from/(used in) financing activities	(278,774,878)	(63,876,974)	-	927,801,395	-	584,849,743
Net increase/(decrease) in cash and cash equivalents	537,901,152	331,023,358	(92,009)	72,196,657	-	941,029,158

	1 July 2016					
<i>In BDT</i>	SBPL	SNPL-II	SCPL	AAPL	SGIPL	Total
NCI percentage	51%	51%	51%	36%	-	
Non-current assets	6,164,340,241	2,808,930,504	297,976	32,570,102	-	7,996,138,823
Current assets	1,558,214,298	921,447,818	9,702,024	12,066,633	-	2,501,430,771
Non-current liabilities	(3,985,152)	(71,591)	-	-	-	(4,056,743)
Current liabilities	(5,452,899,568)	(2,997,488,026)	(46,000)	(49,037,386)	-	(8,499,468,980)
Net assets	1,255,669,817	732,820,705	9,954,000	(4,400,651)	-	1,994,043,871
Net assets attributable to NCI	640,391,607	373,738,560	5,076,540	(1,584,234)	-	1,017,622,473
Less: Intra-group elimination	-	-	-	-	-	-
	640,391,607	373,738,560	5,076,540	(1,584,234)	-	1,017,622,473



Notes to the financial statements (Continued)

20 Redeemable preference shares

See accounting policies in Note 47M(ii)

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Opening balance	983,677,920	1,301,682,020	780,623,000	-	312,254,100	780,623,000
Addition	-	1,000,000,000	1,000,000,000	-	-	-
Transaction cost	-	(5,750,000)	(10,572,080)	-	-	-
Repayment/settlement of installment	983,677,920	2,295,932,020	1,770,050,920	-	312,254,100	780,623,000
	-	(1,312,254,100)	(468,368,900)	-	(312,254,100)	(468,368,900)
	983,677,920	983,677,920	1,301,682,020	-	-	312,254,100
Non-current	826,398,267	983,677,920	-	-	-	-
Current	157,279,653	-	1,301,682,020	-	-	312,254,100
	983,677,920	983,677,920	1,301,682,020	-	-	312,254,100

In FY 2016, the preference shares were issued by Summit Barisal Power Limited and Summit Narayanganj Power Unit II Limited as fully subscribed and paid up on 18 April 2016 bearing dividend @ 8.75% per annum payable half yearly commencing from October 2016. Preference shares were to be redeemed over 7 years or by 7 instalments payable at the end of each year commencing from April 2017. Subsequently, after making the first instalment, rest of the amount was fully repaid in earlier by replacement of issuance of new redeemable preference shares for the same issuer companies.

The redeemable preference shares are fully subscribed and paid up 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.

21 Loans and borrowings

See accounting policies in Note 47M(ii)

<i>In BDT</i>	Note	Consolidated			Separate		
		30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Non-current							
Project loan	21.1	5,401,218,269	5,755,334,936	-	-	-	
		5,401,218,269	5,755,334,936	-	-	-	
Current							
Project loan	21.1	594,496,003	364,298,023	-	-	-	
Short term loan	21.2	360,000,000	-	5,453,674,158	-	-	
Deferred letter of credit	21.3	15,004,436,214	103,626,866	374,372,119	-	-	
		15,948,932,217	467,924,889	5,828,046,277	-	-	



Notes to the financial statements (Continued)

21.1 Project loan

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Opening balance	6,119,632,959	-	219,093,750	-	-	219,093,750
Drawdown						
Infrastructure Development Company Limited ("IDCOL")	-	3,550,500,000	-	-	-	-
Islamic Corporation for the Development of the Private Sector ("ICD")	-	1,578,000,000	-	-	-	-
OPEC Fund for International Development ("OFID")	-	997,296,000	-	-	-	-
	6,119,632,959	6,125,796,000	219,093,750	-	-	219,093,750
Repayment	(384,608,890)	-	(218,953,125)	-	-	(218,953,125)
Transaction cost	(2,012,067)	(143,939,978)	-	-	-	-
Amortisation of transaction cost	19,696,086	6,177,137	353,712	-	-	353,712
Exchange rate fluctuation effect	243,006,186	131,599,800	(494,337)	-	-	(494,337)
	6,996,714,273	6,119,632,959	-	-	-	-
Non-current	6,401,218,269	5,755,334,936	-	-	-	-
Current	694,496,003	364,298,023	-	-	-	-
	6,996,714,272	6,119,632,959	-	-	-	-

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*. On receipt of the loans, the Group/Company had incurred an amount of BDT 82,978,510 as transaction costs. Subsequently, an amount of BDT 1,094,783 was also added to it. The Group/Company had decided to capitalise such costs and to amortise the same over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company. The sponsor company, Summit Power Limited, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time, if there is any due.

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 12,840,000 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 Power Unit II Limited*. On receipt of the loans, the Group/Company had incurred an amount of Taka 60,961,468 as transaction costs. Subsequently, an amount of BDT 917,284 was also added to it. The Group/Company had decided to capitalise such costs and to amortise the same over the years of loan repayment. Fixed and floating charges have been created on all assets of the borrowing company. The sponsor company, Summit Power Limited, has also given sponsor and corporate guarantee on such borrowings to the lenders to pay all money time to time if there is any due.

21.2 Short term loan

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
The City Bank Limited	250,000,000	-	3,578,585,760	-	-	-
Bank Asie Limited	-	-	1,875,088,398	-	-	-
Eastern Bank Limited	100,000,000	-	-	-	-	-
	350,000,000	-	5,453,674,158	-	-	-



Notes to the financial statements (Continued)

21.3 Deferred letter of credit

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Bank Asia Limited	3,238,779,676	103,626,866	130,958,101	-	-	-
Eastern Bank Limited	299,600,130	-	-	-	-	-
One Bank Limited	153,016,575	-	-	-	-	-
The City Bank Limited	2,926,415,334	-	243,414,018	-	-	-
Mutual Trust Bank Limited	1,918,517,062	-	-	-	-	-
Prima Bank Limited	6,468,208,437	-	-	-	-	-
	15,004,436,214	103,626,866	374,372,119	-	-	-

22 Deferred liabilities

<i>In BDT</i>	Note	Consolidated			Separate		
		30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Gratuity fund	22.1	133,861,298	91,189,000	76,876,000	120,370,298	86,674,000	74,939,000
Liability for assets retirement obligation	22.2	66,375,562	85,275,000	62,830,879	68,376,562	65,275,000	62,830,879
		202,266,860	156,464,000	139,706,879	188,746,860	151,949,000	137,769,879

22.1 Gratuity fund

See accounting policies in Note 47H(i)

<i>In BDT</i>	Note	Consolidated			Separate		
		30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Opening balance		91,189,000	76,876,000	63,360,000	86,674,000	74,939,000	60,975,000
Service cost							
- Included in profit or loss	22.1.1	18,149,000	15,449,000	13,477,000	16,007,000	14,220,000	12,476,000
- Included in other comprehensive income	22.1.1	28,331,000	(1,136,000)	3,814,000	21,477,000	(2,485,000)	5,263,000
Benefits paid		(3,787,702)	-	(3,775,000)	(3,787,702)	-	(3,775,000)
Closing balance		133,861,298	91,189,000	76,876,000	120,370,298	86,674,000	74,939,000



Notes to the financial statements (Continued)

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

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Included in profit or loss						
Current service cost	11,766,000	10,067,000	9,042,000	9,940,000	8,974,000	8,208,000
Past service cost	-	-	-	-	-	-
Interest accrued on defined benefit obligation	6,383,000	5,382,000	4,435,000	6,067,000	5,246,000	4,268,000
	18,149,000	15,449,000	13,477,000	16,007,000	14,220,000	12,476,000
Included in other comprehensive income						
Actuarial (gain)/loss arising from:						
- Demographic assumptions	(477,000)	(930,000)	3,056,000	(411,000)	(882,000)	3,077,000
- Experience adjustment	28,808,000	(206,000)	758,000	21,888,000	(1,603,000)	2,186,000
	28,331,000	(1,136,000)	3,814,000	21,477,000	(2,485,000)	5,263,000
	46,480,000	14,313,000	17,291,000	37,484,000	11,735,000	17,739,000

22.1.2 Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date

	30 June 2018	30 June 2017	1 July 2016
Discount rate	7%	7%	7%
Future salary growth	6%	6%	6%
Withdrawal Rate	10%	10%	10%

22.1.3 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:

<i>In BDT</i>	30 June 2018		30 June 2017		1 July 2016	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
Consolidated						
Discount rate (1% movement)	(19,328,000)	24,506,000	(14,012,000)	17,792,000	(10,033,000)	12,265,000
Future salary growth (1% movement)	24,506,000	(19,654,000)	17,792,000	(14,114,000)	12,265,000	(10,045,000)
Separate						
Discount rate (1% movement)	(16,767,000)	21,135,000	(13,269,000)	16,820,000	(9,715,000)	11,857,000
Future salary growth (1% movement)	21,135,000	(17,051,000)	16,820,000	(13,370,000)	11,857,000	(9,725,000)



Notes to the financial statements (Continued)

22.2 Liability for assets retirement obligation

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Opening balance	55,276,000	62,830,879	60,826,975	65,276,000	82,830,879	60,826,975
Addition	3,100,562	2,444,121	2,003,904	3,100,562	2,444,121	2,003,904
Adjustment/payment	-	-	-	-	-	-
Closing balance	68,376,562	65,275,000	62,830,879	68,376,562	65,275,000	62,830,879

23 Unclaimed dividends

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Opening balance	43,380,882	185,051,305	6,266,338	43,380,882	185,051,305	6,266,338
Cash dividend declared	3,203,631,717	-	1,340,890,449	3,203,631,717	-	1,340,890,449
Proceeds from sale of fractional shares	-	199,495	-	-	199,495	-
Cash dividend paid	(3,188,582,753)	(141,869,918)	(1,182,105,482)	(3,188,582,753)	(141,869,918)	(1,162,105,482)
Closing balance	68,429,846	43,360,882	185,051,305	68,429,846	43,380,882	185,051,305

These amounts represent dividends that remained unclaimed by the shareholders as at 30 June 2018. These amounts are deposited in a bank account and are payable on demand.



Notes to the financial statements (Continued)

24 Trade payables

See accounting policies in Note 47M(ii)

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Gas:						
<i>Titas Gas Transmission & Distribution Company Limited</i>						
Ashulia Power Plant	4,319,436	5,199,540	5,010,226	4,319,436	5,199,540	5,010,226
Ashulia Power Plant (Expansion)	15,055,308	14,312,022	14,920,713	15,055,308	14,312,021	14,920,713
Madhabdi Power Plant	5,498,975	5,087,132	4,564,315	5,498,976	5,087,132	4,564,315
Madhabdi Power Plant (Expansion)	8,808,554	9,757,606	10,970,824	8,808,554	9,757,606	10,970,824
Rupganj Power Plant	36,808,531	35,852,595	27,423,031	36,808,531	35,852,595	27,423,031
Maona Power Plant	39,748,164	35,922,448	35,473,364	39,748,164	35,922,448	35,473,364
<i>Bekhrabad Gas Distribution Company Limited</i>						
Chandina Power Plant	5,440,250	5,386,261	4,674,855	5,440,250	5,386,261	4,674,855
Chandina Power Plant (Expansion)	4,968,213	6,282,869	5,436,760	4,968,213	6,282,869	5,436,760
Jangalia Power Plant	31,951,395	26,321,286	27,754,509	31,951,395	26,321,286	27,754,509
<i>Pashchimanchal Gas Company Limited</i>						
Ullapara Power Plant	9,538,122	10,626,562	5,126,338	9,538,122	10,626,562	5,126,338
Heavy furnace oil (HFO):						
<i>Summit Oil & Shipping Company Limited</i>						
Madanganj Power Plant	466,486,497	632,653,797	718,236,047	466,466,497	632,653,797	718,236,047
Barisal Power Plant	578,553,248	891,568,824	900,747,165	-	-	-
Madanganj Power Plant (Unit II)	573,652,211	363,448,361	514,763,296	-	-	-
Kodda Power Plant (Unit II)	1,753,805,733	-	-	-	-	-
Mobile Jamuna Lubricants Bangladesh Limited	18,440,680	6,972,152	-	18,440,680	6,293,943	-
Navana Petroleum Limited	5,479,680	5,704,000	86,658	-	5,704,000	86,658
Ranks Petroleum Limited	34,072,922	7,231,680	-	-	-	-
Wartsila Bangladesh Limited	14,990,377	10,298,832	5,570,426	10,344,127	10,298,632	5,570,426
Energypac Engineering Limited	642,800	642,800	187,395	642,800	642,800	187,395
Waterchem Technology	2,367,000	-	-	-	-	-
	3,610,508,096	2,073,268,567	2,280,945,922	658,031,052	810,341,492	865,435,461



Notes to the financial statements (Continued)

25 Other payables and accruals

See accounting policies in Note 47M(ii)

In BDT	Note	Consolidated			Separate		
		30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Provision for income tax		90,808,800	56,152,325	54,462,450	54,462,460	56,152,325	54,462,450
Liability for withholding tax and VAT		17,692,311	43,235,028	11,862,871	203,310	2,710,600	803,888
Utility bills (gas, rent, rste and others)		-	5,415,971	365,640	-	5,415,971	365,640
Refundable IPO subscription of SPPCL		-	156,566	156,566	-	156,566	156,566
Provision for liquidated damage		-	-	1,750,000	-	-	1,750,000
Summit Oil and Shipping Limited		26,893,660	15,307,280	76,739,530	2,425,065	2,400,000	4,637,638
Cosmopolitan Communications Limited		167,900	-	-	121,900	-	-
Provision for C & F agents		2,170,000	67,148	111,349	-	67,148	111,349
Resources & Solutions Limited		858,612	-	-	858,612	-	-
Technology Simple		1,162,288	-	-	1,162,288	-	-
Bangla Trac Ltd.		-	332,869	332,869	-	332,869	332,869
M/s UDECO Limited		56,436,396	17,124,815	37,793,061	-	-	-
Navana Petroleum Limited		10,810,000	-	-	-	-	-
Lanka-Bangla Investments Limited		500,000	1,570,000	-	-	-	-
Credit Rating Information & Services Ltd.		230,000	-	-	-	-	-
Baltic Control (BD) Limited		-	51,750	-	-	-	-
Green Delta Insurance Company Limited		2,388,091	-	-	-	-	-
Pioneer Insurance Co. Ltd.		1,532,280	-	-	-	-	-
Mandate signing fee - The City Bank Limited		3,847,949	3,847,949	3,847,949	-	-	-
Aitken Spence Plc., Sri Lanka		16,979,306	16,979,306	16,979,306	-	-	-
Audit and certification fees		2,617,134	2,346,575	1,175,300	1,409,634	1,409,900	1,060,300
Alliance Holdings Limited		-	-	2,827,541	-	-	-
Security service expenses		2,603,737	1,204,705	613,494	1,198,688	1,204,705	613,494
Liability for earned leave encashment	25.1	59,838,376	61,158,850	46,143,881	63,316,737	55,651,044	44,024,138
Interest on project loan		17,914,190	17,747,351	-	-	-	-
Dividend on redeemable preference shares		226,027	1,760,000	18,229,170	-	-	-
Provision for bonus to employees		20,000,000	-	-	-	-	-
Asset purchase		1,729,871	-	-	1,204,566	-	-
Legal and professional fees payable		4,367,600	-	818,250	-	-	-
Ashib Enterprise		-	-	1,570,408	-	-	-
Poly Cable Limited		-	-	24,495,108	-	-	-
Green Dot Limited		-	1,108,900	552,000	-	-	-
Security deposit from employees		-	215,000	145,000	-	215,000	145,000
Security deposit retained from vendors		9,854,612	6,403,960	50,264,945	-	-	-
Others		2,330,817	1,386,493	3,068,187	1,784,032	1,209,400	2,551,068
		363,059,957	253,572,841	354,304,875	128,147,262	126,925,528	111,014,400



Notes to the financial statements (Continued)

25.1 Liability for earned leave

See accounting policies in Note 47H(II)

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Opening balance	61,158,850	46,143,881	37,472,063	55,651,044	44,024,138	35,747,053
Addition	11,415,725	16,189,410	9,256,326	10,240,746	12,779,928	8,861,593
Payment	-2,638,199	-1,174,441	-584,508	-2,575,053	(1,153,022)	(584,508)
Closing balance	69,938,376	61,158,850	46,143,881	63,316,737	55,651,044	44,024,136

26 Intercompany payables

<i>In BDT</i>	Consolidated			Separate		
	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]	30 June 2018	30 June 2017 [Restated]	1 July 2016 [Restated]
Summit Corporation Limited	878,000,000	-	-	-	-	-
	878,000,000	-	-	-	-	-



Notes to the financial statements (Continued)

27 Revenue

See accounting policies in Note 47J

<i>In BDT</i>	Consolidated		Separate	
	For the year ended		For the year ended	
	30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Sales revenue - Electricity				
Ashulia Power Plant	189,025,800	174,174,364	189,025,800	174,174,364
Ashulia Power Plant (expansion)	950,817,719	831,208,650	950,817,719	831,208,650
Madhabdi Power Plant	196,794,659	183,259,433	196,794,659	183,259,433
Madhabdi Power Plant (expansion)	701,961,293	656,422,135	701,961,293	656,422,135
Chandina Power Plant	191,346,895	179,484,094	191,346,895	179,484,094
Chandina Power Plant (expansion)	393,009,299	401,840,907	393,009,299	401,840,907
Jangalia Power Plant	718,091,261	643,554,637	718,091,261	643,554,637
Rupganj Power Plant	806,346,817	739,048,597	806,346,817	739,048,597
Maona Power Plant	801,890,214	766,175,495	801,890,214	766,175,495
Ullapara Power Plant	239,374,160	234,422,560	239,374,160	234,422,560
Madanganj Power Plant	1,351,511,710	1,357,352,259	1,351,511,710	1,357,352,259
Barisal Power Plant	1,275,738,676	1,283,305,141	-	-
Madanganj Power Plant (Unit II)	678,677,020	664,135,426	-	-
Kodda Power Plant (Unit II)	461,751,748	-	-	-
	8,956,337,271	8,114,383,698	6,540,169,827	6,166,943,131
Sales revenue - HFO				
Madanganj Power Plant	2,259,887,777	2,673,840,333	2,259,887,777	2,673,840,333
Barisal Power Plant	3,683,533,249	3,994,711,745	-	-
Madanganj Power Plant (Unit II)	2,113,968,960	1,431,012,557	-	-
Kodda Power Plant (Unit II)	1,453,911,030	-	-	-
	9,511,301,016	8,099,564,635	2,259,887,777	2,673,840,333
	18,467,638,287	16,213,948,333	8,800,057,604	8,840,783,464

28 Cost of sales

<i>In BDT</i>	Note	Consolidated		Separate	
		For the year ended		For the year ended	
		30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Gas consumption:					
Ashulia Power Plant		59,014,827	54,442,469	59,014,827	54,442,469
Ashulia Power Plant (expansion)		176,541,266	141,390,076	176,541,266	141,390,076
Madhabdi Power Plant		64,281,437	54,704,020	64,281,437	54,704,020
Madhabdi Power Plant (expansion)		139,164,454	121,083,278	139,164,454	121,083,278
Chandina Power Plant		61,493,207	58,850,710	61,493,207	58,850,710
Chandina Power Plant (expansion)		75,492,669	67,988,566	75,492,669	67,988,566
Jangalia Power Plant		184,714,408	154,319,394	184,714,408	154,319,394
Rupganj Power Plant		225,378,528	198,146,943	225,378,528	198,146,943
Maona Power Plant		225,859,348	217,473,158	225,859,348	217,473,158
Ullapara Power Plant		61,707,502	60,144,119	61,707,502	60,144,119
HFO consumption:					
Madanganj Power Plant		2,259,887,777	2,673,840,333	2,259,887,777	2,673,840,333
Barisal Power Plant		3,683,533,249	3,994,711,745	-	-
Madanganj Power Plant (Unit II)		2,113,968,960	1,431,012,557	-	-
Kodda Power Plant (Unit II)		1,453,911,030	-	-	-
Tankage handling charge		80,203,664	71,792,768	29,089,193	29,117,250
Depreciation on plant and machineries	4.1	1,111,927,387	954,590,147	743,746,748	684,984,296
General consumables		235,342,043	706,660,763	175,560,350	623,128,388
Lube and other oil expenses		289,341,722	362,368,201	144,906,806	208,036,009
Salaries and allowances		270,100,992	255,323,628	201,108,121	201,754,958
Insurance premium		73,897,746	61,861,897	34,423,816	33,707,410
Daily labor charges		23,578,813	20,897,914	17,018,537	15,401,860
Lease land rental		4,722,200	5,443,379	4,722,200	5,443,379
Security service expenses		22,055,427	17,096,689	11,772,268	11,589,329
BERC license fees		1,402,701	4,044,298	689,001	1,853,688
Environmental compliance		2,164,874	1,332,014	1,498,814	1,103,614
ISO certification		819,150	363,975	769,150	363,975
Plant maintenance expenses		162,185,374	98,410,017	119,435,935	90,997,364
Liquidated damages		-	60,566,602	-	60,566,602
Employee welfare		288,098	277,060	267,774	277,060
		13,062,978,853	11,849,136,720	5,018,544,136	5,770,708,248



Notes to the financial statements (Continued)

29 Other income, net

<i>In BDT</i>	Consolidated		Separate	
	For the year ended		For the year ended	
	30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Sale of empty lube oil drums and HFO sludge	9,158,704	8,546,379	3,282,368	4,038,115
Dividend income	350,917,048	223,071,548	350,917,048	523,071,548
Other receivable written-off	(23,155,316)	-	(17,742,123)	-
Cash at bank written-off	-	(3,181,890)	-	-
Gain/(loss) from disposal of assets	3,698,482	1,150,000	3,698,482	1,150,000
Miscellaneous, net of expenses	-	2,935,826	-	2,935,826
	340,618,918	232,521,863	340,155,775	531,195,489

30 General and administrative expenses

<i>In BDT</i>	Note	Consolidated		Separate	
		For the year ended		For the year ended	
		30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Salaries and allowances		82,507,269	74,623,116	79,095,994	72,585,506
Gratuity		18,278,440	15,449,000	16,007,000	14,220,000
Directors and CEO's remuneration	30.1	59,582,166	59,710,837	59,266,877	59,710,837
Tax on directors remuneration		17,132,345	11,680,625	17,132,345	11,680,625
Security service and temporary contract worker		27,628,910	6,598,605	25,428,223	6,195,069
Education and training		2,653,328	7,154,981	2,465,883	7,009,321
Employee welfare		176,239	219,212	124,950	42,473
Board meeting attendance fees		1,543,980	816,171	982,945	677,091
Board meeting - others		664,000	-	580,000	-
Audit committee attendance fees		500,000	290,000	360,000	290,000
Communication		10,823,812	11,067,509	8,311,577	9,787,912
Travelling and conveyance		7,462,154	7,684,942	4,849,878	4,444,119
Vehicle fuel and maintenance		14,932,725	15,670,687	13,693,640	14,794,595
Entertainment		20,889,165	14,896,835	11,683,563	10,074,170
Food and lodging		1,620,815	932,338	830,966	932,338
Printing and stationery		6,153,094	2,883,010	4,730,155	2,306,067
Office expenses		1,720,711	1,198,959	1,522,706	908,434
General repair and maintenance		18,151,909	9,924,206	14,796,912	6,272,527
Land lease rental		514,102	465,530	514,102	465,530
Rent, rates and taxes		5,855,892	13,898,648	5,008,779	11,327,291
Utility expenses		1,236,517	8,161,151	809,359	6,533,590
Insurance premium		3,451,908	1,658,672	3,397,556	1,617,171
Advertisement and publicity		8,800,102	5,490,656	7,475,650	5,390,657
Gift and compliments		944,517	1,320,032	854,517	1,230,032
Donation and subscription		29,663,336	43,037,830	27,878,978	37,476,070
Legal and professional consultancy fees		21,380,115	18,532,879	15,818,688	15,773,800
Uniform and liveries		6,571,292	5,732,982	4,512,220	3,891,627
Audit fee		2,070,000	1,725,000	862,500	862,500
Credit rating fees		460,000	230,000	230,000	230,000
Annual General Meeting expenses		7,403,970	-	7,403,970	-
Extra ordinary General Meeting expenses		869,068	2,154,250	869,068	2,154,250
Depreciation	4.1	60,422,386	48,802,745	53,969,353	45,508,839
Amortisation	5	333,335	333,334	333,334	333,334
Tender document expenses		-	1,004,662	-	1,004,662
Annual fees		4,862,957	10,956,828	2,928,156	5,102,929
Business development expenses		13,614,030	10,442,036	9,789,574	6,814,047
Inauguration ceremony		-	1,037,833	-	-
Miscellaneous		13,993	3,220,907	-	3,175,927
		460,888,582	419,007,008	404,519,418	370,823,340

30.1 Directors and CEO's remuneration

<i>In BDT</i>	Consolidated		Separate	
	For the year ended		For the year ended	
	30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Salaries and allowances	48,195,023	49,017,643	48,195,023	49,017,643
Festival bonus	8,809,506	8,289,672	8,809,506	8,289,672
Utility expenses	1,980,000	1,980,000	1,980,000	1,980,000
Board meeting attendance fees	597,637	423,522	282,348	423,522
	59,582,166	59,710,837	59,266,877	59,710,837



Notes to the financial statements (Continued)

31 Finance income/(expenses), net

See accounting policies in Note 47L

<i>In BDT</i>	Consolidated		Separate	
	For the year ended		For the year ended	
	30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Finance Income				
Interest on FDRs	246,157,339	120,274,896	183,446,064	106,880,537
Interest on STDs	43,555,589	16,499,307	8,309,679	5,706,643
Foreign exchange gain/(loss)	(180,498,736)	(104,478,792)	19,602,776	27,064,213
	109,214,192	32,295,411	211,358,519	139,651,393
Finance expenses				
Interest on loan				
Bank loan and overdraft	20,370,854	3,586,317	-	3,586,317
Foreign project loan	378,159,895	400,381,754	-	-
Dividend on redeemable preference shares	82,726,027	94,387,156	-	8,327,476
Liquidated damage	-	30,545	-	30,545
	481,256,776	498,385,772	-	11,944,338
Others				
Bank charges and others	7,532,121	6,726,823	5,218,142	6,319,479
Bank guarantee commission	12,371,975	6,115,044	8,880,857	4,168,794
Amortisation on ARO	3,100,563	2,444,121	3,100,563	2,444,121
Amortisation of transaction cost on foreign project loan	19,696,086	6,177,137	-	-
Operation and insurance bond commission	2,614,881	2,632,479	2,614,881	2,632,479
Annual fees	-	5,466,195	-	1,150,000
Agency fee	10,046,343	1,150,000	-	-
Other non operating expenses	835,000	-	-	-
	56,196,969	30,711,799	19,814,443	16,714,873
Finance expenses	537,453,745	529,097,571	19,814,443	28,659,211
Finance income/(expenses), net	(428,239,553)	(496,802,160)	191,544,076	110,992,182

32 Income tax expense

See accounting policies in Note 47 I

<i>In BDT</i>	Note	Consolidated		Separate	
		For the year ended		For the year ended	
		30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Current tax expenses		36,337,805	-	-	-
Deferred tax expense/(income) recognised directly in profit	32.1	(3,804,525)	(3,985,150)	(3,054,825)	(3,555,000)
		32,533,280	(3,985,150)	(3,054,825)	(3,555,000)

32.1 Deferred tax expense/(income)

<i>In BDT</i>	Consolidated		Separate	
	For the year ended		For the year ended	
	30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Deferred tax assets/(liabilities)				
Opening balance	23,248,750	19,412,700	21,668,500	18,734,750
Closing balance	34,821,425	23,248,750	30,092,575	21,668,500
	(11,572,675)	(3,836,050)	(8,424,075)	(2,933,750)
Deferred tax attributable to actuarial (gain)/loss recognised directly in equity	7,768,150	(149,100)	5,369,250	(621,250)
	(3,804,525)	(3,985,150)	(3,054,825)	(3,555,000)



Notes to the financial statements (Continued)

32.2 Other comprehensive income - net of tax

<i>In BDT</i>	Note	Consolidated		Separate	
		For the year ended		For the year ended	
		30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Actuarial (gain)/loss on defined benefit plans	22.1	28,331,000	(1,136,000)	21,477,000	(2,485,000)
Deferred tax expense/(income) for actuarial loss on defined benefit plans		(7,768,150)	149,100	(5,369,250)	621,250
		20,562,850	(986,900)	16,107,750	(1,863,750)

33 Earnings per share (EPS)

See accounting policies in Note 47 O

33.1 Basic earnings per share

<i>In BDT</i>		Consolidated		Separate	
		For the year ended		For the year ended	
		30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Basic earnings per share					
Profit attributable to the ordinary shareholders (basic)		4,696,084,430	4,267,694,878	3,911,748,726	3,344,994,547
33.2 Weighted average number of shares outstanding (basic)		1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Earnings per share (EPS)		4.40	4.00	3.66	3.13

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.

34 Net asset value per share (NAVPS)

<i>In BDT</i>		Consolidated		Separate	
		For the year ended		For the year ended	
		30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Net asset value		33,378,267,981	31,321,731,425	30,589,625,148	29,363,546,300
Weighted average number of shares outstanding (basic)	33.2	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Net asset value per share (NAVPS)		31.26	29.33	28.65	27.50

35 Net operating cash flows per share (NOCFPS)

<i>In BDT</i>		Consolidated		Separate	
		For the year ended		For the year ended	
		30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Net cash from operating activities		4,850,759,640	4,275,712,603	3,668,735,464	2,681,480,966
Weighted average number of shares outstanding (basic)	33.2	1,067,877,239	1,067,877,239	1,067,877,239	1,067,877,239
Net operating cash flows per share (NOCFPS)		4.54	4.00	3.44	2.51



Notes to the financial statements (Continued)

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

In BDT	Note	Consolidated		Separate	
		For the year ended		For the year ended	
		30 June 2018	30 June 2017 [Restated]	30 June 2018	30 June 2017 [Restated]
Cash flows from operating activities					
Profit after income tax		5,274,372,465	4,595,533,244	3,911,748,726	3,344,994,547
Adjustments for:					
Depreciation	4	1,172,349,773	1,003,392,892	797,716,101	730,493,135
Amortisation	30	333,336	333,334	333,336	333,334
Finance expenses - Unrealised foreign exchange		201,764,065	215,604,274	-	-
Income tax expenses - Deferred tax income	32.1	(3,804,525)	(3,985,150)	(3,054,825)	(3,555,000)
Actuarial gain/(loss) on gratuity valuation	32.2	(28,331,000)	1,136,000	(21,477,000)	2,485,000
Share of profit of equity-accounted investees	7	(450,755,528)	(910,023,786)	-	-
		891,556,121	306,457,564	773,517,612	729,756,469
Adjustments for items that are reclassified to investing and financing activities:					
Other income					
Dividend income	29	(350,917,048)	(223,071,548)	(350,917,048)	(523,071,548)
Gain/(loss) from disposal of assets	29	(3,698,482)	(1,150,000)	(3,698,482)	(1,150,000)
Finance income - Interest on FDRs and STDs	31	(289,712,928)	(136,774,203)	(191,755,743)	(112,587,180)
Finance expenses - Interest on loan	31	481,256,776	498,385,772	-	11,944,338
		(163,071,682)	137,390,021	(546,371,273)	(624,864,390)
Changes in:					
Inventories	10	(88,885,643)	8,244,146	(17,438,467)	52,077,971
Trade receivables	11	(2,613,861,271)	(598,585,420)	(416,938,743)	(948,984,595)
Other receivables (except interest on FDR)	12	51,994,509	(27,574,078)	46,543,136	(27,574,081)
Advances, deposits and prepayments	14	(174,233,849)	147,857,051	31,966,299	181,078,762
Deferred liabilities	22	45,792,860	16,757,121	36,796,860	14,179,121
Trade payables	24	1,537,239,529	(207,677,355)	(152,310,440)	(55,093,966)
Other payables and accruals	25	109,487,118	(100,732,034)	1,221,754	15,911,128
		(1,132,466,747)	(761,710,569)	(470,159,601)	(768,405,660)
Cash generated from operating activities		4,870,390,157	4,277,670,260	3,668,735,464	2,681,480,966
Income tax paid		(19,630,517)	(1,957,657)	-	-
Net cash from operating activities		4,850,759,640	4,275,712,603	3,668,735,464	2,681,480,966



Notes to the financial statements (Continued)

37 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.

In thousands of BDT	Note	Carrying amount			Fair value			Total	Fair value				
		Held for trading at fair value	Designated at fair value	Held to maturity	Fair value hedging instruments	Loans and receivables	Available for sale		Other financial liabilities	Level 1	Level 2	Level 3	Total
30 June 2018													
Financial assets measured at fair value													
Available-for-sale financial assets	9	-	-	-	-	4,320,803	-	4,320,803	4,320,803	-	-	-	4,320,803
Financial assets not measured at fair value													
Trade receivables	11	-	-	9,177,390	-	-	-	9,177,390	-	-	-	-	-
Other receivables	12	-	-	60,254	-	-	-	60,254	-	-	-	-	-
Deposits	14	-	-	26,690	-	-	-	26,690	-	-	-	-	-
Cash and cash equivalents (except cash in hand)	15	-	-	4,879,259	-	-	-	4,879,259	-	-	-	-	-
		-	-	14,143,593	-	-	-	14,143,593	-	-	-	-	-
Financial liabilities not measured at fair value													
Redeemable preference shares	20	-	-	-	-	-	983,678	983,678	-	-	-	-	-
Loans and borrowings	21	-	-	-	-	-	21,360,150	21,360,150	-	-	-	-	-
Deferred liabilities	22	-	-	-	-	-	202,257	202,257	-	-	-	-	-
Unclaimed dividends	23	-	-	-	-	-	58,430	58,430	-	-	-	-	-
Trade payables	24	-	-	-	-	-	3,610,508	3,610,508	-	-	-	-	-
Other payables and accruals	25	-	-	-	-	-	363,060	363,060	-	-	-	-	-
Intercompany payables	26	-	-	-	-	-	878,000	878,000	-	-	-	-	-
		-	-	-	-	-	27,446,083	27,446,083	-	-	-	-	-



Notes to the financial statements (Continued)

In thousands of BDT	Note	Fair value			Carrying amount			Fair value					
		Held for trading at fair value	Designated at fair value	Fair value hedging instruments	Held to maturity	Loans and receivables	Available for sale	Other financial liabilities	Level 1	Level 2	Level 3	Total	
30 June 2017													
Financial assets measured at fair value													
Available-for-sale financial assets	9	-	-	-	-	-	3,786,734	-	3,786,734	3,786,734	-	-	3,786,734
		-	-	-	-	-	3,786,734	-	3,786,734	3,786,734	-	-	3,786,734
Financial assets not measured at fair value													
Trade receivables	11	-	-	-	-	6,563,529	-	-	6,563,529	-	-	-	-
Other receivables	12	-	-	-	-	100,761	-	-	100,761	-	-	-	-
Deposits	14	-	-	-	-	34,432	-	-	34,432	-	-	-	-
Cash and cash equivalents (except cash in hand)	15	-	-	-	-	4,911,318	-	-	4,911,318	-	-	-	-
		-	-	-	-	11,610,039	-	-	11,610,039	-	-	-	-
Financial liabilities not measured at fair value													
Redeemable preference shares	20	-	-	-	-	-	-	983,678	983,678	-	-	-	-
Loans and borrowings	21	-	-	-	-	-	-	6,223,260	6,223,260	-	-	-	-
Deferred liabilities	22	-	-	-	-	-	-	156,464	156,464	-	-	-	-
Unclaimed dividends	23	-	-	-	-	-	-	43,381	43,381	-	-	-	-
Trade payables	24	-	-	-	-	-	-	2,073,269	2,073,269	-	-	-	-
Other payables and accruals	25	-	-	-	-	-	-	253,573	253,573	-	-	-	-
		-	-	-	-	-	-	9,733,624	9,733,624	-	-	-	-

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



Notes to the financial statements (Continued)

B. Financial risk management

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

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

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

i) Credit risk

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

a) Exposure to credit risk

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

<i>In BDT</i>	<i>Notes</i>	30 June 2018	30 June 2017
Trade receivables	11	9,177,390,005	6,563,528,734
Other receivables	12	60,253,599	100,760,659
Deposits	14	26,690,148	34,431,672
Cash and cash equivalents (except cash in hand)	15	4,879,259,343	4,911,318,011
		14,143,593,095	11,610,039,076

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

<i>In BDT</i>	30 June 2018	30 June 2017
Not past due	5,109,970,989	2,925,250,502
Past due 0 - 30 days	164,236,822	510,629,810
Past due 31 - 90 days	159,540,636	117,163,702
Past due 91 - 180 days	191,967,343	200,155,287
Past due over 180 days	3,571,040,876	2,881,690,603
	9,196,756,666	6,634,889,904



Notes to the financial statements (Continued)

ii) Liquidity risk

Liquidity risk is the risk that the Company/Group will not be able to meet its financial obligations as they fall due. The Company's/Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's/Group's reputation. Typically, the Company/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 Company/Group seeks to maintain short term lines of credit with scheduled commercial banks to ensure payment of obligations in the event that there is insufficient cash to make the required payment. The requirement is determined in advance through cash flows projections and credit lines facilities with banks are negotiated accordingly.

It may be noted that the Company/Group repaid its liabilities in financial year 2018 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 Company/Group:

In BDT	Carrying amount	Total	Contractual cash flows					
			6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years	
30 June 2018								
Redeemable preference shares	983,677,920	1,000,000,000	-	160,000,000	160,000,000	480,000,000	200,000,000	
Loans and borrowings	21,350,150,486	21,470,229,309	5,010,474,141	10,945,743,883	601,781,810	1,805,345,430	3,106,884,045	
Deferred liabilities	202,256,860	202,256,860	-	-	-	202,256,860	-	
Unclaimed dividends	58,429,846	58,429,846	-	-	-	-	-	
Trade payables	3,610,508,096	3,610,508,096	3,610,508,096	-	-	-	-	
Other payables and accruals	363,059,957	363,059,957	363,059,957	-	-	-	-	
Intercompany payables	878,000,000	878,000,000	878,000,000	-	-	-	-	
	27,446,083,165	27,582,484,068	9,042,472,040	11,983,743,883	761,781,810	2,487,602,290	3,306,884,045	
30 June 2017								
Redeemable preference shares	983,677,920	1,000,000,000	-	-	160,000,000	480,000,000	360,000,000	
Loans and borrowings	6,223,259,825	6,361,022,666	80,595,000	393,269,177	579,284,622	1,737,853,866	3,570,020,001	
Deferred liabilities	156,464,000	156,464,000	-	-	-	156,464,000	-	
Unclaimed dividends	43,380,882	43,380,882	43,380,882	-	-	-	-	
Trade payables	2,073,268,567	2,073,268,567	2,073,268,567	-	-	-	-	
Other payables and accruals	253,572,841	253,572,841	253,572,841	-	-	-	-	
	9,733,624,035	9,887,708,956	2,450,817,290	393,269,177	739,284,622	2,374,317,866	3,930,020,001	

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



Notes to the financial statements (Continued)

iii) **Market risk**

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

a) **Currency risk**

The Group, except AAPL and SGIPL, 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). For AAPL and SGIPL, foreign currency transactions are denominated in Bangladesh Taka (BDT) and EURO. The Company/Group has not entered into any type of derivatives instrument in order to hedge foreign currency risk as at 30 June 2018.

i) **Exposure to currency risk**

The Group's exposure, except AAPL and SGIPL, to foreign currency risk arising from foreign currency denominated assets/(liabilities) was as follows:

<i>In BDT</i>	<i>Currency</i>	30 June 2018	30 June 2017
Foreign currency denominated assets			
Trade receivables	USD	395,102,117	499,556,500
Cash at bank	USD	65,349,956	83,138,457
		460,452,073	582,694,957
Foreign currency denominated liabilities			
Loans and borrowings	USD	5,995,714,273	6,119,632,959
		5,995,714,273	6,119,632,959
Net exposure - assets/(liabilities)		(5,535,262,200)	(5,536,938,002)

For AAPL and SGIPL, the exposure to foreign currency risk arising from foreign currency denominated assets/(liabilities) was as follows:

<i>In BDT</i>	<i>Currency</i>	30 June 2018	30 June 2017
Foreign currency denominated assets			
Trade receivables	BDT	2,222,868,407	-
Other receivables	BDT	1,509,147	-
Intercompany receivables	BDT	100,054,157	-
Deposit	BDT	1,221,672	-
Cash and cash equivalents (except cash in hand)	BDT	143,186,716	-
		2,468,840,099	-
Foreign currency denominated liabilities			
Loans and borrowings	USD	-	103,626,866
Loans and borrowings	EURO	12,477,291,046	-
Loans and borrowings	BDT	436,920,818	-
Trade payables	BDT	1,785,322,173	-
Other payables	BDT	155,916,009	-
Intercompany payables	BDT	878,000,000	-
		15,733,450,046	103,626,866
Net exposure - assets/(liabilities)		(13,264,609,947)	(103,626,866)



Notes to the financial statements (Continued)

ii) Foreign exchange rate sensitivity analysis for foreign currency expenditures

A reasonably possible change of 3% in foreign currencies at 30 June 2018 and 30 June 2017 would have increased/ (decreased) equity and profit or loss of the Group (except AAPL and SGIPL) by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

<i>In BDT</i>	Profit/(loss)		Equity	
	Strengthening	Weakening	Strengthening	Weakening
30 June 2018				
USD (3% movement)	(166,057,866)	166,057,866	(166,057,866)	166,057,866
Exchange rate sensitivity	(166,057,866)	166,057,866	(166,057,866)	166,057,866
30 June 2017				
USD (3% movement)	(166,108,140)	166,108,140	(166,108,140)	166,108,140
Exchange rate sensitivity	(166,108,140)	166,108,140	(166,108,140)	166,108,140

For AAPL and SGIPL, the impact of 3% change in foreign currencies at 30 June 2018 and 30 June 2017 has been analysed below. This analysis assumes that all other variables, in particular interest rates, remain constant.

<i>In BDT</i>	Profit/(loss)		Equity	
	Strengthening	Weakening	Strengthening	Weakening
30 June 2018				
BDT (3% movement)	(23,619,567)	23,619,567	(23,619,567)	23,619,567
EURO (3% movement)	(374,318,731)	374,318,731	(374,318,731)	374,318,731
Exchange rate sensitivity	(397,938,298)	397,938,298	(397,938,298)	397,938,298
30 June 2017				
USD (3% movement)	(3,108,806)	3,108,806	(3,108,806)	3,108,806
Exchange rate sensitivity	(3,108,806)	3,108,806	(3,108,806)	3,108,806

The following significant exchange rates are applicable:

	30 June 2018	30 June 2017
USD	83.7250	80.5950
EURO	97.7867	92.0879



Notes to the financial statements (Continued)

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. The Group has not entered into any type of derivative instrument in order to hedge interest rate risk as at the reporting date. However, management feels that the risk arising from interest rate fluctuation is immaterial to the financials of the Group.

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

<i>In BDT</i>	30 June 2018	30 June 2017
Fixed rate instruments		
Financial assets		
Fixed deposit receipts	4,100,803,047	3,113,909,474
Financial liabilities		
Redeemable preference shares	(983,677,920)	(983,677,920)
Loans and borrowings	(488,177,654)	(103,626,866)
	2,628,947,473	2,026,604,688
Variable rate instruments		
Financial assets		
	-	-
Financial liabilities		
Loans and borrowings	(20,861,972,832)	(6,119,632,959)
	(20,861,972,832)	(6,119,632,959)

38 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.

39 Operating leases

Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

<i>In BDT</i>	30 June 2018	30 June 2017
Within one year	3,010,604	4,974,022
Between one and five years	10,400,000	10,803,259
More than five years	2,135,890	4,735,890
	15,546,494	20,513,171

The Group leases land under operating leases. The leases typically run for a period of 15 years, with an option to renew the lease after that date. Some leases provide for additional rent payments that are based on changes in a local price index. For certain operating leases, the Company is restricted from entering into any sublease arrangements.



Notes to the financial statements (Continued)

40 Commitments

40.1 Commitment of capital expenditure

The Group had the following commitments of capital expenditure at 30 June 2018:

<i>In BDT</i>	30 June 2018	30 June 2017
River bank protection	127,878,264	100,000,000
Fire safety works	118,298,494	120,000,000
Workshop equipment	10,000,000	10,000,000
	256,176,758	230,000,000

40.2 Other commitments

The Group had the following letters of credit (LC) in hand at 30 June 2018:

Name of power plants	LC number	Currency type	Invoice value	Commitment value (in BDT)
SPL				
Ashulia, Madhabdi, Chandina	209718020070	EURO	650,567	63,616,842
Rupganj	209718011015	EURO	32,950	3,222,072
Maona	208418010224	USD	120,000	10,047,000
	209718011147	EURO	102,219	9,995,660
Ullapara	208418010198	EURO	176,300	17,239,795
	208418010197	EURO	216,300	21,151,263
SBPL				
Rupatoli, Barisal	209717012572	USD	9,523	797,347
	209718011351	EURO	16,005	1,565,076
SNPLII				
Madanganj Unit II, Narayanganj	208418010157	EURO	36,857	3,604,089



Notes to the financial statements (Continued)

41 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:

<i>In BDT</i>	Expiry date/ Income year	Assessment year	Currency	30 June 2018	30 June 2017
Operation Security Deposits					
All 11 MWh plants	31.08.2019	-	USD	100,470,000	96,714,000
Savar expansion plant	16.12.2018	-	USD	65,305,500	62,864,100
Narsingdi expansion plant	16.12.2018	-	USD	46,886,000	45,133,200
Chandina expansion plant	16.12.2018	-	USD	26,792,000	25,790,400
BPDB AG. Jangalia Project	05.08.2019	-	BDT	39,368,234	39,368,234
BREB AG. Rugganj Project	05.08.2019	-	BDT	39,368,234	39,368,234
BREB AG. Maona Project	05.08.2019	-	BDT	39,368,234	39,368,234
BREB AG. Ullapara Project	05.08.2019	-	BDT	13,867,126	13,867,126
Stand-by Letter of Credit					
SPL - in favour of SBPL	11.12.2018	-	BDT	311,875,625	362,677,500
SPL - in favour of SNPUIIL	13.12.2018	-	BDT	167,715,827	201,487,500
Bank Guarantee					
BPDB - Madanganj	19.06.2019	-	BDT	212,160,000	252,259,587
Titas gas T&D- Rugganj	25.01.2019	-	BDT	26,690,849	26,690,849
Bakhrabad- Jangalia	25.01.2019	-	BDT	24,703,233	24,703,233
Titas gas T&D- Maona	25.01.2019	-	BDT	24,703,233	24,703,233
Pashchimanchal Gas - Ullapara	06.01.2019	-	BDT	8,234,409	8,234,409
BPDB - SBPL	30.03.2019	-	BDT	200,000,000	200,000,000
BPDB - SNPUIIL	30.03.2019	-	BDT	115,000,000	115,000,000
BPDB - AAPL	30.09.2018	-	BDT	449,100,900	432,311,580
BPDB - SGIPL	09.06.2019	-	BDT	520,000,000	-
Income tax					
Summit Power Limited	2011-2012	2012-2013	BDT	470,964,565	-
Summit Power Limited	2010-2011	2011-2012	BDT	40,657,742	-
Summit Power Limited	2009-2010	2010-2011	BDT	3,065,712	-
Summit Power Limited	2008-2009	2009-2010	BDT	6,531,703	6,531,703
Summit Power Limited	2007-2008	2008-2009	BDT	3,238,950	3,238,950
Summit Power Limited	2006-2007	2007-2008	BDT	6,408,393	6,408,393
Summit Power Limited	2005-2006	2006-2007	BDT	15,829,233	15,829,233
Summit Purbanchol Power Company Limited	2012-2013	2013-2014	BDT	5,067,645	-
Summit Purbanchol Power Company Limited	2011-2012	2012-2013	BDT	4,818,941	-
Summit Purbanchol Power Company Limited	2010-2011	2011-2012	BDT	-	1,939,392
Summit Purbanchol Power Company Limited	2009-2010	2010-2011	BDT	-	225,000
Summit Purbanchol Power Company Limited	2008-2009	2009-2010	BDT	345,677	847,538
Summit Uttaranchol Power Company Limited	2012-2013	2013-2014	BDT	3,894,537	-
Summit Uttaranchol Power Company Limited	2011-2012	2012-2013	BDT	3,028,756	-
Summit Uttaranchol Power Company Limited	2010-2011	2011-2012	BDT	2,387,330	-
Summit Uttaranchol Power Company Limited	2009-2010	2010-2011	BDT	375,000	-



42 Related party transactions

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

a) Transactions with ultimate parent

In BDT	Company			
	Transaction value		Balance outstanding at	
	FY 2018	FY 2017	30 June 2018	30 June 2017
Payment on behalf	-	-	-	-

b) Transactions with key management personnel

Key management personnel compensation:

In accordance with BAS 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:

In BDT	Transaction value			
	Group		Company	
	FY 2018	FY 2017	FY 2018	FY 2017
Short-term employee benefits				
Directors' remuneration	47,405,505	41,061,272	40,737,482	39,130,169
Tax on directors remuneration	8,314,348	6,793,492	8,314,348	6,793,492
Board meeting attendance fees and expenses	1,181,359	633,195	305,887	494,115
Post-employment benefits (including CPF)	1,047,129	720,829	662,436	614,322

Key management personnel and director transactions:

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control, joint control or significant influence over the financial or operating policies of these entities. A number of these entities transacted with the Group during the year. The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or which might reasonably be expected to be available.

In BDT	The Company and the Group			
	Transaction value		Balance outstanding at	
	FY 2018	FY 2017	30 June 2018	30 June 2017
Loan from director	-	-	-	-
Share sale of non-power companies	-	-	-	-
Dividend to shareholders	-	-	-	-

c) Other related party transactions

In BDT	Nature of transaction	Group			
		Transaction value		Balance outstanding at	
		FY 2018	FY 2017	30 June 2018	30 June 2017
Parent					
SCL	Building maintenance	4,892,106	-	2,419,783	9,368,879
Related parties					
SOSCL	HFO purchase	(9,511,301,016)	(8,099,564,635)	(3,372,377,689)	(1,887,670,982)
SOSCL	Tankage handling fee	(80,203,664)	(71,792,768)	(25,893,660)	(15,307,280)
Summit Holdings Limited	Lease rental	(232,765)	(465,530)	2,254,728	2,487,493
Cosmopolitan Communications Limited	Internet service provider	(1,007,400)	-	(167,900)	-
Others					
KPCL	Dividend	350,541,004	223,071,548	-	-



Notes to the financial statements (Continued)

In BDT	Nature of transaction	Company			
		Transaction value		Balance outstanding at	
		FY 2018	FY 2017	30 June 2018	30 June 2017
Parent					
SCL	Building maintenance	4,892,106	-	2,419,783	9,368,879
Subsidiary					
SBPL	Financial support	161,169,064	465,937,847	63,229,669	3,004,848
SNPUIIL	Financial support	88,748,970	128,323,301	46,287,415	388,183
SCPL	Financial support	-	1,089,507	-	1,089,507
AAPL	Financial support	249,113,023	241,855,874	117,498,947	177,601,395
SGIIPL	Financial support	263,719,258	-	22,500,340	-
Related parties					
SOSCL	HFO purchase	(2,259,887,777)	(2,673,840,333)	(466,466,497)	(632,653,797)
SOSCL	Tankage handling fee	(29,089,193)	(29,117,250)	(2,425,065)	(2,400,000)
Summit Holdings Limited	Lease rental	(232,765)	(465,530)	2,254,728	2,487,493
Cosmopolitan Communications Limited	Internet service provider	(731,400)	-	(121,900)	-
Others					
KPCL	Dividend	350,541,004	223,071,548	-	-

43 Events after reporting date

- On 12 July 2018, the 149 MW (HFO/Gas fired) power plant at Koddia, Gazipur under Ace Alliance Power Limited started its commercial operation after successful installation, testing and commissioning.
- The Group contracted with Bangladesh Rural Electrification Board ("BREB") for Power Purchase Agreement ("PPA") on 10 February 2000 to supply electricity from Ashulia power plant, Madhabdi power plant and Chandina power plant ("the plants") for 15 years to 31 August 2018 subject to extension the term of contract on the basis of mutual agreement. Under these provisions, on 17 August 2015 Management had applied to BREB for extension of the PPA for 15 years. Subsequently, BREB has recommended to Power Division of Ministry of Power, Energy and Mineral Resources of Bangladesh for an extension of only 5 years.

On the basis of the recommended 5-year extension, Management is currently in negotiations with BREB over the tariff to be incorporated into the PPA from 1 September 2018. BREB has also consented to the Group to continue supplying power to it until the negotiation is completed.
- The Board of Directors of the Company recommended 30% (BDT 3 per share) cash dividend amounting to BDT 3,203,631,717 for the year ended 30 June 2018 at the board meeting held on 21 October 2018. The dividend is subject to approval of the shareholders in the annual general meeting (AGM) scheduled to be held on 9 December 2018.

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.

44 Other disclosures

44.1 Number of employees

During the year ended 30 June 2018 there were 443 permanent employees in the Group (FY 2017: 386 permanent employees).

44.2 Significant non-cash transactions

The Group had no significant non-cash transaction in FY 2018 and in FY 2017.

44.3 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.



45 Background of restatements

In 2018, the Group has decided to comply with Bangladesh Financial Reporting Standards fully. The errors have been corrected by restating each of the affected financial statement line items for prior years. The following are the brief backgrounds of restatement of the financial statements:

- (i) Asset retirement obligation (ARO): Previously, the Group maintained provision for asset retirement obligation on an arbitrary basis. During the year, the Group recomputed its asset retirement obligation on the basis of third party quotation and accounted for the asset retirement provision giving effect in prior years.
- (ii) Provision for gratuity: As per BAS 19 defined benefit plan should be recognised year to year based on the actuarial valuation. In FY 2018, the Group valued the gratuity fund by the actuary and accounted for the value of the fund giving effect in prior years.
- (iii) Deferred tax : The Group did not recognise deferred tax previously. In current year, the Group recognised deferred tax asset on its provision for gratuity giving effect in prior years.
- (iv) Investment in associates: As per BAS 28 the Group accounts for its share of profit of Summit Meghnaghat Power Company Limited ("the Associate Company") under equity method in its consolidated financial statements. Since in FY 2018 the Associate Company restated its financial statements, the Group also accounted for its share of profit of the Associate Company accordingly giving effect in prior years.

The following tables summaries the impacts on the Group's consolidated financial statements.

i. Consolidated statement of financial position

1 July 2016 In BDT	Impact of restatement/reclassification		
	As previously reported	Adjustments	As restated
Property, plant and equipment	21,254,732,875	(443,281,838)	20,811,451,037
Investment in associates	4,597,180,903	50,285,565	4,647,466,468
Deferred tax asset	-	19,412,700	19,412,700
Inventories	71,569,451	464,032,214	535,601,665
Others	12,511,260,212	-	12,511,260,212
Total assets	38,434,743,441	90,448,641	38,525,192,082
Loans and borrowings - non current	-1,135,015,353	1,135,015,353	-
Deferred liabilities	-167,688,619	27,981,740	(139,706,879)
Redeemable preference shares - current	-166,666,667	(1,135,015,353)	(1,301,682,020)
Trade payables	-2,275,188,100	(5,757,822)	(2,280,945,922)
Other payables and accruals	-313,918,815	(40,386,060)	(354,304,875)
Others	(6,013,097,582)	-	(6,013,097,582)
Total liabilities	(10,071,575,136)	(18,162,142)	(10,089,737,278)
Revaluation reserve	(1,018,339,901)	4	(1,018,339,897)
Fair value reserve	(512,062,473)	565,349	(511,497,124)
Retained earnings	(6,983,158,258)	(72,569,029)	(7,055,727,287)
Non-controlling interests	(1,017,339,650)	(282,823)	(1,017,622,473)
Others	(18,832,268,023)	-	(18,832,268,023)
Total equity	(28,363,168,305)	(72,286,499)	(28,435,454,804)

30 June 2017 In BDT	Impact of restatement/reclassification		
	As previously reported	Adjustments	As restated
Property, plant and equipment	21,802,939,633	(473,824,904)	21,329,114,729
Investment in associates	4,945,646,874	311,843,380	5,257,490,254
Deferred tax asset	-	23,248,750	23,248,750
Inventories	51,956,482	475,401,037	527,357,519
Others	15,673,157,853	-	15,673,157,853
Total assets	42,473,700,842	336,668,263	42,810,369,105
Loans and borrowings - non current	-5,647,524,050	(107,810,886)	(5,755,334,936)
Deferred liabilities	-212,824,787	56,360,787	(156,464,000)
Loans and borrowings - current	-575,735,775	107,810,886	(467,924,889)
Trade payables	-2,062,327,136	(10,941,431)	(2,073,268,567)
Other payables and accruals	-203,355,420	(50,217,421)	(253,572,841)
Others	(1,027,058,802)	-	(1,027,058,802)
Total liabilities	(9,728,825,970)	(4,798,065)	(9,733,624,035)
Revaluation reserve	(1,002,086,449)	-	(1,002,086,449)
Fair value reserve	(153,137,382)	565,347	(152,572,035)
Retained earnings	(11,011,327,651)	(329,782,056)	(11,341,109,707)
Non-controlling interests	(1,752,360,156)	(2,653,489)	(1,755,013,645)
Others	(18,825,963,234)	-	(18,825,963,234)
Total equity	(32,744,874,872)	(331,870,198)	(33,076,745,070)



Notes to the financial statements (Continued)

ii. Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2017 <i>In BDT</i>	Impact of restatement/reclassification		
	As previously reported	Adjustments	As restated
Cost of sales	(11,760,405,446)	(88,731,274)	(11,849,136,720)
General and administrative expenses	(500,792,113)	81,785,105	(419,007,008)
Share of profit of equity-accounted investees	648,465,970	261,557,816	910,023,786
Income tax expenses	-	3,985,150	3,985,150
Others	15,949,668,036	-	15,949,668,036
Profit after income tax	4,336,936,448	258,596,796	4,595,533,244
Actuarial gain/loss (OCI)	-	1,136,000	1,136,000
Tax on OCI	-	(149,100)	(149,100)
Other comprehensive income	-	986,900	986,900
Total comprehensive income	3,978,011,359	259,583,696	4,237,595,055

iii. Separate statement of financial position

1 July 2016 <i>In BDT</i>	Impact of restatement/reclassification		
	As previously reported	Adjustments	As restated
Property, plant and equipment	13,257,761,064	(441,770,900)	12,815,990,164
Deferred tax asset	-	18,734,750	18,734,750
Inventories	39,325,553	464,032,214	503,357,767
Others	14,655,360,345	-	14,655,360,345
Total assets	27,952,446,962	40,996,064	27,993,443,026
Deferred liabilities	(162,244,335)	(19,549,682)	(181,794,017)
Others	(1,429,731,128)	-	(1,429,731,128)
Total liabilities	(1,591,975,463)	(19,549,682)	(1,611,525,145)
Revaluation reserve	(1,018,339,901)	4	(1,018,339,897)
Fair value reserve	(512,062,473)	565,349	(511,497,124)
Retained earnings	(5,997,801,102)	(22,011,735)	(6,019,812,837)
Others	(18,832,268,023)	-	(18,832,268,023)
Total equity	(26,360,471,499)	(21,446,382)	(26,381,917,881)
30 June 2017			
Property, plant and equipment	12,742,506,784	(776,406,352)	11,966,100,432
Deferred tax asset	-	30,092,575	30,092,575
Others	17,728,880,843	1,897,905,338	19,626,786,181
Total assets	30,471,387,627	1,151,591,561	31,622,979,188
Deferred liabilities	(197,668,379)	8,922,519	(188,745,860)
Others	(924,996,861)	80,388,682	(844,608,179)
Total liabilities	(1,122,665,240)	89,311,201	(1,033,354,039)
Revaluation reserve	(1,002,086,453)	19,121,728	(982,964,725)
Fair value reserve	(153,137,382)	(533,504,242)	(686,641,624)
Retained earnings	(9,367,535,318)	(726,520,247)	(10,094,055,565)
Others	(18,825,963,234)	-	(18,825,963,234)
Total equity	(29,348,722,387)	(1,240,902,761)	(30,589,625,148)

iv. Separate statement of profit or loss and other comprehensive income

For the year ended 30 June 2017 <i>In BDT</i>	Impact of restatement/reclassification		
	As previously reported	Adjustments	As restated
Cost of sales	(5,689,222,762)	(81,485,493)	(5,770,708,255)
General and administrative expenses	(440,267,612)	69,444,269	(370,823,343)
Income tax expenses	-	3,555,000	3,555,000
Others	9,482,971,136	9	9,482,971,145
Profit after income tax	3,353,480,762	(8,486,215)	3,344,994,547
Actuarial gain/loss (OCI)	-	2,485,000	2,485,000
Tax on OCI	-	(621,250)	(621,250)
Other comprehensive income	-	1,863,750	1,863,750
Total comprehensive income	2,994,555,673	(6,622,465)	2,987,933,208



Notes to the financial statements (Continued)

46 Capacity

Name of plants	Licensed capacity MW	Plant factor (% on licensed)		Energy sold (MWH)	
		FY 2018	FY 2017	FY 2018	FY 2017
Ashulia - Savar	11	Average: 66 Maximum: 73	Average: 66 Maximum: 76	63,239	63,938
Ashulia - Savar (Exp)	33.75	Average: 70 Maximum: 76	Average: 62 Maximum: 77	208,022	182,308
Madhabdi - Narsingdi	11	Average: 75 Maximum: 84	Average: 72 Maximum: 81	72,031	69,597
Madhabdi - Narsingdi (Exp)	24.30	Average: 74 Maximum: 85	Average: 70 Maximum: 82	158,442	149,572
Chandina - Comilla	11	Average: 69 Maximum: 79	Average: 73 Maximum: 80	66,525	70,701
Chandina - Comilla (Exp)	13.50	Average: 76 Maximum: 86	Average: 76 Maximum: 87	90,322	90,182
Rupganj -Narayanganj	33	Average: 88 Maximum: 96	Average: 85 Maximum: 94	254,223	244,446
Jangalia - Comilla	33	Average: 73 Maximum: 88	Average: 67 Maximum: 85	210,430	194,552
Maona - Gazipur	33	Average: 87 Maximum: 96	Average: 89 Maximum: 99	250,152	256,840
Ullapara- Sirajganj	11	Average: 69 Maximum: 87	Average: 72 Maximum: 88	66,311	69,292
Madanganj - Narayanganj	102	Average: 36 Maximum: 51	Average: 52 Maximum: 71	315,072	463,063
Rupatoli - Barisal	110	Average: 55 Maximum: 95	Average: 74 Maximum: 92	531,945	710,876
Madanganj Unit II - Narayanganj	55	Average: 47 Maximum: 85	Average: 53 Maximum: 84	226,903	254,069
Kodda Unit II - Gazipur	300	Average: 45 Maximum: 48	- -	198,398	-



Notes to the financial statements (Continued)

47 Significant accounting policies

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

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

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

A Basis of consolidated and separate financial statements

i) Subsidiaries

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

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

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

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

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



ii) Transactions eliminated on consolidation

The financial statements of the subsidiaries have been consolidated with those of Summit Power Limited in accordance with BFRS 10: *Consolidated Financial Statements*. Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees (that means in any company wherein Summit Power Limited has made investments, if any) are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment. However, on 30 June 2018, the Company has no such investments.

iii) Basis of preparation of separate financial statements

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

iv) Disclosure of interests in other entities

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

v) Business combination of subsidiaries with the Group entity

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

B Property, plant and equipment

i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, import duties and non-refundable taxes, after deducting trade discount and rebates, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.

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

ii) Capitalisation of borrowing cost

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

iii) Subsequent costs

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

iv) Revaluation of land and plant and machinery

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



Notes to the financial statements (Continued)

v) Depreciation

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

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

Depreciation of power plant has been charged considering 30 years useful life and residual value of 2% of original cost, on straight line basis on the ground that management intends to continue with operation after completion of 5 to 15 years as stated in the Power Purchase Agreement (PPA). According to PPA the management can apply for extension of the agreement two years before the expiry of the agreement and management has decided to exercise this option unless it would clearly be not in the interest of the Company/Group at that stage except Madanganj power plant.

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

<i>In Years</i>	2018	2017
Furniture and fixtures	10	10
Office and electrical equipment	5	5
Office decoration	5	5
Motor vehicles	5	5
Maintenance equipment	5	5
Civil works and others	5	5
Plant and machinery:		
Main transformer	20	20
Genset	30	30
Electrical substation	20	20
Mechanical parts	30	30
Balance of plant (BOP)	30	30
Critical and capital spare parts	2 to 30	2 to 30

vi) Retirements and disposals

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

vii) Asset retirement obligations

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

viii) Capital work in progress

Capital work in progress consists of acquisition costs of plant and machinery, capital components and related installation cost until the date placed in service. In case of import of components, capital work in progress is recognised when risks and rewards associated with such assets are transferred to the Company/Group, i.e. at the time shipment is confirmed by the supplier.



ix) Spare parts

Spare parts consist of critical and capital spare parts. Critical and capital spare parts are those which are used particularly for scheduled and unscheduled maintenance and overhauling. These are depreciated over their estimated useful lives.

C Intangible assets

i) Recognition and measurement

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

ii) Subsequent costs

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

iii) Amortisation

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

D Leased assets

Finance lease

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

i) Recognition and measurement

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

ii) Depreciation

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

Operating lease

All leases other than those which meet the definition of finance lease are treated as operating lease and are not recognised in the statement of financial position. Payments made under operating leases are charged to the statement of profit or loss and other comprehensive income.

E Inventories

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



Notes to the financial statements (Continued)

F Provisions

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

G Contingencies

i) Contingent liability

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

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

ii) Contingent asset

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

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

H Employee benefits

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

i) Defined benefit plan (gratuity)

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

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

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

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

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

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

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



ii) Defined benefit plan (leave encashment)

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

iii) Defined contribution plan (provident fund)

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

iv) Workers' Profit Participation Fund (WPPF)

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



Notes to the financial statements (Continued)

I Taxation

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

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

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

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

i) Current tax

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

ii) Deferred tax

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

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

As of 30 June 2018, all of the Company's power plants operated under tax exemption regime. The Company has examined precedents of tax assessments completed for a power company post its tax exemption period, which consistently show accounting depreciation charge to be equal to the tax depreciation charge, implying that there were no temporary differences between accounting net book value and tax written down value of property, plant and equipment. On that basis, the Company has not considered any deferred tax relating to its property, plant and equipment in the preparation of these financial statements.



Notes to the financial statements (Continued)

J Revenue

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

K Foreign currency translation

Foreign currency transactions are translated into functional currency at the rates ruling on the transaction date. All monetary assets and liabilities at the statement of financial position date are retranslated using rates prevailing on that day. Foreign currency differences arising on retranslation are recognised in the statement of profit or loss and other comprehensive income.

L Finance income and expenses

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

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

M Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Accounting policies relating to different type of financial instruments are described below:

i Financial assets

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

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

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

Cash and cash equivalents

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

Trade receivables

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



Notes to the financial statements (Continued)

Other receivables

Other receivables are stated at amounts which are considered realisable.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale by management. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses, are recognised in other comprehensive income and presented in the fair value reserve in equity. When an investment is derecognised, the gain or loss accumulated in equity is reclassified to profit or loss.

Deposits

Deposits are measured at payment value.

ii Financial liabilities

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

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

Project loan

Principal amounts of the loans and borrowings are stated at their amortised amount. Borrowings repayable after twelve months from the date of statement of financial position are classified as non-current liabilities whereas the portion of borrowings repayable within twelve months from the date of statement of financial position, unpaid interest and other charges are classified as current liabilities.

Trade and other payables

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

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

Redeemable preference shares

Formerly, Summit Purbanchol Power Company Limited and Summit Uttaranchol Power Company Limited (which have been amalgamated with Summit Power Limited) had issued redeemable preference shares in 2010. Later, Summit Barisal Power Limited and Summit Narayanganj Power Unit II Limited also issued redeemable preference shares in 2017. As per BAS 32: *Financial Instruments: Presentation*, the substance of a financial instrument rather than its legal form governs its classification on the entity's financial statements. Accordingly, the redeemable preference shares which, in substance, meet the conditions of a financial liability, have been classified as liabilities in these financial statements. Periodic dividend paid to the holders of such shares are charged to profit or loss as finance expense.

Offsetting financial asset and financial liability

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



Notes to the financial statements (Continued)

N Impairment

i) Financial assets

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

(ii) Non-financial assets

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

(iii) Inventories

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

O Earnings per share (EPS)

The Company/Group represents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company/Group by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by the adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the affects of all dilutive potential ordinary shares.

P Dividend

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

Q Statement of cash flows

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

R Materiality and aggregation

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

S Events after the reporting period

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



Notes to the financial statements (Continued)

48 Standards issued but not yet effective

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

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

(i) IFRS 9 Financial Instruments

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

(ii) IFRS 15 Revenue from Contracts with Customers

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

(iii) IFRS 16 Leases

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

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

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

49 Name of auditors of the Group companies

Name of the company	Status	Name of auditors
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

