



Summit Purbanchol Power Company Limited

'If you have any query about this document, you may consult issuer, issue manager and underwriter'

Prospectus

For
Public offer of 30,000,000 ordinary shares of Tk. 10/- at an issue price of Tk. 40/- each including a premium of Tk. 30/- per share totaling to Tk. 1,200,000,000/-



Of
Summit Purbanchol Power Company Limited

Opening date for subscription: 11 November 2012

Closing date for subscription: 15 November 2012

For Non-Resident Bangladeshi Quota, subscription opens on: 11 November 2012

For Non-Resident Bangladeshi Quota, subscription closes on: 24 November 2012

Manager to the Issue



Prime Finance Capital Management Limited

63 Dilkusha C/A (3rd Floor), Dhaka-1000

Phone: 9563883, Fax: 9563692

E-mail: info@primefincap.com, Website: www.primefincap.com

Underwriters

BMSL Investment Limited	Lanka Bangla Investments Limited
Sadharan Bima Tower (7th Floor), 37/A Dilkusha C/A, Dhaka-1000	Eunoos Trade Center, Level # 21, 52-53 Dilkusha C/A, Dhaka 1000
Banco Finance and Investment Limited	PLFS Investments Limited
Baitul View Tower, Floor 11, 56/1, PuranaPaltan, Dhaka- 1000	Paramount Heights, 65/2/1, Box Culvert Road, PuranaPaltan, Dhaka-1000
City Bank Capital Resources Limited	Prime Finance Capital Management Limited
Jiban Bima Tower, 1 st Floor, 10 Dilkusha C/A, Dhaka 1000	63, Dilkusha C.A., (3 rd Floor), Dhaka-1000
EC Securities Limited	Prime Bank Investment Limited
Nafi Tower (6 th Floor), Plot-53, Gulshan South C/A, Gulshan-1, Dhaka-1212	36, Dilkusha C/A, Floor 11, Peoples Insurance Bhaban, Dhaka 1000
FAS Capital Management Limited	Royal Green Capital Market Limited
Suvastu Imam Square, Floor 4, 65 Gulshan Avenue, Gulshan, Dhaka 1212	Shah Ali Tower (2 nd Floor), 33 Kawran Bazar, Tejgaon, Dhaka-1215
Grameen Capital Management Limited	Sonali Investments Limited
Grameen Bank Bhaban, Mirpur-2, Dhaka-1216	Sara Tower (11 th Floor) 11/A, Toyenbee Circular Road, Motijheel C.A., Dhaka-1000
GSP Finance Company (Bangladesh) Limited	Trust Bank Investment Limited
1, Paribagh, Mymensingh Road, Ramna, Dhaka-1000	People's Insurance Bhaban, Floor 12, 36, Dilkusha C/A, Dhaka 1000
Green Delta Insurance Company Limited	
Green Delta AIMS Tower (6th Floor), 51/52, Mohakhali, Dhaka - 1212	

Credit Rating Status

	Long Term	Short Term
Entity Rating	AA	St-2
Validity	28 March 2013	28 September 2012
Date of Rating	28 March 2012	
Outlook: Stable		
Rating assigned by: Credit Rating Information and Services Limited (CRISL)		

Issue Date of the Prospectus: 11 October 2012

The issue shall be placed in "N" category

"CONSENT OF THE SECURITIES AND EXCHANGE COMMISSION HAS BEEN OBTAINED TO THE ISSUE/OFFER OF THESE SECURITIES UNDER THE SECURITIES AND EXCHANGE ORDINANCE, 1969, AND THE SECURITIES AND EXCHANGE COMMISSION (PUBLIC ISSUE) RULES, 2006. IT MUST BE DISTINCTLY UNDERSTOOD THAT IN GIVING THIS CONSENT THE COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE ISSUER COMPANY, ANY OF ITS PROJECTS OR THE ISSUE PRICE OF ITS SECURITIES OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINION EXPRESSED WITH REGARD TO THEM. SUCH RESPONSIBILITY LIES WITH THE ISSUER, ITS DIRECTORS, CHIEF EXECUTIVE OFFICER/CHIEF FINANCIAL OFFICER, ISSUE MANAGER, UNDERWRITER AND/OR AUDITOR"



Summit Purbanchol Power Company Limited

Registered Office

Summit Centre

18 Kawran Bazar

Dhaka- 1215, Bangladesh

Tel:(88) 02-9137485-6 Fax: (88) 02-9139284

E-mail: sppcl@summitppcl.com

Web: www.summitppcl.com



Availability of the Prospectus

The Prospectus of Summit Purbanchol Power Company Limited may be obtained from the Issuer Company, Issue Manager, Underwriters and Stock Exchanges as follows:

ISSUER COMPANY	CONTACT PERSON	TELEPHONE
Summit Purbanchol Power Company Limited Summit Centre, 18, Kawran Bazar, Dhaka- 1215, Bangladesh	Mr. Mahmud Hasan, FCMA Financial Controller & Company Secretary	9137485-6
MANAGER TO THE ISSUE	CONTACT PERSON	TELEPHONE
Prime Finance Capital Management Limited 63, Dilkusha C.A., (3 rd Floor), Dhaka-1000	Mr. M. Mosharraf Hossain, PhD, FCA Managing Director & CEO	9563883
UNDERWRITERS	CONTACT PERSON	TELEPHONE
BMSL Investment Limited Sadharan Bima Tower (7 th Floor), 37/A Dilkusha C/A, Dhaka-1000	Mr. Md. Golam Sarwar Bhuiyan Managing Director	9570624
Banco Finance and Investment Limited Baitul View Tower, Floor 11, 56/1, PuranaPaltan, Dhaka- 1000	Mr. Kazi Saifur Rahman, FCA Managing Director and CEO	7125703
City Bank Capital Resources Limited Jiban Bima Tower, 1 st Floor, 10 Dilkusha C/A, Dhaka 1000	Mr. Khondoker Ehetesham Haider Manager	9565911
EC Securities Limited Nafi Tower (6 th Floor), Plot-53, Gulshan South C/A Gulshan-1, Dhaka-1212	Mr. Mohammad Khurshid Alam Head, Monitoring & Settlement	8818108
FAS Capital Management Limited Suvastu Imam Square, Floor 4 65, Gulshan Avenue, Gulshan, Dhaka 1212	Mr. Nasim Ali Khan Chief Executive Officer	8815841
Grameen Capital Management Limited Grameen Bank Bhaban, Mirpur-2, Dhaka-1216	Mr. Shieadul Morsalin Head of Merchant Banking	9004923
GSP Finance Company (Bangladesh) Limited 1, Paribagh, Mymensingh Road, Ramna, Dhaka-1000	Mr. Toaha Muhammad GM & Chief Operating Officer	9674306
Green Delta Insurance Company Limited Green Delta AIMS Tower (6 th Floor), 51/52, Mohakhali, Dhaka - 1212	Mr. Syed Moinuddin Ahmed Company Secretary	9560005
LankaBangla Investments Limited Eunoos Trade Center, Level # 21, 52-53, Dilkusha C/A, Dhaka 1000	Mr. M Shakil Islam Bhuiyan Chief Executive Officer	7113585
PLFS Investments Limited Paramount Heights, 65/2/1, Box Culvert Road, PuranaPaltan, Dhaka-1000	Mr. Mustofa Kamal Chief Executive Officer	7119654
Prime Finance Capital Management Limited 63, Dilkusha C.A., (3 rd Floor), Dhaka-1000	Mr. M. Mosharraf Hossain, PhD, FCA Managing Director & CEO	9563883
Prime Bank Investment Limited 36, Dilkusha C/A, Floor 11, Peoples Insurance Bhaban, Dhaka 1000	Mr. Khandokar Raihan Ali, ACA Asst. Vice President	9555674
Royal Green Capital Market Limited Shah Ali Tower (2 nd Floor), 33 Kawran Bazar, Tejgaon, Dhaka-1215	Mr. Mohammad Sarwar Hossain Senior Executive Officer	8096030
Sonali Investment Limited Sara Tower (11 th Floor) 11/A, Toyenbee Circular Road, Motijheel C.A., Dhaka-1000	Dr. Md. Waliar Rahman Chief Executive Officer	9568777
Trust Bank Investment Limited People's Insurance Bhaban, Floor 12 36, Dilkusha C/A, Dhaka 1000	Mr. A. M. Ashfaque Bari Nahid Asst. Vice President	9570261
STOCK EXCHANGES	AVAILABLE AT	TELEPHONE
Dhaka Stock Exchange Limited (DSE) 9/F, Motijheel C.A., Dhaka-1000	DSE Library	9564601-7
Chittagong Stock Exchange Limited (CSE) CSE Building, 1080 Sheikh Mujib Road, Agrabad, Chittagong-4100	CSE Library	(031) 714632-3 (031) 720871-3

Prospectus is also available on the websites: www.summitppcl.com, www.primefincap.com, www.sec bd.org, www.dsebd.org, www.csebd.com and public reference room of the Securities and Exchange Commission (SEC) for reading and study.

Name and Address of the Auditor

Rahman Rahman Huq
Chartered Accountants
9 Mohakhali C/A (11th & 12th Floors) Dhaka-1212
Phone: 880-2-9886450-2 and Fax: 880-2-9886449
E-mail: kpmg-rrh@citech-bd.com
Website: www.rahman-rahman-huq.com



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Definition and elaboration of the abbreviated words and technical terms used in the Prospectus

ABBREVIATION	ACCRONYM
SPPCL	: Summit Purbanchol Power Company Limited
IPO	: Initial Public Offering
Commission	: Securities and Exchange Commission
SEC	: Securities and Exchange Commission
The Company/Issuer	: Summit Purbanchol Power Company Limited
Issue	: Public Issue of Shares of Summit Purbanchol Power Company Limited
DSE	: Dhaka Stock Exchange Limited
CSE	: Chittagong Stock Exchange Limited
SC	: Share Certificate
RJSC	: Registrar of Joint Stock Companies & Firms
ICML	: ICB Capital Management Limited.
Stockholder	: Shareholder
NRB	: Non Resident Bangladeshi
NBR	: National Board of Revenue
Allotment	: Letter of allotment for shares
FC Account	: Foreign Currency Account
STD Account	: Short Term Deposit Account
Securities	: Shares of Summit Purbanchol Power Company Limited
Securities Market	: The Share Market of Bangladesh
Offering Price	: Price of the share of SPPCL being offered
Subscription	: Application money
Certificate	: Share Certificate
NAV	: Net Asset Value per share of the Company
Sponsors	: The Sponsor Shareholders of SPPCL
Registered Office	: Head Office of the Company
BO	: Beneficiary Owner
CDBL	: Central Depository Bangladesh Limited
CIB	: Credit Information Bureau
FID	: Financial Institutions Department of Bangladesh Bank
NPAT	: Net Profit After Tax
EPS	: Earnings Per Share
BPDB	: Bangladesh Power Development Board
REB	: Rural Electrification Board
Contract Year	: A period of 365 consecutive days commencing on each consecutive anniversary of the commercial operation date and ending as of the end of the day preceding the next anniversary of the commercial operation date, except for the first agreement year which shall commence on the commercial operation date.



Corporate Directory

	PARTICULARS
Company	Summit Purbanchol Power Company Limited Registered Office Summit Centre 18 Kawran Bazar C/A Dhaka- 1215, Bangladesh Tel:(88) 02-9137485-6 Fax: (88) 02-9139284 E-mail: sppcl@ summitppcl.com Web: www.summitppcl.com
Company Secretary	Mr. Mahmud Hasan, FCMA Financial Controller & Company Secretary
Issue Manager	Prime Finance Capital Management Limited 63, Dilkusha C/A, (3 rd Floor) Dhaka-1000 Tel: 9563883, FAX: 9563692 E-mail: info@primefincap.com , Websites: www.primefincap.com
Auditors	Rahman Rahman Huq Chartered Accountants 9 Mohakhali C/A (11 th & 12 th Floors) Dhaka-1212 Phone: 880-2-9886450-2 and Fax: 880-2-9886449 E-mail: kpmg-rrh@citech-bd.com Website: www.rahman-rahman-huq.com
Legal Advisor	Mr. Mahmood Jobbar Khan Barristers & Advocates Summit Center (6 th Floor) 18, Kawran Bazar, C.A. Dhaka-1215
Lead Banker for IPO	BRAC Bank Limited A/C No –(BDT) 1501201141763002 (USD) 1501201141763003 (GBP) 1501201141763004 (EURO) 1501201141763005
Bankers to the issue	• BRAC Bank Limited • Dhaka Bank Limited • Dutch Bangla Bank Limited • First Security Islami Bank Limited • Investment Corporation of Bangladesh • Mutual Trust Bank Limited • One Bank Limited • Southeast Bank Limited • Standard Chartered Bank • Shahjalal Islami Bank Limited • Trust Bank Limited

All investors are hereby informed that Mr. Mahmud Hasan, FCMA, Financial Controller & Company Secretary of Summit Purbanchol Power Company Limited would be designated as Compliance Officer who will monitor the compliance of the Acts, and Rules, Regulations, Notification, Guidelines, Conditions, Orders/Directions etc. issued by the Commission and /or Stock Exchange(s) applicable to the conduct of the business activities of the Company so as to promote the interest of the investors in the security issued by the Company, and for redressing investors grievances.



SECTION-I

STATUTORY CONDITIONS

DISCLOSURE IN RESPECT OF ISSUANCE OF SECURITY IN DEMATERIALIZED FORM

"As per provisions of the Depository Act, 1999 and regulations made there under, share of the Company will be issued in dematerialized form only. Therefore, all transfer/transmission, splitting or conversion will take place in the CDBL system and any further issuance of shares (including right/bonus) will also be issued in dematerialized form only".

Conditions under section 2CC of the securities and exchange ordinance, 1969

PART-A

1. The company shall go for Initial-Public Offer (I PO) for 30,000,000 Ordinary Shares of Tk. 10.00 each at an issue price of Tk.40.00 per share including a premium of Tk. 30.00 per share worth Tk. 1,200,000,000.00 (Tk. One Hundred Twenty Crore) following the Securities and Exchange Commission (Public Issue) Rules, 2006, the Depository Act, 1999 and regulations made there under.
2. The abridged version of the prospectus, as approved by the Commission, shall be published by the issuer in 4 (Four) national daily newspapers (two in Bangia and two in English), within 3 (Three) working days of issuance of the consent letter. The issuer shall post the full prospectus, vetted by the Securities and Exchange Commission, in the issuer's website and shall also put on the websites of the Commission, stock exchanges, and the issue manager, within 3 (Three) working days from the date of issuance of this letter and shall remain posted till the closure of the subscription list. The issuer shall submit to SEC the stock exchanges and the Issue manager a diskette containing the text of the vetted prospectus in "MS –Word" format.
3. Sufficient copies of prospectus shall be made available by the issuer so that any person requesting a copy may receive one. A notice shall be placed on the front of the application form distributed in connection with the offering, informing that interested persons are entitled to a prospectus, if they so desire, and that copies of prospectus may be obtained from the issuer and the Issue manager. The subscription application shall indicate in bold type that no sale of securities shall be made, nor shall any money be taken from any person, in connection with such sale until twenty five days after the prospectus has been published.
4. The company shall submit 40 (Forty) copies of the printed prospectus to the Securities and Exchange Commission for official record within 5 (Five) working days from the date of publication of the abridged version of the prospectus in the newspaper.
5. The issuer company and the issue manager shall ensure transmission of the prospectus, abridged version of the prospectus and relevant application forms for NRBs through email, simultaneously with publication of the abridged version of the prospectus, to the Bangladesh Embassies and Missions abroad and shall also ensure sending of the printed copies of abridged version of the prospectus and application forms to the said Embassies and Missions within 5 (Five) working days of the publication date by Express Mail Service (EMS) of the postal department. A compliance report shall be submitted in this respect to the SEC jointly by the issuer and the Issue manager within 2 (Two) working days from the date of said dispatch of the prospectus and the forms.
6. The paper clipping of the published abridged version of the prospectus, as mentioned at condition no. 2 above, shall be submitted to the Commission within 24 hours of the publication thereof.
7. The company shall maintain separate bank account(s) for collecting proceeds of the Initial Public Offering and shall also open Foreign Currency (FC) account(s) to deposit the application money of the Non Resident Bangladeshis (NRBs) for IPO purpose, and shall incorporate full particulars of said FC account(s) in the prospectus. The company shall open the above-mentioned accounts for IPO purpose; and close these accounts after refund of over subscription money. Non-Resident Bangladeshi (NRB) means Bangladeshi citizens staying abroad including all those who have dual citizenship (provided they have a valid Bangladeshi passport) or those, whose foreign passport bear a stamp from the concerned Bangladesh Embassy to the effect that no visa is required for traveling to Bangladesh.
8. The issuer company shall apply to all the stock exchanges in Bangladesh for listing within 7 (Seven) working days from the date of issuance of this letter and shall simultaneously submit the-vetted prospectus with all exhibits, as submitted to SEC, to the stock exchanges.
9. The following declaration shall be made by the company in the prospectus, namely: -
"Declaration about Listing of Shares with the stock exchange (s):
None of the stock exchange(s), if for any reason, grants listing within 75 (Seventy Five) days from the closure of subscription, any allotment in terms of this prospectus shall be void and the company, shall refund the subscription money within 15 (Fifteen) days from the date of refusal for listing by the stock exchanges, or from the date of expiry of the said 75 (Seventy Five) days, as the case may be.
In case of non-refund of the subscription money within the aforesaid 15 (Fifteen) days, the Directors of the company, in addition to the issuer company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (Two Percent) per month above the bank rate, to the subscribers concerned.



The Issue manager, in addition to the issuer company, shall ensure due compliance of the above mentioned conditions and shall submit compliance report thereon to the Commission within 7 (Seven) days of expiry of the aforesaid fifteen days' time period allowed for refund of the subscription money."

10. The subscription list shall be opened and the sale of securities commenced after 25 (Twenty Five) days of the publication of the abridged version of the prospectus and shall remain open for 5 (Five) consecutive banking days.

11. A non-resident Bangladeshi shall apply either directly by enclosing a foreign demand draft drawn on a bank payable at Dhaka, or through a nominee by paying out of foreign currency deposit account maintained in Bangladesh or in Taka, supported by foreign currency encashment certificate issued by the concerned bank, for the value of securities applied for through crossed bank cheque marking "Account Payee only". The NRB applicants shall send applications to the issuer company within the closing date of the subscription so as to reach the same to the company by the closing date plus 9 (Nine) days. Applications received by the company after the above time period will not be considered for allotment purpose.

12. The company shall apply the spot buying rate (TT clean) in US Dollar, UK Pound Sterling and Euro of Sonali Bank Ltd, which shall be mentioned in the Prospectus, as prevailed on the date of opening of the subscription for the purpose of application of the NRBs and other non-Bangladeshi persons, where applicable.

13. The Company and the issue manager shall ensure prompt collection/clearance of the foreign remittances of NRBs and other non-Bangladeshi(s), if applicable, for allotment of shares.

14. Upon completion of the period of subscription for securities, the issuer and the issue manager shall jointly provide the Commission and the stock exchanges with the preliminary status of the subscription within 5 (Five) working days, in respect of the following matters, namely: -

- a. The number of securities for which subscription has been received:
- b. Amount received from the subscription; and
- c. Amount of commission paid to the bankers to the issue.

15. The issuer and the issue manager shall jointly provide the Commission and the stock exchanges with the list of valid and invalid applicants (i.e. final status of subscription) in electronic form in 2 (Two) CDs and final status of subscription to the Commission within 3 (Three) weeks after the closure of the subscription along with bank statement (original), branch-wise subscription statement. The list of valid and invalid applicants shall be finalized after examination with the CDBL in respect of BO accounts and particulars thereof.

16. The IPO shall stand cancelled and the application money shall be refunded immediately (but not later than 5 (Five) weeks from the date of the subscription: closure), if any of the following events occur:

- (a) Upon closing of the subscription list it is found that the total number of valid applications (in case of under subscription including the number of the underwriter) is less than the minimum requirement as specified in the listing regulations of the stock exchange(s) concerned; or
- (b) At least 50% of the IPO is not subscribed.

17. 10% of total public offering shall be reserved for non-resident Bangladeshi (NRB) and 10% for mutual funds and collective investment schemes registered with the Commission, and the remaining 80% shall be open for subscription by the general public. In case of under subscription under any of the 10% categories mentioned above, the unsubscribed portion shall be added to the general public category and, if after such addition, there is over subscription in the general public category, the issuer and the managers to the issue shall jointly conduct an open lottery of all the applicants added together.

18. All the applicants shall first be treated as applied for one minimum market lot of 100 shares worth Taka 4,000/- (Taka four thousand only). If, on this basis, there is over subscription, then lottery shall be held amongst the applicants allocating one identification number for each application, irrespective of the application money. In case of over-subscription under any of the categories mentioned hereinabove, the issuer and the Issue manager shall jointly conduct an open lottery of all the applications received under each category separately in presence of representatives from the issuer, the stock exchanges and the applicants, if there be any.

19. An applicant cannot submit more than two applications, one in his/her own name and the other jointly with another person. In case an applicant makes more than two applications, all applications will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money will be forfeited by the Commission and the balance amount will be refunded to the applicant.

20. The applicant shall provide with the same bank account number in the application form as it, is in the BO account of the application.

21. The applicants who have applied for more than two applications using same bank account, their application will not be considered for lottery and the Commission may forfeit whole or part of their application too.

22. Lottery (if applicable) shall be held within 4 (Four) weeks from closure of the subscription date.



23. The company shall issue share allotment letters to all successful applicants within 5 (Five) weeks from the date of the subscription closing. Within the same time, refund to the unsuccessful applicants shall be made in the currency in which the value of securities was paid for by the applicants without any interest, through direct deposit to the applicant's bank account as far as possible/ Account Payee Cheque/ refund warrants with bank account number, bank's name and branch as indicated in the securities application forms payable at Dhaka/Chittagong/ Khulna/ Rajshahi/ Barisal/ Sylhet/ Bogra, as the case may be subject to condition no. 20 above.

Refund money of the unsuccessful applicants shall be credited directly to their respective bank accounts, who have chosen the option in the IPO application forms, as maintained with the bankers to the issue or any other banks mentioned in the application.

A compliance report in this regard shall be submitted to the Commission within 7 (Seven) weeks from the date of closure of subscription.

24. The company shall furnish the List of Allotees to the Commission and the stock exchange(s) simultaneously in which the shares will be listed, within 24 (Twenty Four) hours of allotment.

25. In the event of under-subscription of the public offering, the unsubscribed portion of securities shall be taken up by the underwriter(s) (subject to Para - 16 above). The issuer must notify the underwriters to take up the underwritten shares within 10 (Ten) days of the closing of subscription on full payment of the share money within 15 (Fifteen) days of the issuer's notice. The underwriter shall not share any underwriting fee with the –Issue manager, other underwriters, issuer or the sponsor group.

26. All issued shares of the issuer at the time of according this consent shall be subject to a lock-in period of 3 (Three) years from the date of issuance of prospectus or commercial operation, whichever comes later.

Provided that the persons (other than Directors and those who hold 5% or more shares in the company), who have subscribed to the shares of the company within immediately preceding two years of according consent shall be subject to a lock-in period of 1 (One) year from the date of issuance of prospectus or commercial operation, whichever comes later.

27. In respect of shares of Sponsors/Directors/Promoters (if in paper format) shall be handed over to security custodian bank registered with SEC and shall remain till completion of lock in and the name and branch of the bank shall be furnished to the Commission jointly by the issuer and Issue manager, along with a confirmation thereof from the custodian bank, within one week of listing of the shares with the stock exchange(s). Or they (shares of Sponsors/ Directors/ Promoters) can be demated and will remain in lock-in under CDBL system and issuer will submit a dematerialization confirmation report generated by CDBL and attested by Managing Director of the company along with lock-in confirmation with SEC within one week of listing of the shares with the stock exchange(s). In respect of shares other than Sponsors/Directors/Promoters the issuer will ensure their lock-in of those shares and submit a statement to this effect to SEC.

28. The company shall apply to the stock exchanges for listing within 7 (Seven) working days of issuance of this letter and shall simultaneously submit to the Commission attested copies of the application filed with the stock exchanges.

29. **"The Company shall deposit 3% tax to the Government Treasury on the share premium of the IPO and submit authenticated copy of 'Treasury Chalan' to the Commission, among others, to obtain consent for holding of lottery in line with the NBR's Order No. আরাবো/আয়কর বাজেট/2010/97 dated 30.06.2010 and আরাবো/কর-৪/অর্থিক্ত/11(4)/2003(Ask)-1/225 dated 06.07.2010."**

30. The Company shall not declare any benefit/dividend based on the financial statements for the year ended on December 31, 2011 before listing of its capital with stock exchange(s).

PART-B

1. The issuer and the Issue Manager shall ensure that the abridged version of the prospectus and the full prospectus is published correctly and in strict conformity with the conditions of this letter without any error/omission, as vetted by the Securities and Exchange Commission.

2. The issue manager shall carefully examine and compare the published abridged version of the prospectus on the date of publication with the copy vetted by SEC. If any discrepancy/ inconsistency is found, both the issuer and the issue manager shall jointly publish a corrigendum immediately in the same newspapers concerned, simultaneously endorsing copies thereof to SEC and the stock exchange(s) concerned, correcting the discrepancy/inconsistency as required under 'Due Diligence Certificates' provided with SEC.

3. Both the issuer company and the issue manager shall, immediately after publication of the prospectus and its abridged version, jointly inform the Commission in writing that the published prospectus and its abridged version are verbatim copies of the same as vetted by the Commission.

4. The fund collected through Public Offering shall not be utilized prior to listing with stock exchanges and that utilization of the said fund shall be effected through banking channel, i.e. through account payee cheque, pay order or bank drafts etc.

5. The company shall furnish report to the Commission and to the stock exchanges on utilization of Public Offering proceeds within 15 (Fifteen) days of the closing of each month until such fund is fully utilized, as mentioned in the schedule contained in the prospectus, and in the event of any irregularity or



inconsistency, the Commission may employ or engage any person, at issuer's cost, to examine whether the issuer has utilized the proceeds for the purpose disclosed in the prospectus.

6. All transactions, excluding petty cash expenses, shall be effected through the company's bank account(s).

7. Proceeds of the Public Offering shall not be used for any purpose other than those specified in the prospectus. Any deviation in this respect must have prior approval of the shareholders in the shareholders Meeting under intimation to SEC and stock exchanges.

8. Directors on the Company's Board will be in accordance with applicable laws, rules and regulations.

9. The financial statements should be prepared in accordance with Bangladesh Accounting Standards (BAS) and Bangladesh Financial Reporting Standards (BFRS) as required by the Securities and Exchange Rules, 1987.

10. The company shall submit up dated current rent receipts of their remaining land of 0.0850 acre before 03 (three) days of subscription opening.

PART-C

1. All the above conditions imposed under section 2CC of the Securities and Exchange Ordinance, 1969 shall be incorporated in the prospectus immediately after the page of the table of contents, with a reference in the table of contents, prior to its publication.

2. The Commission may impose further conditions/restrictions etc. from time to time as and when considered necessary which shall also be binding upon the issuer company.

PART-D

1. As per provision of the Depository Act, 1999 & regulations made there under, shares will only be issued in dematerialized condition. All transfer/transmission/splitting will take place in the Central Depository Bangladesh Ltd. (CDBL) system and any further issuance of shares (including rights/bonus) will be made in dematerialized form only.

An applicant (including NRB) shall not be able to apply for allotment of shares without Beneficial Owners (BO) account.

2. The company and the issue manager shall ensure due compliance of all the above conditions and the Securities and Exchange Commission (Public Issue) Rules, 2006.

General information

1. The Prospectus has been prepared by Prime Finance Capital Management Limited from information supplied by Summit Purbanchol Power Company Limited (the Company) and also several discussions with the Chairperson, Managing Director, Directors and related Executives of the Company which is publicly available. The Board of Directors of Summit Purbanchol Power Company Limited hereby confirms that to the best of their knowledge and belief the information contained herein is true and correct in all material respects and that there are no other material facts, the omission of which, would make any statement herein misleading.
2. No person is authorized to give any information or to make any representation not contained in this Prospectus and if given or made, any such information or representation must not be relied upon as having been authorized by Summit Purbanchol Power Company Limited (the Company) or the Prime Finance Capital Management Limited (Issue Manager).
3. The Issue, as contemplated in this document, is made in Bangladesh and is subject to the exclusive jurisdiction of the Courts of Bangladesh. Forwarding this Prospectus to any person residing outside Bangladesh in no way implies that the issue is made in accordance with the laws of that country or is subject to the jurisdiction of the laws of that country.
4. A copy of this Prospectus can be obtained from the head office of Summit Purbanchol Power Company Limited, Prime Finance Capital Management Limited, the Underwriters, and the Stock Exchanges where the securities will be listed and traded.



SECTION-II

DECLARATION AND DUE DILIGENCE CERTIFICATES**DECLARATION ABOUT THE RESPONSIBILITY OF THE DIRECTORS INCLUDING THE CEO OF THE COMPANY "SUMMIT PURBANCHOL POWER COMPANY LIMITED" IN RESPECT OF PROSPECTUS**

This Prospectus has been prepared, seen and approved by us, and we, individually and collectively, accept full responsibility for the authenticity and accuracy of the statements made, information given in the Prospectus, documents, financial statements, exhibits, annexure, papers submitted to the Commission in support thereof, and confirm, after making all reasonable inquiries that all conditions concerning this Public Issue and Prospectus have been met and that there are no other information or documents the omission of which make any information or statements therein misleading for which the Commission may take any civil, criminal or administrative action against any or all us as it may deem fit.

We also confirm that full and fair disclosure has been made in this Prospectus to enable the investors to make a well informed decision for investment.

Sd/-
Mr. Muhammed Aziz Khan
Chairman
Nominated by Summit Power Limited

Sd/-
Mrs. Anjuman Aziz Khan
Director
Nominated by Summit Power Limited

Sd/-
Mr. Md. Latif Khan
Director
Nominated by Summit Power Limited

Sd/-
Mr. A.N.M. Tariqur Rashid
Director
Nominated by Summit Power Limited

Sd/-
Ms. Ayesha Aziz Khan
Director
Nominated by Summit Power Limited

Sd/-
Mr. Md. Farid Khan
Director
Nominated by Summit Power Limited

Sd/-
Mr. Tauhidul Islam
Director
Nominated by Summit Power Limited

Sd/-
Mr. Md. Mozammel Hossain
Managing Director

CONSENT OF DIRECTOR(S) TO SERVE AS DIRECTOR(S)

We hereby agree that we have been serving as Director(s) of "Summit Purbanchol Power Company Limited" and continue to act as a Director of the Company.

Sd/-
Mr. Muhammed Aziz Khan
Chairman
Nominated by Summit Power Limited

Sd/-
Mrs. Anjuman Aziz Khan
Director
Nominated by Summit Power Limited

Sd/-
Mr. Md. Latif Khan
Director
Nominated by Summit Power Limited

Sd/-
Mr. A.N.M. Tariqur Rashid
Director
Nominated by Summit Power Limited

Sd/-
Ms. Ayesha Aziz Khan
Director
Nominated by Summit Power Limited

Sd/-
Mr. Md. Farid Khan
Director
Nominated by Summit Power Limited

Sd/-
Mr. Tauhidul Islam
Director
Nominated by Summit Power Limited

DECLARATION ABOUT FILING OF PROSPECTUS WITH THE REGISTRAR OF JOINT STOCK COMPANIES & FIRMS

A dated and signed copy of the Prospectus has been filed for registration with the Registrar of Joint Stock Companies & Firms, Government of the Peoples' Republic of Bangladesh, as required under Section 138(1) of the Companies Act, 1994, on or before the date of publication of the Prospectus.



DECLARATION BY THE ISSUER ABOUT THE APPROVAL FROM SECURITIES AND EXCHANGE COMMISSION FOR ANY MATERIAL CHANGES

In case of any material changes in any agreement, contract, instrument, facts and figures, operational circumstances and statement made in the Prospectus subsequent to the preparation of the Prospectus and prior to its publication shall be incorporated in the Prospectus and the said Prospectus should be published with the approval of the Commission.

Sd/-

Mr. Md. Mozammel Hossain
Managing Director
Summit Purbanchol Power Company Limited
Date: 7 October 2012

DECLARATION BY THE ISSUE MANAGER ABOUT THE APPROVAL FROM SECURITIES AND EXCHANGE COMMISSION FOR ANY MATERIAL CHANGES

In case of any material changes in any agreement, contract, instrument, facts and figures, operational circumstances and statement made in the Prospectus subsequent to the preparation of the Prospectus and prior to its publication shall be incorporated in the Prospectus and the said Prospectus should be published with the approval of the Commission.

For Manager to the Issue

Sd/-

M. Mosharraf Hossain PhD, FCA
Managing Director & CEO
Prime Finance Capital Management Limited
Date: 7 October 2012

DUE DILIGENCE CERTIFICATE OF THE MANAGER TO THE ISSUE

Subject: Public Offer of 30,000,000 Ordinary Shares of Tk. 40 each, including a premium of Tk.30/- per share of Summit Purbanchol Power Company Limited

We, the under-noted Manager to the Issue to the above mentioned forthcoming issue, state as follows:

1. We, while finalizing the draft Prospectus pertaining to the said Issue, have examined various documents and other materials as relevant for adequate disclosures to the investors; and
2. On the basis of such examination and discussions with the issuer Company, its Directors and Officers, and other agencies; independent verification of the statements concerning objects of the Issue and the contents of the documents and other materials furnished by the issuer Company.

WE CONFIRM THAT:

- (a) The draft Prospectus forwarded to the Commission is in conformity with the documents, materials and papers relevant to the Issue;
- (b) All the legal requirements connected with the said issue have been duly complied with; and
- (c) The disclosures made in the draft Prospectus are true, fair and adequate to enable the investors to make a well informed decision for investment in the proposed issue.

For Manager to the issue

Sd/-

M. Mosharraf Hossain, PhD, FCA
Managing Director & CEO
Prime Finance Capital Management Limited
Date: 7 October 2012



DUE DILIGENCE CERTIFICATE OF THE UNDERWRITER(S)

Subject: Public Offer of 30,000,000 Ordinary Shares of Tk. 40 each, including a premium of Tk.30/- per share of Summit Purbanchol Power Company Limited

We, the under-noted Underwriters to the above-mentioned forthcoming issue, state individually and collectively as follows:

1. We, while underwriting the above mentioned issue on a Firm commitment basis, have examined the draft Prospectus, other documents and materials as relevant for our underwriting decision; and
2. On the basis of such examination and the discussions with the issuer Company, its Directors and Officers, and other agencies, independent verification of the statements concerning objects of the issue, and the contents of the documents and other materials furnished by the issuer Company.

We confirm that:

- (a) All information as are relevant to our underwriting decision has been received by us and that the draft Prospectus forwarded to the Commission has been approved by us;
- (b) We shall subscribe and take up the un-subscribed securities against the above-mentioned public issue within fifteen (15) days of calling up thereof by the Issuer; and
- (c) This Underwriting commitment is unequivocal and irrevocable.

For Underwriter (s)

Sd/-	Sd/-	Sd/-
Managing Director & CEO	Managing Director	Managing Director & CEO
Banco Finance and Investment Limited	BMSL Investment Limited	City Bank Capital Resources Limited
Sd/-	Sd/-	Sd/-
Managing Director & CEO	Managing Director	Managing Director & CEO
EC Securities Limited	Grameen Capital Management Limited	Green Delta Insurance Company Limited
Sd/-	Sd/-	Sd/-
Managing Director	Chief Executive Officer	Managing Director & CEO
GSP Finance Company (Bangladesh) Limited	PLFS Investments Limited	Prime Finance Capital Management Limited
Sd/-	Sd/-	Sd/-
Managing Director	Chief Executive Officer	Chief Executive Officer
Royal Green Capital Market Limited	Sonali Investment Limited	Prime Bank Investment Limited
Sd/-	Sd/-	Sd/-
Chief Executive Officer	Chief Executive Officer	Chief Executive Officer
Trust Bank Investment Limited	FAS Capital Management Limited	Lanka Bangla Investments Limited



SECTION-III

RISK FACTORS & MANAGEMENT PERCEPTION ABOUT THE RISKS

Every equity investment is associated with risks. Some of these risks can be mitigated, while others may be beyond control. Before making any investment decision, Investors should take the risk factors into consideration. Some of the risks related to this offering include:

a) Interest rate risks

Volatility of money market may influence the overall interest rate structure of the country. Any unfavorable change in interest rate structure may affect the Company's business adversely.

Management perception

Management of the Company believes that rise in interest rate will not substantially affect the Company. As of 31st December 2011, the Company has no outstanding bank loan except only liability against payment of dividend for issuing of redeemable preference shares which ranges from 10 – 10.5%. After redemption of preference shares by using the proceeds of this IPO, the Company will have no financial liability in this context.

b) Exchange rate risks

Devaluation of local currency (Taka) against major international currencies (USD and Euro) may increase import cost of the Company.

Management perception

All dues relating to import of machineries and equipments from abroad has already been settled. Any devaluation of foreign currency may have impact on procurement of spare parts from foreign country. Management of the Company believes that the foreign currency fluctuation effect will be very minimal to the overall profitability of the Company.

c) Industry risks

The Company is operating in an industry where there is a huge gap between demand and supply. Although power sector is a highly demanding and aggravated sector in our country, chances are there that excessive competition may hamper the Company's business.

Management perception

Currently there is a huge gap between demand and supply of electricity in our country and the demand for electricity is increasing significantly day by day. In terms with Power Purchase Agreement (PPA), Bangladesh Power Development Board (BPDB) and Rural Electrification Board (REB) will purchase 100% of the electricity produced by the Company from Jangalia power plant, Comilla and Rugpanj power plant, Narayanganj respectively at a rate predetermined which is also adjusted in accordance with local consumer price index (CPI) for a period of 15 years from the date of commercial operation. The product has no substitute effect and has lower threats from buyer and supplier side. In this industry, by nature, the Company has to face competition from rivalry at only bidding stage to win a new power project. Once the power plant is established the Company has no competition for selling its product. In revenue earning the capacity payment is certain irrespective of electricity generation, subject to upkeep of machineries, and energy payment is co-related with generation.

Hence, the Company is protected against any industry risk as competition is lower and industry is encouraging new entrepreneurs to set up more power plants to minimize electricity crisis.

d) Market and technology-related risks

Capacity of generating power is dependent to a great extent on the capacity of its generators. There might be disturbance in the technology used by the Company and operation of the Company may face major turbulence.

Management perception

The Company is using state of the art technology and modern machines. The plants are comprised of 8 (eight) brand-new units of generators procured from the world renowned gas fuelled reciprocating engine manufacturer Wartsila, Finland Oy. Total installed capacity of the two power plants is 66 MW where Capacity of Rugpanj power plant is 33 MW and Jangalia power plant is 33 MW. To ensure uninterrupted supply of electricity, the project has contract with Titas Gas Transmission and Distribution Company Limited and Bakhraabad Gas Company Limited to supply gas for 15 years. To reduce any chance of disturbance, the Company has entered a spare parts supply contract for a period up to 31 December 2015 with Wartsila, Finland Oy subject to renewal of the agreement after the expiry. The Company has also maintenance agreement for a period of 5 years from the date 1st November 2010 subject to renewal after expiry. Furthermore, the management of the Company is very serious about timely maintenance of the machineries using its in-house experienced engineers.



e) Potential or existing government regulations

Although existing Government rules and regulations are very favorable for the Company, chances are there that the government might take any policy that may adversely affect profitability and operation of the Company.

Management perception

The Government is committed for providing affordable and reliable electricity to all citizens by 2020 for economic and social development. The Government has declared its vision for power sector to make the country free from load shedding beyond 2011 and to make electricity for all by the year 2020. Hence, management of the Company is confident enough regarding Government present energy policy, the Company will not have to face any unfavorable situation in near future. Moreover, Govt. is encouraging private sectors to invest in power sector for reducing scarcity of electricity. So the industry is favorable for the newly entrepreneur who are willing to setup electricity generation plant. Moreover, the Company has a 15 years PPA with the government of Bangladesh.

f) Potential changes in global or national policies

Changes in Government policy as well as policy of foreign countries may affect adversely the business of the Company. Any structural change in power generation industry may adversely affect the business and may have negative impact on the profitability of the Company.

Management perception

Modern life is totally dependent on electricity. Without electricity modern life cannot sustain. Without uninterrupted flow of electricity, development of a country is not possible. Hence, as far as national policy is concerned, power sector is not going to face any adverse effect in near future except to non-availability of raw materials of electricity production. Chances of global policies hampering power sector of our country is very negligible.

g) History of non-operation

If a Company becomes non-operative for some period in its operating life, risk of becoming non-operative in future for the same reasons or other probable reasons should be considered carefully.

Management perception

The Company does not have any history of non-operative so no risk has arisen in this respect. Moreover, the Company is trying to expand its business by installing more power plants. Therefore chance of becoming non-operative in future is very low.

h) Operations risks

Operational risk covers the ability of the Company to achieve the performance as envisaged. Technology used, fuel supply arrangement, operation and maintenance (O&M) arrangement and political condition are major sources of operational risk for the company.

Management perception

To mitigate fuel supply problem, SPPCL has signed gas supply agreement with Bakhraabad Gas Systems Ltd. (BGSL) and Titas Gas Transmission and Distribution Company Limited on 11 October 2007 for a term of 15 years to supply gas in required quantity and specification throughout the agreement period. For O&M of the plants, SPPCL has appointed local qualified engineers and technicians who have experience to work in power plants. Moreover, the Company had 1 (one) year warranty period from the date of commercial operation to keep the plant running with engine provider, Wartsila Finland OY. And subsequently has made spare parts supply agreement with the engine provider for a period of 5 years effective from 29 December 2010. During major overhauling, SPPCL will engage Wartsila, Finland OY for providing the overhauling services as per maintenance agreement signed with the engine provider for a period of 5 years effective from 1 November 2010. However technical expertise availability in the country, supply of spare parts contract and maintenance contract with the vendor mitigates the operational risk to a great extent.

Other Risks

Risk Related to non renewal of contract and BERC license

The Company has entered into agreements with Bangladesh Power Development Board (BPDB) and Rural Electrification Board (REB) with a condition that the agreement shall become effective upon execution and shall be terminated at the expiry of fifteen (15) contract years, unless extended or earlier terminated pursuant to the provisions of this agreement. If those contracts are not renewed in terms of electricity and gas, the matter may be a threat to the Company's continuation as a going concern.



Management perception

Management strongly believes that there are no possibilities of early termination of the agreement given the severe supply shortage of electricity in the country coupled with tremendous demand for power. Furthermore, the Government of Bangladesh is actively encouraging more local entrepreneurs to invest in this sector to address this demand and supply gap in electricity. Moreover, the ongoing scarcity of power reveals that the power crisis is likely to persist in the future as the Bangladeshi economy continues to grow at 6+% resulting in the continuously growing demand for power and electricity. As a result of this supply-demand dynamics in the power generation industry, the SPPCL contracts are highly likely to be extended by BPDB and REB. Near its end of term, project will be debt-free – therefore, considering SPPCL's technology's life span of 30 years, the project's ability to supply electricity at competitive tariff rates thereby increasing the likelihood of the contracts getting renewed by BPDB and REB.

Risk Related to Natural Gas

The major raw material of the project is natural gas. There is no guarantee of availability of natural gas in future for power generation. Hence, there is a threat for the Company to continue as a going concern.

Management perception

The term of GSA shall commence on the execution date and shall continue subject to the other provisions of this agreement for a period that ends on the expiry date which is the expiration date for the term of the Power Purchase Agreement (PPA) (Article 2).

Subject to the terms and condition of this agreement and availability of gas, gas seller shall sell and deliver to project company at all times all project company's requirements for gas for the facility during the term hereof to meet start-up, commissioning and operation of the facility and project company shall accept, receive and pay for gas from gas seller at a gas price set by the Government or any authority assigned by it from time to time (Article 3). Thus, even if there is a shortage of gas in Bangladesh, the gas seller is obligated to source for gas for supplying to the Company during the contract period.

Moreover, new gas fields are still discovering in some areas of Bangladesh such as Narayanganj, Narsingdi and Bay of Bengal. Government of Bangladesh is trying to explore gas from these new gas fields and have planned to add to the national grid. So, management expects that gas supply will not be interrupted in future.

Risk Related to Equity Finance under defined contract terms

The Company operates on Power Purchase Agreement with BPDB and REB for 15 years. There is also a risk of unavailability of natural gas for operating the project. In case of non-renewal of PPA and un-availability of natural gas, there is a threat to the Company to continue as going concern. In that case, the investor who will provide equity to the Company may fall in uncertainty to payback their investment.

Management Perception

Management strongly believes that there are no possibilities of early termination of the agreement given the severe supply shortage of electricity in the country coupled with tremendous demand for power. Furthermore, the Government of Bangladesh is actively encouraging more local entrepreneurs to invest in this sector to address this demand and supply gap in electricity. Moreover, the ongoing scarcity of power reveals that the power crisis is likely to persist in the future as the Bangladeshi economy continues to grow at 6+% resulting in the continuously growing demand for power and electricity. As a result of this supply-demand dynamics in the power generation industry, the SPPCL contracts are highly likely to be extended by BPDB and REB. Near its end of term, project will be debt-free. Therefore, considering SPPCL's technology's life span of 30 years, the project's ability to supply electricity at competitive tariff rates thereby increasing the likelihood of the contracts getting renewed by BPDB and REB. Such a feature of this company makes the above-mentioned risk negligible.



SECTION-IV

CAPITAL & SHAREHOLDING STRUCTURE**Capital Structure before and after IPO****Paid-up capital prior to IPO**

Constituent	No. of shares	Taka par value	Figures in BDT
Issued & fully paid up capital on 31December2011	76,280,213	10	762,802,130
Total	76,280,213	10	762,802,130

To be issued as IPO

Constituent	No. of shares	Taka par value	Figures in BDT
IPO at face value	30,000,000	10	300,000,000
Total	30,000,000	10	300,000,000

Paid-up capital after IPO

Constituent	No. of shares	Taka par value	Figures in BDT
Issued & fully paid up capital	106,280,213	10	1,062,802,130
Total	106,280,213	10	1,062,802,130

Premium from IPO

Constituent	No. of shares	Taka par value	Figures in BDT
From IPO	30,000,000	30	900,000,000
Total	30,000,000	30	900,000,000

Total Capital after IPO including Premium

Constituent	No. of shares	Taka par value	Figures in BDT
a. Issued & fully paid up capital	106,280,213	10	1,062,802,130
b. Premium from IPO	30,000,000	30	900,000,000
Total Capital			1,962,802,130



Use of IPO proceeds and implementation schedule

The net proceeds of IPO (after adjusting IPO expenses) will be used for redemption of redeemable preference shares as mentioned below:

Utilization of IPO proceeds and implementation schedule:

Utilization of IPO proceeds	Amount in BDT	Implementation schedule
Partial redemption of redeemable preference shares*	1,154,236,344	Within one week after listing with bourses
Meeting up IPO expenses including NBR tax	45,763,656	Time to time, as and when required
Total	1,200,000,000	

*Breakdown of outstanding redeemable preference shares:

Name of party	Proceeds from redeemable Shares (Taka)	Re-payment up-to 31 Dec 2011 (Taka)	Outstanding balance as on 31 Dec 2011 (Taka)
United Leasing Company Limited	50,000,000	15,000,000	35,000,000
Industrial Promotion & Development Company of Bangladesh Limited (IPDC)	100,000,000	30,000,000	70,000,000
Industrial and Infrastructure Development Finance Company Limited (IIDFC)	68,848,500	20,654,400	48,194,100
Rupali Bank Limited	130,755,300	39,226,400	91,528,900
Sonali Bank Limited	271,480,000	81,444,000	190,036,000
Bangladesh Industrial Finance Company Limited	32,886,200	9,865,800	23,020,400
Janata Bank Limited	225,615,800	67,684,600	157,931,200
Standard Bank Limited	67,125,900	20,137,600	46,988,300
First Security Islami Bank Limited	32,646,800	9,794,000	22,852,800
BRAC Bank Limited	215,843,000	64,752,800	151,090,200
Agrani Bank Limited	131,625,100	39,487,400	92,137,700
United Commercial Bank Limited	307,340,600	92,202,000	215,138,600
Pubali Bank Limited	130,868,700	39,260,600	91,608,100
National Credit and Commerce Bank Limited	30,000,000	9,000,000	21,000,000
Mutual Trust Bank Limited	98,087,000	29,426,000	68,661,000
Total of outstanding			1,325,187,300

Out of total re-payment Tk. 1,325,187,300 against redeemable preference shares to the above mentioned bank and financial institutions, Tk.1,154,236,344 will be utilized from Initial Public Offerings (IPO) and rest of Tk.170,950,956 will be utilized from internal sources of fund.

Terms of contract

There are no other contracts for which proceeds of IPO will be utilized.

Sd/-

Md. Mozammel Hossain

Managing Director

Sd/-

Mahmud Hasan, FCMA

Chief Financial Officer



SECTION-V

DESCRIPTION OF BUSINESS**Information about the Company**

Summit Purbanchol Power Company Limited (SPPCL) is a subsidiary of Summit Power Limited, the first Bangladeshi Independent Power Producer in private sector. The other corporate sponsor shareholder is Summit Industrial and Mercantile Corporation (Pvt.) Ltd.

On 15 August 2007, Summit Purbanchol Power Company Limited (SPPCL) was duly incorporated in Bangladesh as a Private Limited Company under the Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka-1215. Subsequently, the Company is converted from Private Limited Company to Public Limited Company on 3 May 2010. On 14 November 2010, the company changed its denomination its face value of share from Tk. 100 to Tk.10.

SPPCL started its commercial operation from 09 June 2009 and from 25 June 2009 for Rupganj Power Plant located at Narayanganj and for Jangalia Power Plant located at Comilla respectively having installed capacity of 33 MW each.

The Projects of Summit Purbanchol Power Company Limited**Jangalia Power Plant, Comilla**

This project was set up to provide electricity for Comilla Grid Substation under 15-years Power Purchase Agreement (PPA) with Bangladesh Power Development Board (BPDB) as on 11 October 2007. An implementation agreement was also been signed with the Government of Bangladesh (GoB) in this respect as on 11 October 2007.

Rupganj Power Plant, Narayanganj

This project was set up to provide electricity for Narayanganj Palli Bidyut Samity under 15-years Power Purchase Agreement (PPA) with Rural Electrification Board (REB) as on 11 October 2007. An implementation agreement was also been signed with the Government of Bangladesh (GoB) in this respect as on 11 October 2007.

Important Dates:

Particulars	Date
Date of incorporation as Private Limited Company	15 August 2007
Date of Commencement of business as Private Limited Company	15 August 2007
Conversion date from Private Limited Company to Public Limited Company	3 May 2010
Date of denomination of face value of share from Tk 100 to Tk 10	14 November 2010
Signing date of Power Purchase Agreement (PPA)	11 October 2007
Signing date of Gas Supply Agreement (GSA)	11 October 2007
Signing date of Implementation Agreement (IA)	11 October 2007
Date of commercial operation of Rupganj Power Plant	9 June 2009
Date of commercial operation of Jangalia Power Plant	25 June 2009
IPP license no IPP-009 for Rupganj Power Plant issued on 2 Dec 2008	Valid up to 1 Dec 2012 (Renewable)
IPP license no IPP-0012 for Jangalia Power Plant issued on 17 Dec 2008	Valid up to 16 Dec 2012 (Renewable)



Summary of the Companies under Summit Group

Sl. No.	Name of the companies	Line of business	Year of establishment	Relationship with SPPCL	% of share-holding
01	Summit Industrial & Mercantile Corporation (Pvt.) Ltd	Investment Company*	1985	Shareholder	0.9999%
02	Summit Power Limited	Power Generation	1997	Parent Company	98.99%
03	Cosmopolitan Traders (Pvt.) Limited	Investment Company**	1990	Common Mgt	Nil
04	Ocean Containers Limited	Container Handling	1986	Common Mgt	Nil
05	Summit Shipping Limited	Shipping	1997	Common Mgt	Nil
06	Summit Alliance Port Limited	Off Dock Service	2003	Common Mgt	Nil
07	Khulna Power Company Limited	Power Generation	1997	Common Mgt	Nil
08	United Summit Coastal Oil Limited	Oil Management	1998	Common Mgt	Nil
09	Summit Communications Limited	Telecommunication	2009	Common Mgt	Nil
10	Summit Purbanchol Power Co. Ltd	Power Generation	2007	Common Mgt	Nil
11	Summit Uttaranchol Power Co. Ltd	Power Generation	2007	Common Mgt	Nil
12	Summit Narayanganj Power Ltd	Power Generation	2010	Common Mgt	Nil
13	Summit Saidpur Power Ltd	Power Generation	2011	Common Mgt	Nil
14	Summit Shantapur Power Ltd	Power Generation	2011	Common Mgt	Nil
15	Summit Bibiyana – I Power Co. Ltd	Power Generation	2010	Common Mgt	Ni
16	Summit Bibiyana – II Power Co Ltd	Power Generation	2010	Common Mgt	Ni
17	Summit Meghnaghat Power Company Limited	Power Generation	2010	Common Mgt	Ni
18	Khanjahan Ali Power Company Ltd.	Power Generation	2010	Common Mgt	Ni
19	Cosmopolitan Finance Ltd.	Merchant Banking	2010	Common Mgt	Ni
20	Khulna Power Company Unit – II Ltd.	Power Generation	2010	Common Mgt	Ni

*The company invests and holds equity shares of different companies of the Summit group.

**The company invests and holds equity shares of different companies of the Summit group and also shares of other listed and non-listed companies.

Nature of business

The principal activity of the Company is to set up power plants for generation and supply of electricity. The Company is already supplying electricity through two power plants located at Rupganj under Narayanganj district and Jangalia under Comilla district of 33 MW each.

Principal products and services& market for the product

Generation and supply of electricity is the only product of the Company. Under private sector power generation policy of Bangladesh, the Company is generating electricity and supplying it to Rural Electrification Board (REB) from Rupganj power plant and to Bangladesh Power Development Board (BPDB) from Jangalia power plant through designated PBSs and local power grid.

Products/service that accounts for more than 10% of the Company's total revenue

There is only one product i.e., electricity that contribute 100% to the total revenue.

**Associates, subsidiary/related holding company and their core areas of business**

Name of the company	Relationship with SPPCL	Nature of business of the company
Summit Power Limited	Holding Company	Core area of business is to sell generated electricity to REB at bulk supply.
Summit Industrial & Mercantile Corporation (Pvt.) Ltd	Shareholding Company	Engaging in energy generation, infrastructure, investment, trading and others

Distribution of products/services

Under private sector power generation policy of Bangladesh, the Company generates electricity and supplies it to REB and to BPDB from Rupganj power plant (RPP) and Jangalia power plant (JPP) respectively through designated PBSs and local power grid.

Competitive condition of business

In Power industry, the Company generates and supplies electricity to the off-taker (REB/BPDB) at the pre-determined tariff as contracted. In this line, SPPCL has contracted with Power Purchase Agreement with REB and BPDB for RPP and JPP respectively for a period of 15 years from the date of commercial operation. After signing a PPA, there is no competition to sell the Company's generated electricity. So currently, the Company has no competitors in the industry.

Sources and availability of raw materials and principal suppliers

Items of raw materials	Name of supplier	Terms of procurement
Gas	Titas Gas Transmission & Distribution Co Ltd. And Bakhrabad Gas Systems Ltd.	The main raw material for generating electricity is natural gas. Under Gas Supply Agreement, Titas Gas Transmission & Distribution Co. Ltd. And Bakhrabad Gas Systems Ltd. Will ensure supplies of natural gas to Rupganj power plant and Jangalia power plant respectively for a period of years relating to PPA.
Spare parts	Wartsila, Finland OY	Spare parts will be purchased from engine provider namely Wartsila, Finland OY at agreed rates year to year and others.
Lubricant oil	Mobil Jamuna Ltd. & Navana Petroleum Ltd.	Lubricant oil is purchased from Mobil Jamuna Limited and Navana Petroleum Limited as and when required.

Sources of and requirement for power, gas and water or any other utilities**Power**

The power requirement is met from Company's own generation. However any disruption is met through supply from PBS/local national grid and is required for auxiliary use only.

Water

The Company uses close circuit cooling system for its generators and the cooling water requirement is very minimal which is supplied from bore well through demineralization plant.

Gas

The main raw material for generating electricity is natural gas. Under Gas Supply Agreement, Titas Gas Transmission & Distribution Co Ltd and Bakhrabad Gas Systems Ltd. will ensure supplies of natural gas to Rupganj power plant and Jangalia power plant respectively.

Customer providing 10% or more revenues

Rural Electrification Board (REB) and Bangladesh Power Development Board (BPDB) are the buyers, who purchase all of the Net Electrical Output (NEO) of the Company.



Description of contract with principal customers/suppliers

There are mainly three contracts with the two principal customers i.e. Rural Electrification Board (REB) for Rupganj Power Plant and Bangladesh Power Development Board (BPDB) for Jangalia Power Plant. The main features of the contracts are as under:

Particulars	Nature of transaction	Description of contract
Power Purchase Agreement (PPA) The Company has signed PPA with both the customers REB and BPDB on 11 October 2007.	Customer	Project Company agrees to maintain and make available and deliver exclusively to REB for Rupganj Power Plant and BPDB for Jangalia Power Plant and REB and BPDB agrees to accept and purchase from the Company, for the consideration, the Dependable Capacity and Net Energy Output of the Facility from the Commercial Operation Date (Article 3). The agreement shall become effective upon execution and delivery by the parties hereto and shall terminate at the end of 15 contract year, unless extended or earlier terminated pursuant to the provisions of the PPA (Article 4). Project Company shall obtain all necessary debt and equity financing in an amount sufficient for the construction, completion, operation and maintenance of the facility in the manner contemplated by the PPA (Article 5). Project Company, at its sole cost and expense, shall use its best efforts to acquire and maintain in effect all permits, licenses and approvals required by all Government, Authority and Agencies with jurisdiction over Project Company (Article 6). The PPA stipulates the Capacity Payment and Energy Payment payable to the Project Company for Dependable Capacity and Net Energy Output respectively in any period during the term shall be calculated based on the Reference Capacity Price and the Reference Energy Price respectively from and after the Commercial Operation Date (COD) (Article 13). The Project Company, at its sole cost and expense, shall obtain and maintain during the term all appropriate and necessary policies of insurance to the facility as possible against all risks that can be reasonably anticipated (Article 14).
Gas Supply Agreement (GSA) The Company has signed Gas Supply Agreement (GSA) with Titas Gas Transmission & Distribution Co Ltd and Bakhrabad Gas Systems Ltd. For RPP and JPP on 11 October 2007.	Supplier	The term of GSA shall commence on the execution date and shall continue subject to the other provisions of this agreement for a period that ends on the expiry date which is the expiration date for the term of the Power Purchase Agreement (PPA) (Article 2). Subject to the terms and condition of this agreement and availability of gas, gas seller shall sell and deliver to project company at all times all project company's requirements for gas for the facility during the term hereof to meet start-up, commissioning and operation of the facility and project company shall accept, receive and pay for gas from gas seller at a gas price set by the Government or any authority assigned by it from time to time (Article 3).



Particulars	Nature of transaction	Description of contract
Implementation Agreement (IA) Implementation Agreement (IA) is signed between Company and the Government of the People's Republic of Bangladesh (GOB) on 11 October, 2007 for both the Rupganj Power Plant and Jangalia Power Plant	Customer	The IA is the umbrella agreement with GOB, granting SPPCL the right to the plant site construct and operate the project. The IA basically- • guarantees the payment obligations of the REB and BPDB under the PPA (Article XVI) • assures SPPCL of all fiscal incentives and other benefits provided in the Private Sector Power Generation Policy of Bangladesh (Article XII) and • lays out the provision for compensation payable by the GOB under various termination events and force majeure events (Article XI) In accordance with IA, GOB shall, at the execution date, execute and deliver to the Project Company the guarantee in the form given in Schedule 3, including the following: In consideration of the Project Company entering into the PPA with REB and BPDB and the GSA with gas suppliers, the guarantor (GOB) hereby irrevocably and unconditionally guarantees and promises to pay the Project Company any and every sum of money REB and BPDB and gas suppliers are obligated to pay the Project Company under or pursuant to the PPA and GSA. Obligation of GOB shall include monetary damages arising out of any failure by REB and BPDB and the gas suppliers to perform its obligations under PPA and GSA respectively to the extent that any failure to perform such obligations gives to monetary damages (Schedule 3).

Description of any material patents, trademarks, licenses or royalty agreements

The Company has not entered into any such agreement.

Number of Employees

The No. of total employees of the Company is 87 as at 31December 2011 comprises at follows:

Type of employees	No. of employees
Full-time employees	45
Contractual employee	27
Casual employees	15

Production/Service rendering capacity and current utilization

Project wise granted capacity and utilization are as following:

Name of plant	Installed & Installed Capacity	Plant Load Factor (% of installed capacity)		Energy sold (MWH) for the year ended 31 Dec	
		2011	2010	2011	2010
Rupgonj-Narayanganj	33 MW	76.03	80.87	219,786	233,993
Jangalia-Comilla	33 MW	75.51	75.5	218,281	217,925



SECTION-VI

DESCRIPTION OF PROPERTY

Description of Property

Total area of land owned by the Company is 6.7348 acre. The lands are situated in the following location:

- a) The plant area located at Rupganj, Narayanganj comprises 3.62 acre of land
- b) Another plant area located at Jangalia under Comilla district comprises 3.1148 acre of land

As per audited accounts as on 31 December 2011, the Company has the following fixed assets:

Sl. No.	Description	Amount (Tk.)
01	Furniture and fixtures	1,577,667
02	Office and electrical equipment	2,661,857
03	Office decoration	126,612
04	Maintenance equipment	444,833
05	Civil works and others	4,431,358
06	Motor vehicles – leased	13,440,482
07	Land and land development	321,524,415
08	Plant and machinery:	
	33 MW Jangalia Power Plant	1,458,443,799
	33 MW Rupganj Power Plant	1,403,599,356
09	IT software	250,000
	Total	3,206,500,379

- Entire above mentioned properties are situated at Company's registered office and plants and are in good operational condition.
- The properties of the Company are owned by the Company and purchased in brand new condition.
- Except motor vehicles, the Company has no asset under lease agreement. The lease obligation already settled.
- All the above mentioned assets have been secured against lending Banks and Financial Institutes against redeemable preference shares.

The name of lending banks and financial institutions have mentioned below:

SL No	Name of Lender
01	United Leasing Company Limited
02	Industrial Promotion & Development Company of Bangladesh Limited (IPDC)
03	Industrial and Infrastructure Development Finance Company Limited (IIDFC)
04	Rupali Bank Limited
05	Sonali Bank Limited
06	Bangladesh Industrial Finance Company Limited
07	Janata Bank Limited
08	Standard Bank Limited
09	First Security Islami Bank Limited
10	Brac Bank Limited
11	Agrani Bank Limited
12	United Commercial Bank Limited
13	Pubali Bank Limited
14	National Credit and Commerce Bank Limited
15	Mutual Trust Bank Limited



SECTION-VII

PLAN OF OPERATION& DISCUSSION OF FINANCIAL CONDITIONS

Internal & External Source of Cash (as per audited accounts as on 31 December 2011)

Particulars	As on Dec 31,2011 (Tk.)	As on Dec 31,2010 (Tk.)	As on Dec 31, 2009 (Tk.)	As on Dec 31,2008 (Tk.)
Internal Source				
Share Capital	762,802,130	663,306,200	576,788,000	100,000
Share Money Deposit	-	-	-	576,688,000
Revaluation Reserve	207,572,500	207,572,500	207,572,500	207,572,500
Retained earnings*	584,510,369	321,901,695	94,035,053	(14,218,333)
Sub-Total	1,554,884,999	1,192,780,395	878,395,553	770,142,167
External Source				
Project Loan (current & non-current portion)	-	-	2,472,702,943	596,666,667
Obligation under Finance Lease ((current & non-current portion)	-	1,702,016	6,571,061	10,710,498
Redeemable Preference Shares (current & non-current portion)	1,316,929,220	1,595,614,952	-	-
Sub-Total	1,316,929,220	1,597,316,968	2,479,274,004	607,377,165
Grand total	2,871,814,219	2,790,097,363	3,357,669,557	1,377,519,332

*Retained earnings have been restated for the years of 2008, 2009 and 2010 to give effect of the change in accounting policy.

Material commitment for capital expenditure

The Company has no material commitments for capital expenditure as at 31 December 2011.

Causes for material changes as per audited accounts

Particulars	Year ended 31 Dec. 2011	Year ended 31 Dec. 2010	Year ended 31 Dec. 2009	Year ended 31 Dec. 2008
Revenue	1,145,014,718	1,141,751,963	610,733,770	-
Cost of sales	(536,404,947)	(504,400,111)	(267,648,494)	-
Gross Profit	608,609,771	637,351,852	343,085,276	-
Other income, net	1,414,272	1,876,380	495,245	573,135
General and Administrative Expenses	(58,604,291)	(46,568,132)	(48,300,561)	(14,317,640)
Operating Profit	551,419,752	592,660,100	295,279,960	(13,744,505)
Financial Income	15,523,423	4,325,062	-	2,300,139
Financial Costs	(171,673,261)	282,600,320	(177,389,443)	1,338,097
Finance (costs)/income, net	(156,149,838)	(278,275,258)	(177,389,443)	962,042
Total comprehensive income for the year	395,269,914	314,384,842	117,890,517	(12,782,463)

The Company incurred loss in the year 2008 because it had no commercial operation. In June 2009, the Company started its commercial operation earned profit of Tk.117,890,517 whereas in 2010 the figure increase by three times as the Company had full year operation. For the year 2011 the profit stands at Taka 395,269,914 due to tariff structure change.

Seasonal aspect of the Company's business

There is no significant seasonal impact on the products of the Company.

Known trends, events or uncertainties

Any abrupt change in policy of importing countries, labor unrest, political change at home and abroad are known events that may affect the business of the Company.

Change in the assets of the Company used to pay off any liabilities

No assets of the Company have been used to pay off any liabilities of the Company.

**Loan taken from or given to holding/parent company or subsidiary company**

No loan has been taken from or given to holding/parent/subsidiary company. However, the Company has normal business transactions with its parent Company i.e., Summit Power Limited as per audited financial statements as on 31December 2011.

Name of parties	Nature of relationship	Nature of transaction	Transaction during the year ended		Balance as 31 Dec 2011	Issuer Status
			31Dec2011	31 Dec 2010		
Summit Power Limited	Holding Company	Non-interest bearing short term financing, Supply of Spare parts and sharing of common administrative expenses	342,153,569	666,702,089	(212,706,545)	Creditor

However, the Company has transaction with its sister concern as mentioned in note 33 of audited financial statements as on 31 December 2011 as following:

Name of parties	Nature of relationship	Nature of Transaction	Transaction during the year ended		Balance as 31 Dec 2011	Issuer Status
			31Dec2011	31 Dec 2010		
Summit Uttaranchol Power Company Limited	Sister Concern	Noninterest bearing short term financing	64,295,351	378,110,997	(166,707,828)	Creditor

Future contractual liabilities

SPPCL neither has any future contractual liabilities nor have any plan to enter into any contractual liabilities other than normal course of business within next one year that would impact the financial fundamentals of the Company.

VAT, income tax, customs duty or other tax liability**a) VAT**

VAT is not applicable for the Company for sale of electricity under VAT Act 1991.

b) Income Tax

As per private sector power generation policy, the Company is exempted from income tax for a period of 15 years from the date of commercial operation.

However, as per certificate given by DCT of Tax Circle – 04, Tax Zone –2, Dhaka dated 30 October 2011, Income Tax Return has been submitted for the assessment years up to 2011-2012 under Universal Self Assessment system against disclosed income that is considered as settled as per Rule.

c) Custom duty and other Liabilities

The Company is exempted to import plant and machinery during construction and all other spare parts up to 10% of the plant and machinery cost without payment of customs duties. However, the Company is still within the scope of custom duty exemption.

The Company has contingent liabilities Tk. 128,142,934 as at 31December 2011 as mentioned in note 30 of the audited financial statements. Except those, the Company has no any other liabilities in this respect.

Operating lease commitment during last five years

The Company had no operating lease till 31December 2011 except for office rental, cost of which is paid by holding Company i.e., Summit Power Limited and subsequently which is shared with Summit Purbanchol Power Company Limited, Summit Uttaranchol Power Company Limited and Summit Narayanganj Power Limited on the basis of individual plant capacity in the ratio of 21:14:32 respectively. The above transaction is also disclosed in note 33 under related party transaction of the audited financial statements as on 31December 2011.

Financial lease commitment during last five years

The Company entered into lease commitment to purchase motor vehicles in 2008 with Prime Finance and Investment Limited and United Leasing Company Limited amounting to Taka 13 million. The Company has paid full of its lease obligation by 31December 2011.



Name of institution	Type of loan	Amount of loan	Rate of interest	Sanction Date	Amount of installment	Outstanding Balance
Prime Finance & Investment Ltd.	Lease finance	2,552,918	17%	March '2008	91,410	NIL
United Leasing Company Ltd.	Lease finance	10,674,000	17%	May '2008	370,018	NIL

Personnel related scheme

The Company is currently staffed with 87 employees as disclosed in note 36 on audit financial statements. It strongly believes that human resources are the best assets of the Company. This is why the Company pays first priority in developing human resources through training and providing them with opportunities for rewarding careers that support its leadership position in the power sector. In line with these beliefs, the Company has a well-designed compensation package for the employees to encourage professionalism, stimulate team-work and promote innovation reinforced with high ethical standards.

The Company's remuneration benefits include salary and allowances, festival bonus. The Company has also the following retirement/terminal benefits for the employees:

Provident Fund: All permanent employees of SPPCL are entitled to a 10% recognized contributory provident fund which is approved by the National Board of Revenue (NBR). The provident fund is managed/supervised by Board of trustee in annual basis. The matter has been disclosed in note 3.15 of the audited accounts as on 31 December 2011.

Except the above, all permanent employees enjoy leave encashment benefit at the time of retirement.

Breakdown of Estimated expenses for IPO

Particulars	Rate	Amount in BDT
Issue management fee	Fixed	2,000,000
VAT against issue management fees	15% on Issue Management fee	300,000
Regulatory expenses		
Listing related expenses :		
Service charge for DSE	Fixed	5,000
Annual fee for DSE & CSE	Paid Up Capital exceeding Tk. 100 crore per Stock Exchange Tk. 100,000	200,000
Initial Listing fee for Stock Exchanges (CSE & DSE)	Total of @0.25% on Tk 10 crore and 0.15% on rest amount of paid-up capital or maximum Tk. 2 million per stock exchange (250,000x2=500,000+1,444,203x2=2,888,406)=3,388,406	3,388,406
SEC fees		
Application fee	Fixed	10,000
Consent fee	@ 0.15% on public offering amount (1,200,000,000x0.15%)=Tk. 1,800,000	1,800,000
Tax paid to NBR		
Income Tax on premium	3% on premium amount (900,000,000x3%)=Tk. 27,000,000	27,000,000
IPO commission		
Underwriting commission	@ 0.50% on the underwritten amount (600,000,000x0.50%) =Tk.3,000,000	3,000,000
Bankers to the issue commission	@ 0.1% on collected amount Considering 1 time over subscription (to be paid at actual)	2,400,000
Credit rating fee	At Actual	250,000
Auditor fees including certification fees	At actual	224,250
Printing & post IPO expenses		
Expense regarding printing of abridged version of Prospectus& notice in 4 national Dailies	Estimated (to be paid at actual)	500,000
Expense regarding printing of Prospectus& forms	Estimated (to be paid at actual)	1,000,000
Post issue managers expenses (data processing fee)	Estimated (to be paid at actual)	1,000,000
Lottery conduction expense	(Estimated(to be paid at actual)	500,000
BUET fee for lottery conduction	Estimated(to be paid at actual)	300,000
CDBL fees & expenses		
Documentation fee	At actual	2,500
Annual fee	At actual	100,000
IPO fee	At actual	337,500
Connection fee (500 Tk per Month*12)	At actual	6,000



Others		
Distribution of application forms and Prospectus to the overseas countries (Tk.)	Estimated (to be paid at actual)	50,000
Distribution of application forms and Prospectus within the country (Tk.)	Estimated (to be paid at actual)	20,000
Envelop printing and courier charges (Tk.)	Estimated (to be paid at actual)	20,000
MICR cheque printing	Estimated (to be paid at actual)	1,000,000
Physical distribution of allotment and refund warrants (including hall rent)	Estimated (to be paid at actual)	200,000
Software for share management	Estimated (to be paid at actual)	100,000
Stationary and others	Estimated (to be paid at actual)	50,000
Grand Total		45,763,656

Note: The some cost may vary and will be adjusted accordingly.

Revaluation of Company's assets and summary thereof

The Company has land and land development which were revalued by S. F. Ahmed & Co., Chartered Accountants as at 31 December 2008 following the current cost method. The revaluation resulted into a revaluation surplus aggregating Taka 207,572,500 having original cost as on 31 December 2008 of the same was Taka 113,043,500.

Name of valuer company: S F Ahmed & Co., Chartered Accountants (SFACO)

Some of mentionable assets valuation works completed by S F Ahmed & Co are:

SL No	Name of the companies for which revaluation was done
01	Bangladesh Shilpa RinSangstha
02	Bangladesh Shilpa Bank Limited
03	Beximco Group
04	Bangladesh Telegraph and Telephone Board

Reason for valuation

The purpose of this work is to arrive at a fair value of the fixed assets of SPPCL so as to incorporate such fair value in its financial statements for the year ended 31 December 2008.

The summary of revaluation is as follows:

Description	Book value as on 31 Dec 2008	Revaluation surplus as on 31 Dec 2008	Revalued book value as on 31 Dec 2008	Revalued book value as on 31 Dec 2011
Land and land development	113,043,500	207,572,500	320,616,000	321,524,415

Transaction between related party and the issuer (as per audited accounts note 33)

Name of the party	Nature of Transactions	Nature of Relationship	Jan-Dec, 07 Value (Tk)	Jan-Dec,08 Value (Tk)	Jan-Dec,09 Value (Tk)	Jan-Dec,10 Value (Tk)	Jan-Dec,11 Value (Tk)	Issuer Status
Summit Power Limited	Short term financing/spare parts/sharing of common expenses	Parent Company	15,497,764	513,594,870	315,688,165	666,702,089	342,153,569	Creditor
However, the Company has transaction with its sister concern as per audited accounts as following								
Name of the party	Nature of Transactions	Nature of Relationship	Jan-Dec, 07 Value (Tk)	Jan-Dec,08 Value (Tk)	Jan-Dec,09 Value (Tk)	Jan-Dec,10 Value (Tk)	Jan-Dec,11 Value (Tk)	Issuer Status
Summit Uttaranchol Power Company Ltd.	Short term financing	Subsidiary of Parent	-	248,668,255	260,532,517	378,110,997	64,295,351	Creditor



Auditors certificate regarding allotment of shares to promoters or sponsor shareholders for consideration in cash/other than in cash



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Summit Purbanchol Power Company Limited

**Auditors' certificate regarding allotment of shares to promoters or
Sponsor shareholders for consideration in cash/other than in cash**

This is to certify that the paid up capital of Summit Purbanchol Power Company Limited as of 31 December 2011 was Tk 762,802,130 divided into 76,280,213 ordinary shares of Tk 10 each. Details are as follows:

Allotment date	Basis			Total amount (Taka)
	In cash (Taka)	Other than in cash (Taka)	Bonus share (Taka)	
In Memorandum	100,000	-	-	100,000
As on 17 January 2009	576,688,000	-	-	576,688,000
As on 21 June 2010	-	-	86,518,200	86,518,200
As on 11 April 2011	-	-	99,495,930	99,495,930
Total	576,788,000	-	186,014,130	762,802,130

The Company had subdivided the face value of its ordinary share from Tk. 100 to Tk. 10 through a special resolution in the General Meeting held on 14 November 2010 and necessary amendments in the capital clause of the Memorandum of Association and Articles of Association were made accordingly. Hence, the paid up capital of the Company has stood at Tk. 762,802,130 divided into 76,280,213 ordinary shares of Tk. 10 each from then.

Also, this is to certify that the Company had raised its paid up capital through the following bank deposits:

Date of deposition	Name of bank	Branch name	Amount (Taka)
17.10.2007	Citibank, N.A.	Gulshan Branch	99,000
17.10.2007	Citibank, N.A.	Gulshan Branch	1,000
24.04.2008	Citibank, N.A.	Gulshan Branch	400,000,000
20.08.2008	Citibank, N.A.	Gulshan Branch	60,000,000
03.09.2008	Citibank, N.A.	Gulshan Branch	57,338,900
09.09.2008	Citibank, N.A.	Gulshan Branch	5,766,900
10.09.2008	Citibank, N.A.	Gulshan Branch	53,582,200
Total			576,788,000


Dhaka, 5 March 2012

**Declaration regarding suppression of material information**

This is to declare that, to the best of our knowledge and belief, no information, facts or circumstances, which should be disclosed have been suppressed, which can change the terms and conditions under which the offer has been made to the public.

For Issuer,

Sd/-

Md. Mozammel Hossain

Managing Director

Summit Purbanchol Power Company Limited

Date: 8 April 2012

SECTION-VIII**INFORMATION ABOUT DIRECTORS & OFFICERS****Information regarding directorship**

Name	Nominated by	Age	Experience	Position
Mr. Muhammed Aziz Khan	Summit Power Limited	57	36 years	Chairman
Mr. Md. Latif Khan	Summit Power Limited	53	30 years	Vice Chairman
Mrs. Anjuman Aziz Khan	Summit Power Limited	56	22 years	Director
Ms. Ayesha Aziz Khan	Summit Power Limited	30	9 years	Director
Mr. A.N.M. Tariqur Rashid	Summit Power Limited	44	20 years	Director
Mr. Md. Farid Khan	Summit Power Limited	51	30 years	Director
Mr. Tauhidul Islam	Summit Power Limited	64	36 years	Director

Name	Designation	Date of becoming Director for the first time	Date of Expiration of Current Term
Mr. Muhammed Aziz Khan	Chairman	15 Aug 2007	5 th AGM in 2012
Mr. Md. Latif Khan	Vice Chairman	15 Aug 2007	5 th AGM in 2012
Mr. Tauhidul Islam	Director	15 Aug 2007	5 th AGM in 2012
Mrs. Anjuman Aziz Khan	Director	15 Aug 2007	5 th AGM in 2012
Ms. Ayesha Aziz Khan	Director	15 Aug 2007	5 th AGM in 2012
Mr. A.N.M. Tariqur Rashid	Director	28 Feb 2010	5 th AGM in 2012
Mr. Md. Farid Khan	Director	15 Aug 2007	5 th AGM in 2012

Directors' involvement in other organization

Sl. No.	Name of director	Involvement in other organization	
		Name of the Organization	Position
1	Mr. Muhammed Aziz Khan	Summit Industrial & Mercantile Corporation (Pvt.) Ltd.	Managing Director and Chairman
		United Summit Coastal Oil Ltd.	Director
		Summit Shipping Limited	Chairman
		Summit Properties & Construction Co. (Pvt.) Ltd.	Chairman
		Cosmopolitan Traders (Pvt.) Ltd.	Chairman
		Summit Equities Ltd.	Chairman
		Khulna Power Co. Ltd.	Chairman
		Ocean Container Ltd.	Chairman
		Summit Pipeco Ltd.	Chairman
		Baridhara Properties Ltd.	Chairman
		Summit Alliance Port Ltd.	Chairman
		Alliance Leasing and Finance Company Ltd.	Chairman
		Summit Power Limited	Chairman
		Summit Electricity Limited	Chairman



Sl. No.	Name of director	Involvement in other organization	
		Name of the Organization	Position
		Summit Euro Refinery Ltd.	Chairman
		Summit Uttaranchol Power Company Limited	Chairman
		Summit Holdings Limited	Chairman
		Summit Investment Limited	Chairman
		Summit Communications Limited	Chairman
		Summit Narayanganj Power Limited	Chairman
		Khanjahan Ali Power Company Ltd.	Chairman
		Cosmopolitan Finance Limited	Chairman
		Khulna Power Company Unit-I Ltd.	Chairman
		Summit Bibiyana – I Power Company Limited	Chairman and Managing Director
		Summit Bibiyana – II Power Company Limited	Chairman and Managing Director
		Summit Meghnaghat Power Company Limited	Chairman and Managing Director
		Summit Shantahar Power Limited	Chairman
		Summit Saidpur Power Limited	Chairman
		IPCO Developments (BD) Ltd.	Director
		IPCO Hotels Ltd.	Director
		IPCO Resorts Ltd.	Director
2	Mr. Md. Latif Khan	Summit Industrial & Mercantile Corporation (Pvt.) Ltd.	Director
		Cosmopolitan Traders (Pvt.) Ltd.	Managing Director
		United Summit Coastal Oil Ltd.	Managing Director
		Summit Shipping Ltd.	Director
		Baridhara Properties Ltd.	Director
		Syenergey Services	Director
		Summit Uttaranchol Power Company Limited	Vice Chairman
		Summit Power Limited	Vice Chairman
		Summit Alliance Port Ltd	Director
		Ocean container Ltd	Director
		Khulna Power Co. Ltd	Director
		Alliance Terminals Limited	Director
		Sumcynet Limited	Director
		Summit Communications Limited	Director
		Summit Holdings Limited	Director
		Summit Narayanganj Power Limited	Vice Chairman
		Khanjahan Ali Power Company Ltd.	Director
		Cosmopolitan Finance Limited	Director
		Khulna Power Company Unit II Ltd.	Director
		Summit Bibiyana – I Power Company Limited	Director
		Summit Bibiyana – II Power Company Limited	Director
		Summit Meghnaghat Power Company Limited	Director
		Summit Shantahar Power Limited	Director
		Summit Saidpur Power Limited	Director
		IPCO Developments (BD) Ltd.	Director
		IPCO Hotels Ltd.	Director
		IPCO Resorts Ltd.	Director
3	Mr. Tauhidul Islam	Summit Power Limited	Director & Managing Director
		Summit Uttaranchol Power Company Limited	Director & Managing Director



Sl. No.	Name of director	Involvement in other organization	
		Name of the Organization	Position
		Summit Narayanganj Power Limited	Director & Managing Director
		Summit Shantahar Power Limited	Director & Managing Director
		Summit Saidpur Power Limited	Director & Managing Director
4	Mrs. Anjuman Aziz Khan	Summit Properties & Construction Co. (Pvt.) Ltd.	Director
		Summit Power Limited	Director
		Cosmopolitan Traders (Pvt.) Ltd.	Director
		Ocean Container Ltd.	Director
		Summit Pipeco Ltd.	Director
		Summit Equities Ltd.	Director
		Baridhara Properties Ltd.	Director
		Summit Alliance Port Ltd.	Director
		Summit Shipping Limited	Director
		Summit Electricity Limited	Director
		Summit Euro Refinery Ltd.	Director
		Summit Industrial & Mercantile Corp. (Pvt.) Ltd.	Director
		Summit Uttaranchol Power Company Limited	Director
		Summit Holding Limited	Director
		Alliance Terminals Limited	Director
		Summit Narayanganj Power Limited	Director
		Cosmopolitan Finance Limited	Director
		Summit Bibiyana – I Power Company Limited	Director
		Summit Bibiyana – II Power Company Limited	Director
		Summit Meghnaghat Power Company Limited	Director
		Summit Shantahar Power Limited	Director
		Summit Saidpur Power Limited	Director
5	Mr. Md. Farid Khan	Summit Corporation	Director
		Summit Industrial & Mercantile Corp. (Pvt.) Ltd.	Director
		Summit Pipeco Ltd.	Director
		Cosmopolitan Traders (Pvt.) Ltd.	Director
		Summit Properties & Construction Co. (Pvt.) Ltd.	Director
		Ocean Container Ltd.	Director
		Summit Shipping Limited.	Director
		Baridhara Properties Ltd.	Director
		Summit Power Limited	Director
		Summit Alliance Port Ltd.	Director
		Alliance Leasing and Finance Company Ltd	Director
		Summit Holdings Limited	Director
		Summit Electricity Limited	Director
		Summit Euro Refinery Ltd.	Director
		Summit Uttaranchol Power Co. Limited	Director
		Summit Communications Limited	Director & Managing Director
		Summit Investment Limited	Director
		Summit Narayanganj Power Limited	Director
		Cosmopolitan Finance Limited	Director
		Khulna Power Company Ltd.	Director
		Khulna Power Company Unit II Ltd.	Director



Sl. No.	Name of director	Involvement in other organization	
		Name of the Organization	Position
		Khanjahan Ali Power Company Ltd.	Director
		Summit Bibiyana –I Power Company Limited	Director
		Summit Bibiyana –II Power Company Limited	Director
		Summit Meghnaghat Power Company Limited	Director
		Summit Shantahar Power Limited	Director
		Summit Saidpur Power Limited	Director
		IPCO Developments (BD) Ltd.	Director
		IPCO Hotels Ltd.	Director
		IPCO Resorts Ltd.	Director
6	Ms. Ayesha Aziz Khan	Summit Industrial & Mercantile Corp. (Pvt.) Ltd.	Director
		Ocean Container Ltd.	Director
		Summit Shipping Limited	Director
		Baridhara Properties Ltd.	Director
		Summit Alliance Port Ltd.	Director
		Cosmopolitan Traders (Pvt.) Ltd.	Director
		Summit Equities Ltd.	Director
		Summit Power Limited	Director
		Summit Uttaranchol Power Company Limited	Director
		Summit Holdings Limited	Director
		Khulna Power Co. Ltd.	Director
		Alliance Terminals Limited	Director
		Summit Narayanganj Power Limited	Director
		Khanjahan Ali Power Company Ltd.	Director
		Cosmopolitan Finance Limited	Director
		Khulna Power Company Unit II Ltd.	Director
		Summit Bibiyana – I Power Company Limited	Director
		Summit Bibiyana - II Power Company Limited	Director
		Summit Meghnaghat Power Company Limited	Director
		Summit Shantahar Power Limited	Director
		Summit Saidpur Power Limited	Director
7	Mr. A.N.M. Tariqur Rashid	Summit Uttaranchol Power Company Limited	Director
		Summit Meghnaghat Power Company Limited	Director & CEO
		Summit Narayanganj Power Limited	Director



Family relationship among directors and top five officers

There is no family relationship between the directors and top five officers.

Family relationship among the directors

Name of the Director	Position in the Company	Relationship with other directors
Mr. Muhammed Aziz Khan	Chairman	Mr. Muhammed Aziz Khan, Chairman of the Company is the Husband of Mrs. Anjuman Aziz Khan, Father of Ms. Ayesha Aziz Khan and Elder brother of Mr. Md. Latif Khan and Mr. Md. Farid Khan.
Mr. Md. Latif Khan	Director	Brother of Mr. Muhammed Aziz Khan, and Mr. Md. Farid Khan, brother in law of Anjuman Aziz Khan, Uncle of Ms. Ayesha Aziz Khan
Mrs. Anjuman Aziz Khan	Director	Wife of Mr. Muhammed Aziz Khan, Mother of Ms. Ayesha Aziz Khan and Sister in Law of Mr. Md. Latif Khan & Mr. Md. Farid Khan
Ms. Ayesha Aziz Khan	Director	Daughter of Mr. Muhammed Aziz Khan and Mrs. Anjuman Aziz Khan and Niece of Mr. Md. Latif Khan and Mr. Md. Farid Khan
Mr. Md. Farid Khan	Director	Brother of Mr. Muhammed Aziz Khan, and Mr. Md. Latif Khan, brother in law of Anjuman Aziz Khan, Uncle of Ms. Ayesha Aziz Khan

Short Bio-Data of the Directors

Mr. Muhammed Aziz Khan

Chairman, Nominated by Summit Power Limited

Mr. Muhammed Aziz Khan, a renowned and pioneering leading business personality in power sector of Bangladesh. After graduation Mr. Khan did his MBA in 1980 from the Institute of Business Administration (IBA), University of Dhaka. Mr. Khan has established himself as a dynamic and pro-active entrepreneur who has built Summit Group-recognized as the largest infrastructure Industrial organization of Bangladesh. He is also the Chairman of Khulna Power Co. Ltd., country's first Independent Power Producer (IPP). Mr. Khan has helped to formulate the Private Sector Power Generation Policy of Bangladesh. He has 36 years of business experience, setting up country's first Inland Container Depot (ICD)-"Ocean Container Ltd".

Mr. Md. Latif Khan

Vice Chairman, Nominated by Summit Power Limited

Mr. Md. Latif Khan was born 1958 in Dhaka. He pursued BA in Public Administration at Dhaka University, and subsequently left for higher studies to the U.S. in 1981. There, he worked for over 15 years in the financial sector. He was a stockbroker and a financial analyst at Prudential Insurance of America where he received numerous sales achievement awards. He also worked as a Financial Officer at Wells Fargo Bank in California. He returned to Bangladesh in 1997 and thereof joined Summit Group as the Managing Director of Summit Shipping Limited. Mr. Khan has established himself as a sound and dynamic businessman of the country.

Mr. Tauhidul Islam

Director, Nominated by Summit Power Limited

Mr. Islam is the Managing Director of Summit Power Limited and has got 36 (thirty six) years of experience in the power sector. Mr. Islam obtained his B. Sc. In Engineering (Mechanical) from Bangladesh University of Engineering & Technology (BUET). Prior to joining Summit, Mr. Islam held the positions of the Chairman of Rural Electrification Board, Chairman (Including in Charge) of Dhaka Electricity Supply Authority (DESA) and DESCO. Mr. Islam has vast experience in Planning & Operation, Electrical Engineering, Communication Engineering, Mechanical Engineering, Material Management and commercial matters. Moreover, Mr. Islam has obtained various training in foreign countries as well as in local institutions.

Mrs. Anjuman Aziz Khan

Director, Nominated by Summit Power Limited

Mrs. Anjuman Aziz Khan, wife of Mr. Muhammed Aziz Khan has 22 years of business experience in Summit. She enthusiastically takes part & contributes to social activities such as "Assistance of Blind Children" and "women's entrepreneurship development".

Ms. Ayesha Aziz Khan

Director, Nominated by Summit Power Limited

Born in 1981, Ms. Ayesha Aziz Khan completed her graduation in Economics and Business from the University College of London (UCL) in 2002 and Masters in Business Administration (MBA) from the Columbia University, New York, USA. Presently Ms. Khan holds the position of Director in several other companies of Summit Group. Ms. Khan has extensive experience in power sector of the country specifically in financial management for power generation companies, infrastructure finance and structured finance. She is a valuable member of SAARC Chamber of Commerce and Industry, Federation of Bangladesh Chamber of Commerce & Industry (FBCCI), Prime Minister's business delegation to India & United States of America.



Mr. A.N.M. Tariqur Rashid

Director, Nominated by Summit Power Limited

A.N.M. Tariqur Rashid is the Managing Director of Summit Narayanganj Power Limited (SNPL). He obtained bachelor degree in engineering. After passing the graduation, he joined Bangladesh Power Development Board (BPDB) and worked in wide range of fields within BPDB ranging from power plant operation and maintenance to commercial section for more than eight years. He also took part in designing, evaluating and developing the first ever bidding packages to seek private participation in power sector. Sensing the opportunity in private sector, he resigned from BPDB in the middle of 1999 and has been working in Summit Group since then. During last fifteen years, the career of Mr. Rashid has transformed into a professional level, by working different areas of power sector spanning from planning to arranging and securing supply side equipment to administrating the project management to participating project financing to efficient structuring of project construction and O&M activities.

Mr. Md. Farid Khan

Director, Nominated by Summit Power Limited

Mr. Md. Farid Khan was born in 1960. Mr. Khan is a business graduate from Dhaka University. He is involved in business since 1980. He started his business career with trading in plastic compound, fertilizer and other commodities. He was an integral part of the team that pioneered export of molasses and fertilizer from Bangladesh. Mr. Farid Khan has proved to be an entrepreneur with special skills in the development of new projects. He was solely instrumental in setting up Liquefied Petroleum Gas (LPG) project and Tanks Terminal in Mongla.

Credit Information Bureau (CIB) Report

Neither the company nor any of its directors or shareholders who hold 5% or more shares in the paid up capital of the issuer is loan defaulter in terms of the CIB Report of the Bangladesh Bank.

Description of Top Executives and Departmental Heads

Name	Position	Date of Joining Company	Educational Qualification	Name(s) of organization, where worked during last five years
Mr. Md. Mozammel Hossain	Managing Director	30.10.2011	B. Sc. In Engineering, Electrical	Power Grid Company of Bangladesh
Mr. Mahmud Hasan FCMA	Financial Controller & Company Secretary	31.05.2007	Fellow of Cost & Management Accountant (FCMA)	Summit Power Limited, Summit Uttaranchol Power Co. Ltd., Summit Narayanganj Power Limited
Mr. Mahmood Jobbar Khan	Advisor	15.07.2007	Barristers	Summit Power Limited, Summit Uttaranchol Power Co. Ltd.
Mr. Md. Abdus Sobhan	General Manager (Planning & Development)	15.07.2007	Graduation in Electrical Engineering from BUET	Summit Power Limited, Summit Uttaranchol Power Co. Ltd.
Mr. Md. Nazmul Hasan	Plant Manager, Rupganj Power Plant	01.01.2008	Class I Marine Engineering from Singapore and MBA in Operations Management	Bangladesh Shipping Corporation (BSC)
Mr. Mohammed Shameem	Deputy Plant Manager	07.01.2008	Diploma in Engineering	Rural Electrification Board

Involvement of Directors and Officers in Certain Legal Proceedings

- No Officer or Director of the Company was involved in any of the following types of legal proceedings in the last ten years.
- Any Bankruptcy Petition filed by or against any company of which any officer or director of the Company filing the Prospectus was a director, officer or partner at the time of the bankruptcy.
- Any conviction of director or officer in a criminal proceeding or any criminal proceeding pending against him.
- Any order, judgment or decree of any court of competent jurisdiction against any director, officer permanently or temporarily enjoining, barring, suspending or otherwise limiting the involvement of any director or officer in any type of business, securities or banking activities.
- Any order of the Securities and Exchange Commission, or other regulatory authority or foreign financial regulatory authority, suspending or otherwise limiting the involvement of any director or officer in any type of business, securities or banking activities



Certain relationships and related transactions

Transaction with related parties

Neither proposed any transaction nor had any transaction during the last two years with following related parties:

- (a) any director or executive officer of the issuer;
- (b) any director or officer;
- (c) transaction with any person owning 5% or more of the outstanding shares of the issuer, except followings:

Name of related party	Shareholding %	Relationship	Transaction in BDT		Nature of transaction	Date of loan	Rate of interest	Mode of adjustment	Status
			1-January-2011 to 31- December-2011	1-January-2010 to 31- December-2010					
Summit Power Limited	98.9999%	Parent Company	305,173,960	636,940,642	Short term financing	Throughout the year	0%	AS an when basis	Creditor
			24,831,548	19,800,005	Spare part	Throughout the year	0%	AS an when basis	
			12,148,061	9,961,442	Sharing of administrative expenses	Throughout the year	0%	AS an when basis	

- (d) any member of the immediate family (including spouse, parents, brothers, sisters, children, and in-laws) of any of the above persons.
- (e) Any transaction or arrangement entered into by the issuer or its subsidiary for a person who is currently a director or in any way connected with a director of either the issuer Company or any of its subsidiaries/holding Company or associate concerns, or who was a director or connected in any way with a director at any time during the last three years prior to the issuance of the Prospectus.
- (f) The Company has not taken or given any loan from or to any director or any other persons connected with the director.

Name of related party	Shareholding %	Relationship	Transaction in BDT		Nature of transaction	Date of loan	Rate of interest	Mode of adjustment	Status
			1-January-2011 to 31- December-2011	1-January-2010 to 31- December-2010					
Summit Power Limited	98.9999%	Parent Company	305,173,960	636,940,642	Short term financing	Throughout the year	0%	AS an when basis	Creditor
			24,831,548	19,800,005	Spare part	Throughout the year	0%	AS an when basis	
			12,148,061	9,961,442	Sharing of administrative expenses	Throughout the year	0%	AS an when basis	

The Company has not taken any loan from any person who did not have any stake in the Issuer, its holding Company or its associate concerns except the following related party transaction.

- (g) No transaction was held with any director holding any position apart from being a director in the issuer Company, in any Company, society, trust, organization, or proprietorship or partnership firm.
- (h) All the directors of the company are enjoying board meeting attendance fees. One Director (Mr. Tauhidul Islam) has taken salary up to 30 October 2011 as he holds position as managing director at that time. He received salary in total for January to October of 2011 Tk 990,360.



Executive Compensation

a) Remuneration paid to top five salaried officers

Sl. No.	Name of employee	Position	Amount paid during 1-January-2011 to 31- Dec-2011	Amount paid during 1-January-2010 to 31- December-2010
01	Md. Abdus Sobhan	General Manager – (P & D)	2,016,000	1,530,000
02	Md. Nazmul Hasan	Plant Manager, RPP	1,764,099	1,331,100
03	Mr. Tauhidul Islam*	Managing Director**	990,360	1,027,040
04	Mr. Mohammed Shameem	Dy. Manager (Plant), JPP	1,095,360	856,800
05	Mr.Md. Abdul Bashar	Engineer (G II)	574,236	491,330

*Mr. Tauhidul Islam drawn salary and allowances from Summit Power Limited, holding Company of Summit PurbancholPower Company Limited(SPPCL). Subsequently, Summit Power Limited allocates a portion of salary and allowances to the SPPCL and others on the basis of plant capacity.

** Mr. Tauhidul Islam drawn salary upto 30 October 2011. Subsequently, the Board Of Directors (BOD) of Summit Purbanchol Power Company Limited in its meeting held on 30 October 2011 appointed Mr. Md. Mozammel Hossain as Managing Director and he drawn salary and allowances Tk 90,000.

b) Aggregate amount of Remuneration paid to the Directors and Officers during last Accounting Year

(as per audited accounts)

Particular	Amount paid during 1-January-2011 to 31- December-2011	Amount paid during 1-January-2010 to 31- December-2010
Board meeting attendance fees	132,300	180,900
Officers as a group*	25,609,354	21,974,663

* Mr. Tauhidul Islam has drawn salary as managing director of SPPCL Tk 896,826 upto 30 October 2011.

c) Remuneration paid to any Director who was not an officer during the last accounting year.

The Company did not pay any remuneration to any director who was not an officer during the last accounting year.

d) Future compensation to Directors or Officers

There is no contract with any Director or Officer providing for the payment of any future compensation.

e) Pay increase intention

Except for normal annual increment and allowances, there is no plan for substantial pay increase to its officers and directors in the current year.

Options Granted to Directors, Officers and Employees

The Company did not grant any option to any officer, Director and all other officers of the Company or to any other person involved with the Company.

Transaction with the Directors and subscribers to the Memorandum

The transaction with Directors and subscribers to the Memorandum in normal course of business has been disclosed in the "Transaction between subsidiary/Associate/holding company and issuer" and "Certain Relationships and Related Transactions" part of the Prospectus. In addition to those, the following transactions occurred in the last five years:

a) Benefits From the Company during last five years:

Name of the Directors & Subscribers to the Memorandum	Status	Nature of value received	Amount in BDT				
			1-1-2011 to 30-12-2011	1-1-2010 to 31-12-2010	1-1-2009 to 31-12-2009	1-1-2008 to 31-12-2008	15-8-2007 to 31-12-2007
Mr. Muhammed Aziz Khan	Chairman, nominated by Summit Power Limited	Remuneration	-	-	-	-	-
		Cash Dividend (5%, 2010)	5	-	-	-	-
		Bonus Share (Amount in Face Value)(15:B, 2010)	10	-	-	-	-
		Board Meeting Attendance fee	10,663	10,250	5,000	-	17,500
Mr. Md. Latif Khan	Vice Chairman, nominated by Summit Power Limited	Remuneration	-	-	-	-	-
		Cash Dividend(5%, 2010)	5	-	-	-	-
		Bonus Share (Amount in Face Value) (15:B, 2010)	10	-	-	-	-
		Board Meeting Attendance fee	10,663	10,250	5,000	-	17,500
Ms. Ayesha Aziz Khan	Director, nominated by Summit Power	Remuneration	-	-	-	-	-
		Cash Dividend (5%, 2010)	5	-	-	-	-
		Bonus Share (Amount in	10	-	-	-	-



Name of the Directors & Subscribers to the Memorandum	Status	Nature of value received	Amount in BDT				
			1-1-2011 to 30-12-2011	1-1-2010 to 31-12-2010	1-1-2009 to 31-12-2009	1-1-2008 to 31-12-2008	15-8-2007 to 31-12-2007
	Limited	Face Value) (15:B, 2010)					
		Board Meeting Attendance fee	5,000	10,250	5,000	-	17,500
Mrs. Anjuman Aziz Khan	Director, nominated by Summit Power Limited	Remuneration	-	-	-	-	-
		Cash Dividend (5%, 2010)	-	-	-	-	-
		Bonus Share (Amount in Face Value) (15:B, 2010)	-	-	-	-	-
		Board Meeting Attendance fee	-	10,250	-	-	17,500
Mr. Md. Farid Khan	Director, nominated by Summit Power Limited	Remuneration	-	-	-	-	-
		Cash Dividend (5%, 2010)	5	-	-	-	-
		Bonus Share (Amount in Face Value) (15:B, 2010)	10	-	-	-	-
		Board Meeting Attendance fee	10,663	10,250	5,000	-	17,500
Mr. A.N.M. Tariqur Rashid	Director, nominated by Summit Power Limited	Remuneration	-	-	-	-	-
		Cash Dividend (5%, 2010)	-	-	-	-	-
		Bonus Share (Amount in Face Value) (15:B, 2010)	-	-	-	-	-
		Board Meeting Attendance fee	10,663	5,000	-	-	-
Mr. Tauhidul Islam	Director nominated by Summit Power Limited	Salary and allowances	990,360	1,027,040	-	-	-
		Cash Dividend (5%, 2010)	-	-	-	-	-
		Bonus Share (Amount in Face Value) (15:B, 2010)	-	-	-	-	-
		Board Meeting Attendance fee	10,663	10,250	5,000	-	17,500
Summit Power Limited	Subscriber to the Memorandum	Cash Dividend (5%, 2010)	32,833,655	-	-	-	-
		Bonus Share (Amount in Face Value) (15:B, 2010)	9,850,097	-	-	-	-
Summit Industrial & Mercantile Corporation (Pvt.) Ltd.	Subscriber to the Memorandum	Cash Dividend (5%, 2010)	331,650	-	-	-	-
		Bonus Share (Amount in Face Value) (15:B, 2010)	99,491	-	-	-	-

b) Directors and Subscribers' Assets to the Company

The Company has not received any assets, from its directors and subscribers to the memorandum except fund against allotment of shares; and service received from Mr. Tauhidul Islam, Director of the Company for serving the Company as Managing Director for 1 January 2011 to 30 October 2011.



Tangible assets per share

(As per audited accounts as on 31Dec 2011)

Particulars	Amount (Taka)
Assets	
Total Non-Current Assets [A]	
Property plant and equipment	2,950,721,090
Total Current Assets [B]	
Inventories	100,646,673
Trade receivables	181,504,880
Other receivables	-
Advance deposit and prepayments	19,479,174
Cash and cash equivalents	68,851,303
Total Assets, excluding intangible assets [C=A+B]	3,321,203,120
Liabilities	
Non-Current Liabilities	
Redeemable preference share – non-current portion	1,032,961,420
Total Non-Current Liabilities[D]	1,032,961,420
Current Liabilities	
Trade creditors	30,482,036
Other creditors and accruals	39,638,325
Inter company payable	379,414,373
Redeemable preference shares	283,967,800
Total Current Liabilities [E]	733,502,534
Total Liabilities [F=D+E]	1,766,463,954
Total Net Asset [G=C-F]	1,554,739,166
Number of Shares outstanding [H]	76,280,213
Net Tangible Asset Per Share [I=G/H]	20.38



Ownership of the Company's securities

(as per last schedule X as on 11 April 2011)

(a) Shareholding above 5% of the Directors

Name of Shareholder	Status	No. of Shares hold	Amount in BDT	% of holdings
N/A				

(b) Shareholding below 5% of the Directors

Name of Shareholder	Status	Representative of	Address	No. of Shares hold	Amount Taka	% of holdings
Mr. Mohammad Aziz Khan	Chairman	Summit Power Limited	Summit Centre, 18 Kawran Bazar C/A, Dhaka	11	110	0.00001442%
Mr. Latif Khan	Vice Chairman	Summit Power Limited	Summit Centre, 18 Kawran Bazar C/A, Dhaka	11	110	0.00001442%
Mr. Md. Farid Khan	Director	Summit Power Limited	Summit Centre, 18 Kawran Bazar C/A, Dhaka	11	110	0.00001442%
Ms. Ayesha Aziz Khan	Director	Summit Power Limited	Summit Centre, 18 Kawran Bazar C/A, Dhaka	11	110	0.00001442%
Total				44	440	0.00005768%

(c) Shareholding Above 5% of Subscriber to the Memorandum and/or General Shareholder

Name of Shareholder	Status	Address	No. of Shares hold	Amount Taka	% of holdings
Summit Power Limited	Subscriber to the Memorandum	Summit Centre, 18 Kawran Bazar C/A, Dhaka	75,517,407	755,174,070	98.99%
Total			75,517,407	755,174,070	98.9999%

(d) Shareholding below 5% of Subscriber to the Memorandum and/or General Shareholder

Name of Shareholder	Status	Address	No. of Shares hold	Amount Taka	% of holdings
Summit Industrial and Mercantile Corporation Limited	Subscriber to the Memorandum	Summit Centre, 18 Kawran Bazar C/A, Dhaka	762,751	7,627,510	0.9999%
Total			762,751	7,627,510	0.9999%

(e) Shareholding below 5% of General Shareholder

Name of Investor (s)	Status	Address	No. of Shares	Amount	% of holdings
Mr. Jafer Ummeed Khan	General Shareholder	Summit Centre, 18 Kawran Bazar C/A, Dhaka	11	110	0.00001442%
Total			11	110	0.00001442%
Grand Total (a+b+c+d+e)			76,280,213	762,802,130	100%

Securities owned by the directors, top ten salaried officers and all other officer as a group

a) Name of the directors who owned securities of the Company as per Schedule X as on 11 April 2011

S.L	Name	Position	Number of shares owned	Percentage of outstanding shares
1.	Mr. Muhammed Aziz Khan	Chairman	11	0.00001442%
2.	Mr. Latif Khan	Vice Chairman	11	0.00001442%
3.	Mr. Md. Farid Khan	Director	11	0.00001442%
4.	Ms. Ayesha Aziz Khan	Director	11	0.00001442%

b) Name of the top ten salaried officer who owned securities of the Company

None of officer of the Company has owned securities of the Company.

c) No share is held by any other officer as a group of the Company.



SECTION-IX

DETERMINATION OF OFFER PRICE

The offering price of ordinary shares of the Summit Purbanchol Power Company Limited is Tk. 40 each (including premium of Tk. 30 per share for face value of Tk. 10 each) has been justified as follows:

Methods applied	Consideration	Amount in BDT
Method-1: Net Asset Value (NAV) per share*	Considering revaluation reserve	20.38
	Without considering revaluation reserve	17.66
Method-2: Earning Based Value per share		49.03

Method-1: Net Asset Value (NAV) per share

Sl.	Particulars	31-December-11
A	Paid-up capital	762,802,130
B	Retained earnings	584,510,369
C	Revaluation reserve	207,572,500
C	Total shareholder's equity	1,554,884,999
D	Total number of shares	76,280,213
E	Net Asset Value per share (with revaluation reserve)	20.38
F	Net Asset Value per share (without revaluation reserve)	17.66

Note: Auditors Certificate in this respect has been given in Section XV of this Prospectus

Method-2: Historical Earning based value per share

Year	Net Profit (BDT)(a)	No of Ordinary Shares (b)	Assigned Weight Each year based on share capital (d)	Weighted net profit [e=(c)x(d)]
December, 2009 (for 6 Months)	117,890,517	57,678,800	28.80%	33,949,753
December, 2010 (for 12 months)	314,384,842	66,330,620	33.12%	104,115,930
December, 2011 (for 12 months)	395,269,914	76,280,213	38.08%	150,538,362
Total	827,545,273	200,289,633		288,604,045
Weighted EPS during the period				3.78
Market PE as on September, 2012				12.97
Valuation based on PE of Market PE				49.03

* For conservative approach, Market PE as on September 2012 has been considered.
PE of different sources is mentioned as below:

P/E Consideration	September -12
Market P/E as on September 2012	12.97
Sector P/E as on September 2012	14.00

Source: DSE Fort-nightly review as on September -12



Market for the securities being offered

The issuer shall apply to all the stock exchanges in Bangladesh with 7 (Seven) working days from the date of consent accorded by the Commission to issue Prospectus.

The issuer will apply at:



Dhaka Stock Exchange Limited.
9/E, Motijheel Commercial Area, Dhaka 1000.

And



Chittagong Stock Exchange Limited
CSE Building, 1080, Sheikh Mujib Road, Chittagong 4100

Declaration about listing of shares with Stock Exchange(s)

None of the stock exchange(s), if for any reason, grants listing within seventy five (75) days from the closure of subscription, any allotment in terms of this Prospectus shall be void and the Company shall refund the subscription money within fifteen days from the date of refusal for listing by the stock exchanges, or from the date of expiry of the said seventy five (75) days, as the case may be.

In case of non-refund of the subscription money within the aforesaid fifteen (15) days, the Company's directors, in addition to the issuer Company, shall be collectively and severally liable for refund of the subscription money, with interest at the rate of 2% (Two Percent) per month above the bank rate, to the subscribers concerned.

The Issue Manager, in addition to the Issuer Company, shall ensure due compliance of the above mentioned conditions and submit compliance report, thereon, to the Commission within seven (7) days of expiry of the aforesaid fifteen (15) days time period allowed for refund of the subscription money.

Description of Securities outstanding or being offered

Dividend, Voting, Preemption Rights

The share capital of the Company is divided into ordinary shares and is eligible to receive dividend in terms of the relevant provisions of the Companies Act, 1994 and the Articles of Association of the Company. All Shareholders shall have the usual voting right in person or by proxy or power of attorney in connection with, among others, selection of Directors and Auditors and other usual General Meeting whether ordinary or extraordinary. On a show of hands every shareholder present and every duly authorized representative of a shareholder present at a General Meeting shall have one vote and on a poll every shareholder present in person or by proxy shall have one vote for every share held by him/her.

In case of any additional issue of shares for raising further capital, the existing shareholders shall be entitled in terms of the guidelines issued by SEC time to time.

Conversion and Liquidation Rights

If the Company at any time issues convertible preferences shares or debentures with the consent of SEC or/and other regulatory authority, such holders of securities shall be entitled to convert such securities into ordinary shares if it is so determined by the Company.

In terms of the provisions of the Companies Act, 1994, Articles of Association of the Company and other relevant rules in force, the shares, if any, of the Company are freely transferable. The Company shall not charge any fee for registering transfer of bonds. No transfer shall be made to firms, minors or persons of unsound mind.

Dividend Policy

1. The profit of the Company, subject to any special right relating thereto created or authorized to be created by the Memorandum of Association and subject to the provision of the Articles of Association, shall be divisible among the members in proportion to the capital paid up on the shares held by them respectively.
2. The Company in General Meeting may declare dividend to be paid to the members according to their rights and interests in the profits and may fix the time of payment. But no larger dividend shall be declared than is recommended by the Directors, but the Company at its General Meeting may declare a smaller dividend. The declaration of Directors as to the amount of net profit of the Company shall be conclusive.
3. No dividend shall be payable except out of profits of the Company or any other undistributed profits. Dividend shall not carry interest as against the Company.
4. The Directors may, from time to time, pay the members, such interim dividend, as in their judgment, the financial position of the Company may justify.
5. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of transfer.
6. There is no limitation on payment of dividends to common stockholders.

Other Rights of the Shareholders

In terms of provisions of the Companies Act 1994, Articles of Association of the Company and other relevant rules in force, the shares of the Company are transferable. The Company shall not charge any fee, other than Government duties for registering transfer of shares. No transfer shall be made to a minor or person of unsound mind.



The shareholders shall have the right to receive all periodical reports and statements, audited as well as un-audited, published by the Company from time to time. The Directors shall present the financial statements as required under the law and Bangladesh Accounting Standards (BAS). Financial Statements will be prepared in accordance with the Bangladesh Accounting Standards, consistently applied throughout the subsequent periods and present with the objective of providing maximum disclosure as per law and Bangladesh Accounting Standard to the shareholders regarding the financial and operational position of the Company.

In case of any declaration of stock dividend by issue of bonus shares, all shareholders shall be entitled to it, in proportion to their shareholdings, on the date of book closure for the purpose.

The shareholder holding not less than 10% of the issued/fully paid up capital of the Company shall have the right to requisition Extra-Ordinary General Meeting of the Company as provided under Section 84 of the Companies Act, 1994.

Debt Securities

The Company issued redeemable preference shares Tk 1,893,122,900 to following banks and financial.

SL No	Name of Lender	Issue date	Amount (Tk)	Rate of dividend
01	United Leasing Company Limited	30 Sep 2010	50,000,000	10%
02	Industrial Promotion & Development Company of Bangladesh Limited (IPDC)	30 Sep 2010	100,000,000	10%
03	Industrial and Infrastructure Development Finance Company Limited (IIDFC)	12 Aug 2010	68,848,500	10.50%
04	Rupali Bank Limited	12 Aug 2010	130,755,300	10%
05	Sonali Bank Limited	12 Aug 2010	271,480,000	10%
06	Bangladesh Industrial Finance Company Limited	12 Aug 2010	32,886,200	10.50%
07	Janata Bank Limited	12 Aug 2010	225,615,800	10%
08	Standard Bank Limited	12 Aug 2010	67,125,900	10%
09	First Security Islami Bank Limited	12 Aug 2010	32,646,800	10%
10	Brac Bank Limited	12 Aug 2010	215,843,000	10%
11	Agrani Bank Limited	12 Aug 2010	131,625,100	10%
12	United Commercial Bank Limited	12 Aug 2010	307,340,600	10%
13	Pubali Bank Limited	12 Aug 2010	130,868,700	10%
14	National Credit and Commerce Bank Limited	12 Aug 2010	30,000,000	10%
15	Mutual Trust Bank Limited	12 Aug 2010	98,087,000	10%

The terms and conditions of the redeemable preference shares are as follows:

- Nature of debt securities: 10%-10.50% redeemable preference share
- Total number securities: 18,931,229
- Par value: Tk 100 each
- Rate of dividend: 10% to 10.50% per annum
- Dividend payment date: 30th June and 31st December each English calendar year
- Purpose: Conversion/repayment of existing syndicated loan into redeemable cumulative preference shares
- Redemption period: Beginning from the 12th day of August 2010 and ending on the 30th day of September 2016
- Redemption: The preference shares shall be redeemed within the redemption period by way of 7 installments

Repayment schedule of redeemable preference share is as follows:

Year	Repayment amount (Tk)	Balance (Tk)	Year of payment
	-	1,893,122,900	-
1 st	283,967,800	1,609,155,100	2010
2 nd	283,967,800	1,325,187,300	2011
3 rd	283,967,800	1,041,219,500	2012
4 th	283,967,800	757,251,700	2013
5 th	283,967,800	473,283,900	2014
6 th	283,967,800	189,316,100	2015
7 th	189,316,100	-	2016

The Company has not issued any debt securities, except above and has no future plan as such within six months.



SECTION-X

PLAN OF DISTRIBUTION

Underwriting of shares

Initial Public Offering (IPO) is for 30,000,000 ordinary shares at an offer price of Taka 40/- each including a premium of Tk. 30/- per share amounting to Taka 1,200,000,000/- (Taka one thousand two hundred million only). As per SEC's guideline 50% of the said amount i.e. 15,000,000 ordinary shares of Tk. 40/- each amounting to Tk. 600,000,000/- (Taka six hundred million only) has been underwritten by the following institutions:

SL No	Name of Underwriter	No of share Underwritten	Offer Price	Amount in Tk.	% of Total Underwriting
1	BMSL Investment Limited	300,000	40	12,000,000	2%
2	Banco Finance and Investment Limited	300,000	40	12,000,000	2%
3	City Bank Capital Resources Limited	2,666,000	40	106,640,000	17.77%
4	EC Securities Limited	300,000	40	12,000,000	2%
5	FAS Capital Management Limited	2,222,200	40	88,888,000	14.81%
6	Grameen Capital Management Limited	300,000	40	12,000,000	2%
7	GSP Finance Company (Bangladesh) Limited	1,350,000	40	54,000,000	9%
8	Green Delta Insurance Company Limited	700,000	40	28,000,000	4.67%
9	Lanka Bangla Investments Limited	1,000,000	40	40,000,000	6.67%
10	PLFS Investments Limited	300,000	40	12,000,000	2%
11	Prime Finance Capital Management Limited	3,291,800	40	131,672,000	21.95%
12	Prime Bank Investment Limited	300,000	40	12,000,000	2%
13	Royal Green Capital Market Limited	670,000	40	26,800,000	4.47%
14	Sonali Investments Limited	300,000	40	12,000,000	2%
15	Trust Bank Investment Limited	1,000,000	40	40,000,000	6.67%
	Total	15,000,000		600,000,000	100%

Principal terms and conditions of underwriting agreement

1. If and to the extent that the shares offered to the public by a Prospectus authorized hereunder shall not have been subscribed and paid for in cash in full by the closing date, the Company shall within 10 (Ten) days of the closure of subscription call upon the underwriter in writing with a copy of said writing to the Securities and Exchange Commission, to subscribe for the shares not subscribed by the closing date and to pay for in cash in full for such unsubscribed shares in cash in full within 15(Fifteen) days of the date of said notice and the said amount shall have to be credited into shares subscription account within the said period.
2. If payment is made by Cheque/Bank Draft by the underwriter it will be deemed that the underwriter has not fulfilled his obligation towards his underwriting commitment under the Agreement, until such time as the Cheque/Bank Draft has been en-cashed and the Company's account has been credited.
3. In any case within 7 (Seven) days after the expiry of the aforesaid 15(Fifteen) days, the Company shall send proof of subscription and payment by the underwriter to the Commission.
4. In the case of failure by the underwriter to pay for the shares under the terms mentioned above, the said Underwriter will not be eligible to underwrite any issue, until such time as he fulfils his underwriting commitment under the Agreement and also other penalties as may be determined by the Commission may be imposed on him.
5. In case of failure by any underwriter to pay for the shares within the stipulated time, the Company/Issuer will be under no obligation to pay any underwriting commission under the Agreement.
6. In case of failure by the Company to call upon the underwriter for the aforementioned purpose within the stipulated time, the Company and its Directors shall individually and collectively be held responsible for the consequence and/or penalties as determined by the Securities and Exchange Commission under the law may be imposed on them.

Commission for the underwriters

The Company shall pay to the underwriter an underwriting commission at the rate of 0.50% of shares underwritten by them out of the Public Issue.



SECTION-XI

ALLOTMENT, SUBSCRIPTION AND MARKET

Lock-in on Sponsors' Shares

All issued shares of the issuer at the time of according consent to public offering shall be subject to a lock-in period of three years from the date of issuance of Prospectus or commercial operation, whichever comes later.

Provided that the persons, other than Directors and those who hold 5% or more, who have subscribed to the shares of the Company within immediately preceding two years of according consent, shall be subject to a lock-in period of one year from the date of issuance of Prospectus or commercial operation, whichever comes later.

(a) Shareholding above 5% of the Directors- Lock in period 03 years

Name of Shareholder	Status	No. of Shares hold	Amount in BDT	% of holdings	Last Allotment date	Date of Issuance of Prospectus	Period of Lock In from the Date of Issuance of Prospectus
NA							

(b) Shareholding below 5% of the Directors- Lock in period 03 years

Name of Shareholder	Status	Representative of	No. of Shares hold	Amount Taka	% of holdings	Last Allotment date	Date of Issuance of Prospectus	Period of Lock In from the Date of Issuance of Prospectus
Mr. Muhammed Aziz Khan	Chairman	Summit Power Limited	11	110	0.00001442%	11-April-2011		3 years
Mr. Latif Khan	Vice Chairman	Summit Power Limited	11	110	0.00001442%	11-April-2011		3 years
Mr. Md. Farid Khan	Director	Summit Power Limited	11	110	0.00001442%	11-April-2011		3 years
Ms. Ayesha Aziz Khan	Director	Summit Power Limited	11	110	0.00001442%	11-April-2011		3 years
Total			44	440	0.00005768%			

(c) Shareholding Above 5% of Subscriber to the Memorandum and/or General Shareholder- Lock in period 03 years

Name of Shareholder	Status	No. of Shares hold	Amount Taka	% of holdings	Last Allotment date	Date of Issuance of Prospectus	Period of Lock In from the Date of Issuance of Prospectus
Summit Power Limited	Subscriber to the Memorandum	75,517,407	755,174,070	98.99%	11-April-2011		3 years
Total		75,517,407	755,174,070	98.9999%			

(d) Shareholding below 5% of Subscriber to the Memorandum and/or General Shareholder- Lock In 03 year (Subscription of Share beyond 02 years of Issuance of Prospectus)

Name of Shareholder	Status	No. of Shares hold	Amount Taka	% of holdings	Last Allotment date	Date of Issuance of Prospectus	Period of Lock In from the Date of Issuance of Prospectus
Summit Industrial and Mercantile Corporation Limited	Subscriber to the Memorandum	762,751	7,627,510	0.9999%	2-Mar-2010	n/a	3 years
Total		762,751	7,627,510	0.9999%			



- (e) Shareholding below 5% of General Shareholder- Lock in 01 year (Subscription of Share within 02 years of Issuance of Prospectus)

Name of Investor (s)	Status	No. of Shares	Amount	% of holdings	Last Allotment date	Date of Issuance of Prospectus	Period of Lock-in from the Date of Issuance of Prospectus
Mr. Jafer Ummeed Khan	General Shareholder	10	100	0.00001442%	29-Mar-2010		3 year
		1	10	-	11-April-2011		1 year
Total		11	110	0.00001442%			
Grand Total (a+b+c+d+e)		76,280,213	762,802,130	100%			

Refund of subscription money

As per SEC Notification Dated February 9, 2010, the issuer shall refund application money to the unsuccessful applicant of the public offer by any of the following manner based on the option given by the applicant in the application form:-

(a) Through banking channel for onward deposit of the refund money into the applicant's bank account as provided in the respective application form for subscription; or

(b) Through issuance of refund warrant in the name and address of the applicant as provided in the respective application form for subscription:

Provided that, in case of deposit into the applicant's bank account, the applicant will bear the applicable service charge, if any, of the applicant's banker, and the issuer shall simultaneously issue a letter of intimation to the applicant containing, among others, the date and amount remitted with details of the bank through and to which bank such remittance has been effected.

Subscription by and refund to non-resident Bangladeshis (NRB)

1. A Non-Resident Bangladeshi shall apply either directly by enclosing a foreign demand draft drawn on a bank payable at Dhaka, or through a nominee by paying out of foreign currency deposit account maintained in Bangladesh or in Taka, supported by foreign currency encashment certificate issued by the concerned bank, for the value of securities applied for through crossed bank cheque marking "Account Payee only".
2. The value of securities applied for by such person may be paid in Taka or US dollar or UK pound sterling or EURO at the rate of exchange mentioned in the securities application form.
3. Refund against oversubscription shall be made in the currency in which the value of securities was paid for by the applicant through Account Payee bank cheque payable at Dhaka with bank account number, Bank's name and Branch as indicated in the securities application form. If the applicants' bank accounts as mentioned in their IPO Application Forms are maintained with the Bankers to the Issue and other banks as mentioned below, refund amount of those applicants will be directly credited into the respective bank accounts as mentioned in their IPO Application Forms.

Availability of securities

1. Securities

Sl. #	Securities	Number of shares	Total amount (Tk.)
A	20% of IPO of Ordinary Shares are reserved for affected small investors (ক্ষতিগ্রস্ত ক্ষুদ্র বিনিয়োগকারী)	6,000,000	240,000,000
B	10% of IPO of Ordinary Shares are reserved for Non Resident Bangladeshis	3,000,000	120,000,000
C	10% of IPO of Ordinary Shares are reserved for Mutual funds and Collective Investment schemes registered with the Commission	3,000,000	120,000,000
D	60% of IPO of Ordinary Shares are opened for Subscription by the General Public	18,000,000	720,000,000
	Total (A+B+C+D)	30,000,000	1200,000,000

2. All as stated in 1(A), 1(B), 1(C) and 1(D) shall be offered for subscription and subsequent allotment by the Issuer, subject to any restriction, which may be imposed, from time to time, by the Securities and Exchange Commission.
3. In case of over-subscription under any of the categories mentioned in the clause 1(A), 1(B), 1(C) and 1(D) the Issue Manger shall conduct an open lottery of all the applications received under each category separately in accordance with the letter of consent issued by the Securities and Exchange Commission.
4. In case of under-subscription under any of the 20% and 10% category as mentioned in clause 1(A),1(B) and 1(C), the unsubscribed portion shall be added to the general public category, and, if after such addition there is over-subscription in the general public category the issuer and the issue manager shall jointly conduct an open lottery of all the applicants added together.
5. In case of under-subscription of the public offering, the unsubscribed portion of shares shall be taken up by the underwriter(s).



6. The lottery as stated in clause (5) and (6) should be conducted in the presence of the representatives of Issuer, Stock Exchange(s) and the applicants, if there be any.

Allotment

The Company reserves the right of accepting any application, either in whole, or in part, successful applicants will be notified by the dispatch on an allotment letter by registered post/courier. Letter of allotment and refund warrants will be issued within 5(five) weeks from the closing of the subscription. After allotment the Company will have to transfer the shares to the allottees' Beneficiary Owners (BO) account, which has been mentioned in the application form.

The Company shall issue share allotment letter to all successful applicants, within 5(five) weeks, from the date of the subscription closing date. At the same time, the unsuccessful application shall be refunded with the application money within 5 (five) weeks from the closing of the subscription date, by Account Payee Cheque, without interest payable at Dhaka/Chittagong/Khulna/Rajshahi/ Barisal/Sylhet as the case may be.

Where allotment is made, in whole or in part in respect of joint application, the allotment letter will be dispatched to the person whose name appears first in the application form notwithstanding that the shares have been allotted to the joint applicants. Where joint applicant is accepted in part, the balance of any amount paid on application will be refunded without interest to the person named first in the application form.

Application for subscription

1. Application for shares may be made for a minimum lot of 100 units of shares to the value of Tk. 4,000 (Taka four thousand five hundred only) and should be made on the company's Printed Application Forms. Application Forms and Prospectus may be obtained from the Registered Office of the Company, members of Dhaka Stock Exchange Limited, Chittagong Stock Exchange Limited, or from the Bankers to the issue. In case, adequate Forms are not available, applicants may use photocopied/ cyclostyled/ handwritten/typed copies of the Forms. Applications must not be for less than 100 units of share. Any application not meeting this criterion will not be considered for allotment purpose.
2. Joint application form for more than two (2) persons will not be accepted. In the case of joint application, each party must sign the application form.
3. Application must be in full name of individuals, or limited companies, or trusts or societies, and not in the name of minors or persons of unsound mind. Applications from of insurance, financial and market intermediary companies must be accompanied by Memorandum and Articles of Association of that Company.
4. An applicant cannot submit more than two applications, one in his own name and another jointly with another person. In case an applicant makes more than two applications, all the application will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money shall be forfeited by the Commission and the balance amount will be refunded to the applicant.
5. The applicant shall provide with the same bank account number in the application form as it is in the BO account of the application.
6. The applicant who has applied for than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% of their subscription money too.
7. Bangladeshi Nationals (including non-resident Bangladeshi Nationals working abroad) and foreign nationals shall be entitled to apply for the share.
8. Payment for subscription by investors other than Non-Resident Bangladeshi may be made to the said branches/offices of the banks mentioned in the application forms in Cash/Cheque/Pay Order/Bank Draft. The Cheque/ Pay Order/ Bank Draft shall be made payable to the bank to which it is sent, be marked "Summit Purbanchol Power Company Limited " shall bear the crossing "A/C Payee Only" and must be drawn on a bank in the same town of the bank to which application form is deposited.
9. All completed application forms together with remittances for the full amount, payable on application, shall be lodged by investors other than Non-Resident Bangladeshis with any of the branches of the Bankers to the Issue.
10. A Non-Resident Bangladeshi (NRB) shall apply against the Public Offer either directly by enclosing a foreign demand draft, drawn on a bank payable at Dhaka, or through a nominee (including a Bank or a Company) by paying out of foreign currency deposit account maintained in Bangladesh, for the value of securities applied for. The value of securities applied for may be paid in Taka, US Dollars, Great Britain Pounds or Euro Dollars at the spot buying (TT Clean) rate of exchange prevailing the date of opening of subscription. Refund against over subscription of shares shall be made in the currency, in which the value of shares, applied for, was paid by the applicant. Shares application form against the quota for NRB shall be sent by the applicant directly along with a bank draft or cheque to the company at its registered office. Copies of application form and Prospectus shall be available with the Bangladesh Embassy/High Commission in USA, UK, Saudi Arabia, UAE, Qatar, Kuwait, Oman, Bahrain, Malaysia, and South Korea and on the website of the SEC, Issuer Company, Issue Manager, DSE and CSE.



11. The IPO subscription money collected from investors (other than non-resident Bangladeshis) by the Bankers to the Issue will be remitted to the 'Summit Purbanchol Power Company Limited (IPO)' Account No. 1501201141763002 of BRAC Bank Limited for this purpose.
12. The subscription money collected from Non-Resident Bangladeshis in US Dollars or Great Britain Pounds or Euro Dollars shall be deposited to three FC accounts opened by the Company for IPO purpose as follows:

Sl.	Name of the FC Accounts	Currency	Account No.	Bank
1.	Summit Purbanchol Power Company Limited	US Dollar	1501201141763003	BRAC Bank Limited
2.	Summit Purbanchol Power Company Limited	GB Pound	1501201141763004	BRAC Bank Limited
3.	Summit Purbanchol Power Company Limited	Euro	1501201141763005	BRAC Bank Limited

13. In the case of over-subscription of securities to the NRB applicants, refund shall be made by SPPCL out of the "FC Account for IPO NRB Subscription". SPPCL has already opened the aforesaid FC Accounts & Current Account and shall close these accounts after refund of over-subscription, if any.
14. Applications not in conformity with the above requirements and the instructions printed on the applicant form are liable to be rejected.

Trading and settlement

Trading and settlement regulation of the stock exchanges shall apply in respect of trading and settlement of the shares of the Company

The issue shall be placed in Category "N" with DSE and CSE

Bankers to the issue

BRAC Bank Limited

Asad gate Br. Dhaka
Banani Br. Dhaka
Bashundhara Br. Dhaka
Donia Br. Dhaka
Eskaton Br. Dhaka
Graphics Building Br. Dhaka
Gulshan Br. Dhaka
Manda Br. Dhaka
Mirpur Br. Dhaka
Nawabpur Br. Dhaka
Rampura Br. Dhaka
Shyamoli Br. Dhaka
Uttara Br. Dhaka
Narayanganj Br. Narayanganj
Agrabad Br. Chittagong
CDA Avenue Br. Chittagong
Halishahar Br. Chittagong
Kazirdeur Br. Chittagong
Momin Road Br. Chittagong
Rajshahi Br. Rajshahi
Jessore Br. Jessore
Bogra Br. Bogra
Barisal Br. Barisal
Zindabazar Br. Sylhet
Khulna Br. Khulna
Patia Br. Chittagong

Dhaka Bank Limited

Barisal Br. Barisal
Bogra Br. Bogra
CDA Avenue Br. Chittagong
Comilla Br. Comilla
Cox's Bazar Br. Cox's Bazar
Imamganj Br. Dhaka
Kawran Bazar Br. Dhaka
KDA Avenue Br. Khulna
Khilgaon Br. Dhaka
Laldighirpar Br. Sylhet
Mirpur Br. Dhaka
Rajshahi Br. Rajshahi
Rangpur Br. Rangpur
Uttara Br. Dhaka

Dutch-Bangla Bank Limited

Ahskona Br. Dhaka
B.B. Road Br. Narayanganj
Baburhat Br. Narsindi
Bandura Br. Dhaka
Barisal Br. Barisal
Beani Bazar Br. Sylhet
Bhairab Br. Bhairab
Bhulta Br. Narayanganj
Biswanath Br. Sylhet
Board Bazar Br. Gazipur
Bogra Br. Bogra
CDA Avenue Br. Chittagong
Chhatak Br. Sunamganj
Chowmuhany Br. Noakhali
Chowrasta Br. Gazipur
Comilla Br. Comilla
Cox's Bazar Br. Cox's Bazar
Chittagong EPZ Br. Chittagong
Dagonthuiyan Br. Feni
Dania Br. Dhaka
Dhaka EPZ Br. Dhaka
Dinajpur Br. Dinajpur

Fatikchhari Br. Chittagong
Feni Br. Feni
Gopalgonj Br. Sylhet
Gazipur Br. Gazipur
Halishahar Br. Chittagong
Habiganj Br. Habiganj
Jessore Br. Jessore
Joypura Br. Dhaka
Jubilee Rd Br. Chittagong
Kadamtali Br. Chittagong
Khatunganj Br. Chittagong
Khulna Br. Khulna
Konabari Br. Gazipur
Kustia Br. Kustia
Keraniganj Br. Keraniganj
Lohagara Br. Chittagong
Madaripur Br. Madaripur
Manikgonj Br. Manikgonj
Mirzapur Br. Tangail
Moulavi Bazar Br. M'Bazar
Muradpur Br. Chittagong
Mymensing Br. Mymensing
Munshiganj Br. Munshiganj
Mutuali Br. Mutuali
Narayanganj Br. Narayanganj
Netaiganj Br. Narayanganj
Pabna Br. Pabna
Patherhat Br. Chittagong
Rajshahi Br. Rajshahi
Rangpur Br. Rangpur
Saidpur Br. Nilphamary
Satkhira Br. Satkhira
Satmasjid Road Br. Dhaka
Savar Bazar Br. Dhaka
Shajadpur Br. Sirajganj
Simrail Br. Narayanganj
Sonagazi Br. Feni
Sylhet Br. Sylhet
Tongi Br. Gazipur
Uttara Br. Dhaka

First Security Islami Bank Ltd.

Agrabad Br. Chittagong
Ambarkhana Br. Sylhet
Andarkillah Br. Chittagong
Azampur Br. Dhaka
Banani Br. Dhaka
Bangshal Br. Dhaka
Banshree Br. Dhaka
Biswa Road Br. Basabo, Dhaka
Bogra Br. Bogra
Bohaddarhat Br. Chittagong
Barisal Br. Barisal
Chokoria Br. Cox's Bazar
Collage Gate Br. Tongi
Comilla Br. Comilla
Cox's Bazar Br. Cox's Bazar
Chawkbazar Br. Chittagong
Dhanmondi Br. Dhaka
Dilkusha Br. Dhaka
Faridpur Br. Faridpur
Donia Br. Dhaka
Gulshan Br. Dhakanamanj
Gobindagonj Br. Su
Hat Hazari Br. Chittagong
Islampur Br. Dhaka
Jessore Br. Jessore
Jubilee Road Br. Chittagong

Khatunganj Br. Chittagong
Khulna Br. Khulna
Mirpur Br. Dhaka
Mohakhali Br. Dhaka
Motiheel Br. Dhaka
Mymensing Br. Mymensing
Narayanganj Br. Narayanganj
Moulvibazar Br. Moulvibazar
Patuakhali Br. Patuakhali
Patiya Br. Chittagong
Probortakmor Br. Chittagong
Pabna Br. Pabna
Rajshahi Br. Rajshahi
Rangpur Br. Rangpur
Ring Road Br. Dhaka
Satkhira Br. Satkhira
Savar Br. Dhaka
Senanibash Br. Dhaka
Sylhet Br. Sylhet
Taltola Br. Sylhet
Topkhana Road Br. Dhaka
Uttara Br. Dhaka

ICB

Head Office, Dhaka
Local Office, Dhaka
Chittagong Br. Chittagong
Rajshahi Br. Rajshahi
Khulna Br. Khulna
Barisal Br. Barisal
Sylhet Br. Sylhet
Bogra Br. Bogra

Mutual Trust Bank Limited

Agrabad Br. Chittagong
Alankarkour Br. Chittagong
Babu Bazar Br. Dhaka
Banani Br. Dhaka
Bogra Br. Bogra
CDA Avenue Br. Chittagong
Dhanmondi Br. Dhaka
Dholakhal Br. Dhaka
Dilkusha Br. Dhaka
Elephant Road Br. Dhaka
FeniBanch, Feni
Fulbaria Br. Dhaka
Gouranadi Br. Barishal
Gulshan Br. Dhaka
Habiganj Br. Habiganj
Jessore Br. Jessore
Jubilee Road Br. Chittagong
Khatunganj Br. Chittagong
Kustia Br. Kustia
Mohammadpur Br. Dhaka
Moulvi Bazar Br. Sylhet
MTB Corporate Center Br. Dhaka
Narayanganj Br. Narayanganj
Pabna Br. Pabna
Pallabi Br. Dhaka
Panthapath Br. Dhaka
Principal Br. Dhaka
Pragati Sarani Br. Dhaka
Rajshahi Br. Rajshahi
Rangpur Br. Rangpur
Savar Br. Dhaka
ShanirAkhra Br. Dhaka
Sylhet Br. Sylhet
Sonargaon Br. Narayanganj
Tongi Br. Dhaka

Uttara Model Town Br. Dhaka

One Bank Limited

Agrabad Br. Chittagong
Banani Br. Dhaka
Banasree Br. Dhaka
Bogra Br. Bogra
CDA Avenue Br. Chittagong
Chandraganj Br. Lakshmipur
Chowmuhuni Br. Noakhali
Cox's Bazar Br. Cox's Bazar
Dagon Bhuiyan Br. Feni
Dhanmondi Br. Dhaka
Elephant Road Br. Dhaka
Feni Br. Feni
Ganakbari Br. Savar
Gulshan Br. Dhaka
Imamganj Br. Dhaka
Islampur Br. Sylhet
Jessore Br. Jessore
Joypura Br. Dhaka
Jubilee road Br. Chittagong
Jaganathpur Br. Dhaka
Kakrail Br. Dhaka
Kawran Bazar Br. Dhaka
Khatunganj Br. Chittagong
Laksham Br. Comilla
Majidee Court Br. Noakhali
Mirpur Br. Dhaka
Motiheel Br. Dhaka
Moghbazar Br. Dhaka
Narayanganj Br. Narayanganj
Principal Br. Dhaka
Pragati Sharan Br. Dhaka
Rangamati Br. Rangamati
Sherpur Br. Sherpur
Sirajgonj Br. Sirajgonj
Sylhet Br. Sylhet
Sitakunda Br. Chittagong

Standard Chartered Bank

Mirpur (OPCC) Br. Dhaka
Motiheel (OPCC) Br. Dhaka
Nasirabad Br. Chittagong
Agrabad Br. Chittagong
Khulna Br. Khulna
Bogra Br. Bogra
Sylhet Br. Sylhet

Southeast Bank Limited

Aganagar Br. Dhaka
Agrabad Br. Chittagong
Ashulia Br. Dhaka
Banani Br. Dhaka
Bandar Bazar Br. Sylhet
Bangshal Br. Dhaka
Barisal Br. Barisal
Bashundhara Br. Dhaka
Brammonbaria Br. Brammonbaria
Bogra Br. Bogra
Chouhatta Br. Sylhet
Chowmuhani Br. Noakhali
Comilla Br. Comilla
Corporate Br. Dhaka
Dhanmondi Br. Dhaka
Feni Br. Feni
Gulshan Br. Dhaka
Halishahar Br. Chittagong

Hetingonj Br. Sylhet
Imamganj Br. Dhaka
Kakrail Br. Dhaka
Kawran Bazar Br. Dhaka
Khatunganj Br. Chittagong
Khulna Br. Khulna
Konabari Br. Gazipur
Kulaura Br. Moulvibazar
Laldighirpar Br. Sylhet
Madambir Hat Br. Chittagong
Mohammadpur Br. Dhaka
Momin Road Br. Chittagong
Mouchack Br. Dhaka
Naogaon Br. Naogaon
Narayanganj Br. Narayanganj
New Elephant Br. Dhaka
New Eskaton Br. Dhaka
Pathantula Br. Sylhet
Pragati Sarani Br. Dhaka
Principal Br. Dhaka
Rajshahi Br. Rajshahi
Rangpur Br. Rangpur
Sat Masjid Br. Dhaka
Savar Br. Dhaka
ShahajalUposhahar Br. Sylhet
Shaymoli Br. Dhaka
Tongi Br. Gazipur
Uttara Br. Dhaka

Shahajal Islami Bank Ltd

Agrabad Br. Chittagong
Banani Br. Dhaka
Bijoy Nagar Br. Dhaka
Dhaka Main Br. Dhaka
Dhanmondi Br. Dhaka
Foreign Ex. Br. Dhaka
Gulshan South Av. Br. Dhaka
Gulshan Br. Dhaka
Jubilee Road Br. Chittagong
JoydevpurChowrasta Br. Gazipur
Kawran Bazar Br. Dhaka
Khatunganj Br. Chittagong
Motiheel Br. Dhaka
Satmasjid Road Br. Dhaka
Sylhet Br. Sylhet
Uttara Br. Dhaka

Trust Bank Limited

Principal Br. Dhaka
Dilkusha Corp. Br. Dhaka
Kafur Br. Dhaka
Radison Water Garden Br. Dhaka
Mirpur Br. Dhaka
Kawran Bazar Br. Dhaka
Uttara Corp. Br. Dhaka
Narayanganj Br. Narayanganj
Elephant Road Br. Dhaka
Dhanmondi Br. Dhaka
Narsingdi Br. Narsingdi
Joydevpur Br. Gazipur
Ashulia Br. Dhaka
Momenshahi Cantonment Br. Mymensingh



SECTION-XII

MATERIAL CONTRACTS AND OTHERS

Material contracts

1. Issue Management Agreement between the Company and the Managers to the Issue.
2. Underwriting Agreement between the Company and the Underwriters.
3. Agreement with the Credit Rating Information and Services Limited (CRISL).
4. Contract between the Company and the Central Depository Bangladesh Ltd. (CDBL).
5. Power Purchase Agreement (PPA)
6. Gas Supply Agreement (GSA)
7. Implementation Agreement (IA)

Copies of the aforementioned contracts and documents and a copy of Memorandum and Articles of Association of the Company and the Consent Order from the Securities and Exchange Commission may be inspected on any working day during office hours at the Company's Registered Office.

Manager to the issue

Prime Finance Capital Management Limited, 63, Dilkusha C.A. is acting as the Issue Manager

Commission to the bankers to the issue

Commission at the rate of 0.10% of the amount collected will be paid to the Bankers to the Issue for the services to be rendered by them.



"শেয়ার বাজারে বিনিয়োগ ঝুঁকিপূর্ণ। ছেনে ও বুঝে বিনিয়োগ করুন।"

Interested persons are entitled to a Prospectus, if they desire, and that copies of Prospectus may be obtained from the issuer and the issue manager

Application Form

APPLICATION FOR SHARES BY INVESTORS OTHER THAN NON-RESIDENT BANGLADESHI(S)

Warning: Please read the instructions at the back of this form. Incorrectly filled applications may be rejected.

The Managing Director

Summit Purbanchol Power Company Limited

Summit Centre

18 Kawran Bazar

Dhaka- 1215, Bangladesh

Banker's Sl. No.

Dear Sir,

I/we apply for and request you to allot me/us the number of Shares and I/we agree to accept the same or any smaller number that may be allotted to me/us upon the terms of the Company's approved Prospectus and subject to the Memorandum and Articles of Association of the Company. Further, I/we authorize you to place my/our name(s) on the Register of Members of the Company and deposit the said shares to my BO (Beneficiary Owner) Account and/or in respect of any application money refundable by crediting directly to the first applicant's bank account stated below:

1. No. of Ordinary Shares.....of Tk 40 each including a premium of Tk. 30 per share.
2. Amount of Tk/- Taka (in words) only deposited vide Cash/Cheque/Draft/Pay Order No. dated on Bank
Branch

3. Depository (B/O) Account Number [] [] [] [] [] [] [] [] [] [] [] [] [] []
 (If you do not mention your valid BO (Beneficiary Owners) account, your application will be treated as invalid)

4. I/We agree to fully abide by the instruction given herein.

5. Particulars of Applicant(s):

a) Sole/First Applicant

Name:	
Father's/Husband's name:	
Mother's name:	
Postal address:	
Occupation:	Nationality: Telephone No. (if any)
<i>For refund warrant (Application will not be treated as valid if anyone uses a non-scheduled bank. To avoid this complication, investors are requested not to use the name of any non-scheduled bank) Please write the correct and full name of bank and branch:</i>	
For refund purpose: I/we want refund through ☐ Bank Account ☐ Hand Delivery/Courier (please put tick mark in which refund will be made). The applicant shall provide with the same Bank Account number in the application form as it is in the BO account of the applicant.	
Incase of deposit into the applicant's bank account, the applicant will bear the applicable charge, if any, of the applicants banker and the issuer shall simultaneously issue a letter of intimation to the applicant containing , among others, the date and amount remitted with details of the bank through and to which bank such remittance has been effected	
Applicant's Bank A/C No.:	
Name of the Bank:	Branch:

b) Second Applicant

Name:	
Father's/Husband's name:	
Mother's name:	
Postal address:	
Occupation:	Nationality:

6. I/we hereby declare that I/we have read the Prospectus of Summit Purbanchol Power Company Limited and have willingly subscribed for no. of shares of Tk 40 each including a premium of Tk 30 per share on this form.

7. Specimen Signature(s):

(i) Name (in block letters)	Signature:
(ii) Name (in block letters)	Signature:

In case of deposit into the applicant's bank account, the applicant will bear the applicable charge, if any, of the applicants banker, and the issuer shall simultaneously issue a letter of intimation to the applicant containing, among others, the date and amount remitted with details of the bank through and to which bank such remittance has been effected.

BANKER'S ACKNOWLEDGEMENT

Certified that this bank has received Tk. (in word) only from Mr./Mrs./Ms.
..... being the Application Money for nos. Ordinary Shares of Summit Purbanchol
Power Company Limited .

Banker's Sl. No.

Seal and Date

Authorized Signature
(Name & Designation)



Instructions

1. As per provision of Depository Act, 1999 and regulations made there under shares will be only be issued in dematerialized condition. Please mention your BO (Beneficiary Owner) Account number in the Application form. If you do not mention your valid BO (Beneficiary Owner) Account, your application will be treated as invalid.
2. All information must be typed or written in full (in block letters) in English or in Bengali and must not be abbreviated.
3. Application must be made on the Company's printed form/photocopy or on typed copy/hand written form thereof.
4. Application must not be for less than 100 Ordinary shares and must be for a multiple of 100 ordinary shares. Any application not meeting these criterions will not be considered for allotment purpose.
5. Remittance for the full amount of the shares must accompany each application and must be forwarded to any of the Bankers' to the Issue. Remittance should be in the form of cash/cheque/bank draft/pay order payable to one of the Bankers' to the Issue favoring "Summit Purbanchol Power Company Limited" and crossed "A/C Payee only" and must be drawn on a bank in the same town as the bank to which the application form has been sent.
6. In the case of a joint application form, the allotment letter will be dispatched to the person whose name appears first on this application form and where any amount is refundable in whole or in part the same will be refunded by Account payee Cheque by post/ courier service to the person named first on this Application Form in the manner prescribed in the Prospectus.
7. Joint application form for more than two persons will not be accepted. In case of joint application, each party must sign the application form.
8. Applications must be in the full name of individuals or companies or societies or trusts and not in the name of firms, minors or persons of unsound mind. Application from financial and market intermediary companies must be accompanied by Memorandum of Association and Articles of Association and Certificate of Incorporation.
9. An applicant cannot submit more than two applications, one in his own name and another jointly with another person. In case an applicant makes more than two applications, all the application will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money shall be forfeited by the Commission and the balance amount will be refunded to the applicant.
10. No receipt will be issued for the payment made with the application, but the bankers will issue a provisional acknowledgement to the issue for application lodged with them.
11. In the case of non-allotment of securities, if the applicants' bank accounts as mentioned in their IPO Application Forms are maintained with the Bankers to the Issue, Citibank, N.A. or Standard Chartered Bank, refund amount of those applicants will be directly credited into the respective bank accounts as mentioned in their IPO Application Forms. Otherwise, refund will be made only through "Account Payee" cheque(s) with bank account number and name of bank branch as mentioned in the application payable at Dhaka or Chittagong, as the case may be.
12. Allotment shall be made solely in accordance with the instructions of the Securities and Exchange Commission.
13. Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information shall make the application liable to rejection and subject to forfeiture of application money and/or forfeiture of share (unit) before or after issuance of the same by the issuer. The said forfeited Application money or share (unit) will be deposited in account specified by the Securities and Exchange Commission (SEC). This may be in addition to any other penalties as may be provided for by the law.
14. Applications which do not meet the above requirements, or applications, which are incomplete, shall not be considered for allotment purpose.
15. The Bankers to the issue Banks shall be obliged to receive the A/C Payee Cheque (s) on the closing day of the subscription.
16. No sale of securities shall be made nor shall any money be taken from any person, in connection with such sale until twenty five days after the Prospectus have been published.
17. The applicant who has applied for **more** than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% of their subscription money too.



Bankers to the Issue of Summit Purbanchol Power Company Limited

BRAC Bank Limited

Asad gate Br. Dhaka
Banani Br. Dhaka
Bashundhara Br. Dhaka
Donia Br. Dhaka
Eskaton Br. Dhaka
Graphics Building Br. Dhaka
Gulshan Br. Dhaka
Manda Br. Dhaka
Mirpur Br. Dhaka
Nawabpur Br. Dhaka
Rampura Br. Dhaka
Shyamoli Br. Dhaka
Uttara Br. Dhaka
Narayanganj Br. Narayanganj
Agrabad Br. Chittagong
CDA Avenue Br. Chittagong
Halishahar Br. Chittagong
Kazirdeuri Br. Chittagong
Momin Road Br. Chittagong
Rajshahi Br. Rajshahi
Jessore Br. Jessore
Bogra Br. Bogra
Barisal Br. Barisal
Zindabazar Br. Sylhet
Khulna Br. Khulna
Patia Br. Chittagong

Dhaka Bank Limited

Barisal Br. Barisal
Bogra Br. Bogra
CDA Avenue Br. Chittagong
Comilla Br. Comilla
Cox's Bazar Br. Cox's Bazar
Imamganj Br. Dhaka
Kawran Bazar, Dhaka
KDA Avenue Br. Khulna
Khilgaon Br. Dhaka
Laldighirpar Br. Sylhet
Mirpur Br. Dhaka
Rajshahi Br. Rajshahi
Rangpur Br. Rangpur
Uttara Br. Dhaka

Dutch-Bangla Bank Limited

Ahskona Br. Dhaka
B.B. Road Br. Narayanganj
Baburhat Br. Narsindi
Bandura Br. Dhaka
Barisal Br. Barisal
Beani Bazar Br. Sylhet
Bhairab Br. Bhairab
Bhulta Br. Narayanganj
Biswanath Br. Sylhet
Board Bazar Br. Gazipur
Bogra Br. Bogra
CDA Avenue Br. Chittagong
Chitahak Br. Sunamganj
Chowmuhani Br. Noakhali
Chowrasta Br. Gazipur
Comilla Br. Comilla
Cox's Bazar Br. Cox's Bazar
Chittagong EPZ Br. Chittagong
Dagonbhuiyan Br. Feni
Dania Br. Dhaka
Dhaka EPZ Br. Dhaka
Dinajpur Br. Dinajpur
Fatikchani Br. Chittagong

Feni Br. Feni
Gopalgonj Br. Sylhet
Gazipur Br. Gazipur
Halishahar Br. Chittagong
Hathazari Br. Chittagong
Habiganj Br. Habiganj
Jessore Br. Jessore
Joypara Br. Dhaka
Jubilee Rd Br. Chittagong
Kadamtai Br. Chittagong
Khatungani Br. Chittagong
Khulna Br. Khulna
Konabari Br. Gazipur
Kustia Br. Kustia
Keraniganj Br. Keraniganj
Lohagara Br. Chittagong
Madaripur Br. Madaripur
Manikgonj Br. Manikgonj
Mirzapur Br. Tangail
Moulavi Bazar Br. M'Bazar
Muradpur Br. Chittagong
Mymensing Br. Mymensing
Munshiganj Br. Munshiganj
Mutuail Br. Mutuail
Narayanganj Br. Narayanganj
Netaiganj Br. Narayanganj
Pabna Br. Pabna
Patherhat Br. Chittagong
Rajshahi Br. Rajshahi
Rangpur Br. Rangpur
Saidpur Br. Nilphamary
Satkhira Br. Satkhira
Sarnosjid Road Br. Dhaka
Savar Bazar Br. Dhaka
Shajadpur Br. Siraganj
Simrail Br. Narayanganj
Sonagazi Br. Feni
Sylhet Br. Sylhet
Tongi Br. Gazipur
Uttara Br. Dhaka

First Security Islami Bank Ltd.

Agrabad Br. Chittagong
Ambarkhana Br. Sylhet
Andarkillah Br. Chittagong
Azampur Br. Dhaka
Banani Br. Dhaka
Bangshal Br. Dhaka
Banoshree Br. Dhaka
Biswa Road Br. Basabo, Dhaka
Bogra Br. Bogra
Bohaddarhat Br. Chittagong
Barisal Br. Barisal
Chokoria Br. Cox's Bazar
Collage Gate Br. Tongi
Comilla Br. Comilla
Cox's Bazar Br. Cox's Bazar
Chawkbazar Br. Chittagong
Dhanmondi Br. Dhaka
Dilkusha Br. Dhaka
Faridpur Br. Faridpur
Donia Br. Dhaka
Gulshan Br. Dhakanamganj
Gobindaganj Br. Su
Hat Hazari Br. Chittagong
Islampur Br. Dhaka
Jessore Br. Jessore
Jubilee Road Br. Chittagong
Khatungonj Br. Chittagong

Khulna Br. Khulna
Mirpur Br. Dhaka
Mohakhali Br. Dhaka
Motijheel Br. Dhaka
Mymensing Br. Mymensing
Narayanganj Br. Narayanganj
Moulvibazar Br. Moulvibazar
Patuakhali Br. Patuakhali
Potiya Br. Chittagong
ProbortakMor Br. Chittagong
Pabna Br. Pabna
Rajshahi Br. Rajshahi
Rangpur Br. Rangpur
Ring Road Br. Dhaka
Satkhira Br. Satkhira
Savar Br. Dhaka
Senanibash Br. Dhaka
Sylhet Br. Sylhet
Taltola Br. Sylhet
Tophkana Road Br. Dhaka
Uttara Br. Dhaka

ICB

Head Office, Dhaka
Local Office, Dhaka
Chittagong Br. Chittagong
Rajshahi Br. Rajshahi
Khulna Br. Khulna
Barisal Br. Barisal
Sylhet Br. Sylhet
Bogra Br. Bogra

Mutual Trust Bank Limited

Agrabad Br. Chittagong
AlankarMour Br. Chittagong
Babu Bazar Br. Dhaka
Banani Br. Dhaka
Bogra Br. Bogra
CDA Avenue Br. Chittagong
Dhanmondi Br. Dhaka
Dholakhal Br. Dhaka
Dilkusha Br. Dhaka
Elephant Road Br. Dhaka
FeniBanch, Feni
Fulbaria Br. Dhaka
Gouranadi Br. Barishal
Gulshan Br. Dhaka
Habiganj Br. Habiganj
Jessore Br. Jessore
Jubilee Road Br. Chittagong
Khatungonj Br. Chittagong
Kustia Br. Kustia
Mohammadpur Br. Dhaka
Moulvi Bazar Br. Sylhet
MTB Corporate Center Br. Dhaka
Narayanganj Br. Narayanganj
Pabna Br. Pabna
Pallabi Br. Dhaka
Panthapath Br. Dhaka
Principal Br. Dhaka
PragotiSarani Br. Dhaka
Rajshahi Br. Rajshahi
Rangpur Br. Rangpur
Savar Br. Dhaka
ShanirAkhra Br. Dhaka
Sylhet Br. Sylhet
Sonargaon Br. Narayanganj
Tongi Br. Dhaka
Uttara Model Town Br. Dhaka

One Bank Limited

Agrabad Br. Chittagong
Banani Br. Dhaka
Banasree Br. Dhaka
Bogra Br. Bogra
CDA Avenue Br. Chittagong
Chandragonj Br. Lakshmipur
Chowmuhani Br. Noakhali
Cox's Bazar Br. Cox's Bazar
Dagon Bhuiyan Br. Feni
Dhanmondi Br. Dhaka
Elephant Road Br. Dhaka
Feni Br. Feni
Ganakbari Br. Savar
Gulshan Br. Dhaka
Imamganj Br. Dhaka
Islampur Br. Sylhet
Jessore Br. Jessore
Joypara Br. Dohar
Jubilee road Br. Chittagong
Jagannathpur Br. Dhaka
Kakrail Br. Dhaka
Kawran Bazar Br. Dhaka
Khatungonj Br. Chittagong
Laksham Br. Comilla
Majdee Court Br. Noakhali
Mirpur Br. Dhaka
Motijheel Br. Dhaka
Moghbarar Br. Dhaka
Narayanganj Br. Narayanganj
Principal Br. Dhaka
Rangganj Br. Laxmipur
Rangamati Br. Rangamati
Sherpur Br. Sherpur
Siraganj Br. Siraganj
Sylhet Br. Sylhet
Sitakunda Br. Chittagong

Standard Chartered Bank

Mirpur (OPCC) Br. Dhaka
Motijheel (OPCC) Br. Dhaka
Nasirabad Br. Chittagong
Agrabad Br. Chittagong
Khulna Br. Khulna
Bogra Br. Bogra
Sylhet Br. Sylhet

Southeast Bank Limited

Aganagar Br. Dhaka
Agrabad Br. Chittagong
Ashulia Br. Dhaka
Banani Br. Dhaka
Bandar Bazar Br. Sylhet
Bangshal Br. Dhaka
Barisal Br. Barisal
Bashundhara Br. Dhaka
Brammonbaria Br. Brammonbaria
Bogra Br. Bogra
Chouhatta Br. Sylhet
Chowmuhani Br. Noakhali
Comilla Br. Comilla
Corporate Br. Dhaka
Dhanmondi Br. Dhaka
Feni Br. Feni
Gulshan Br. Dhaka
Halishahar Br. Chittagong
Hetimgonj Br. Sylhet

Imamganj Br. Dhaka
Kakrail Br. Dhaka
Kawran Bazar Br. Dhaka
Khatungonj Br. Chittagong
Khulna Br. Khulna
Konabari Br. Gazipur
Kulaura Br. Moulvibazar
Laldighirpar Br. Sylhet
Madambibir Hat Br. Chittagong
Mohammadpur Br. Dhaka
Momin Road Br. Chittagong
Mouchack Br. Dhaka
Naaggon Br. Naaggon
Narayanganj Br. Narayanganj
New Elephant Br. Dhaka
New Eskaton Br. Dhaka
Pathantula Br. Sylhet
Pragati Sarani Br. Dhaka
Principal Br. Dhaka
Rajshahi Br. Rajshahi
Rangpur Br. Rangpur
Sat Masjid Br. Dhaka
Savar Br. Dhaka
ShahajalUposhahar Br. Sylhet
Shaymoli Br. Dhaka
Tongi Br. Gazipur
Uttara Br. Dhaka

Shahajal Islami Bank Ltd

Agrabad Br. Chittagong
Banani Br. Dhaka
Bijoy Nagar Br. Dhaka
Dhaka Main Br. Dhaka
Dhanmondi Br. Dhaka
Foreign Ex. Br. Dhaka
Gulshan Av. Br. Dhaka
Gulshan Br. Dhaka
Jubilee Road Br. Chittagong
JoydevpurChowrasta Br. Gazipur
Kawran Bazar Br. Dhaka
Khatungonj Br. Chittagong
Motijheel Br. Dhaka
Satmasjid Road Br. Dhaka
Sylhet Br. Sylhet
Uttara Br. Dhaka

Trust Bank Limited

Principal Br. Dhaka
Dilkusha Corp. Br. Dhaka
Kafur Br. Dhaka
Radison Water Garden Br. Dhaka
Mirpur Br. Dhaka
Kawran Bazar Br. Dhaka
Uttara Corp. Br. Dhaka
Narayanganj Br. Narayanganj
Elephant Road Br. Dhaka
Dhanmondi Br. Dhaka
Narsingdi Br. Narsingdi
Joydevpur Br. Gazipur
Ashulia Br. Dhaka
Momenshahi Cantonment Br. Mymensingh



"টপার বাজারে বিনিয়োগ ঝুঁকিপূর্ণ। জেনে ও বুঝে বিনিয়োগ করুন।"

Interested persons are entitled to a Prospectus, if they desire, and that copies of Prospectus may be obtained from the issuer and the issue manager
Summit Purbanchol Power Company Limited

Application Form
APPLICATION FOR SHARES BY NON-RESIDENT BANGLADESHI(S)
(TO BE SENT DIRECTLY TO THE COMPANY'S CORPORATE OFFICE)

Warning: Please read the instructions at the back of this form. Incorrectly filled applications or failing to comply with any of the instructions there in, applications may be rejected.

The Managing Director
Summit Purbanchol Power Company Limited
Summit Centre
18 Kawran Bazar
Dhaka- 1215, Bangladesh

Dear Sir,

I/we apply for and request you to allot me/us the following number of Shares and I/we agree to accept the same or any smaller number that may be allotted to me/us upon the terms of the Company's approved Prospectus and subject to the Memorandum and Articles of Association of the Company. Further, I/we authorize you to place my/our name(s) on the Register of Members of the Company as the holder(s) of Shares allotted to me/us pursuant to this application and credit the said shares to my BO (Beneficiary Owner) Account and/or in respect of any application money refundable by crediting directly to the first applicant's bank account stated below:

1. No. of Shares Ordinary Shares.....of Tk 40 each including a premium of Tk. 30 per share.
2. Amount of Tk. (in figure)(*)/- (in words)..... Convertible into US Dollar 1.00 = Tk UK Pound Sterling 1.00 = Tk..... and Euro 1.00 =Tk.....
3. Payment by cheque/draft no. dated for US Dollar or UK Pound Sterling or Euro or Tk drawn on Bank Branch.

4. Depository (B/O) Account Number

(If you do not mention your valid BO (Beneficiary Owners) account, your application will be treated as invalid)

5. I/we agree to fully abide by the instructions given herein.

6. Particulars of Applicant(s):

a) Sole/First Applicant

Name:	
Father's/Husband's name:	
Mother's name:	
Mailing Address:	
Occupation:	Nationality:
Passport No.:	Valid up to:
Date of Birth:	
For refund: Please write the correct and full name of the bank and branch (Application will not be treated as valid if anyone uses a non schedule bank. To avoid this complication, investors are requested not to use the name of any non schedule bank	
Applicant's Bank A/C No.:	
Name of the Bank:	Branch:

The applicant shall provide with the same Bank Account number in the application form as it is in the BO account of the applicant.

b) Second Applicant

Name:	
Father's/Husband's name:	
Mother's name:	
Mailing Address:	
Occupation:	Nationality:
Passport No.:	Valid up to:
Date of Birth:	

Nominee:

Name:	
Mailing Address:	

7. I/we hereby declare that I/we have read the Prospectus of Summit Purbanchol Power Company Limited and have willingly subscribed for no. of shares of Tk. 40 each including a premium of Tk. 30 per share on this form.

8. Specimen Signature(s):

	Name in Block Letters	Signature
Sole/First Applicant:		
Second Applicant:		
Nominee:		

*Please see the instructions in paragraphs 14 & 15 for the evidence required to establish Non- Resident Bangladeshis status.



Instructions

1. As per provision of Depository Act, 1999 and regulations made there under shares will be only be issued in dematerialized condition. Please mention your BO (Beneficiary Owner) account number in the Application form. If you do not mention your valid BO (Beneficiary Owner) Account, your application will be treated as invalid.
2. All information must be written or typed in block letters in English and must not be abbreviated.
3. An Application must not be for less than 100 Ordinary shares and must be for a multiple of 100 ordinary shares. Any application not meeting this criterion will not be considered for allotment purpose.
4. An application must be accompanied by a foreign demand draft drawn on a bank payable at Dhaka or cheque drawn out of foreign currency deposit account maintained in Bangladesh for the full value of shares favoring "Summit Purbanchol Power Company Limited" and crossed "Account payee only".
5. An application shall be sent by the applicant directly to the Company by 15/11/2012 so as to reach the Company by 24/11/2012. Applications sent after 15/11/2012 or received by the Company after 24/11/2012 will not be considered for allotment purpose.
6. Refund against over-subscription shall be made in the currency in which the value of shares was paid for by the applicant at the same rate as stated on the application form through Account Payee cheque payable at Dhaka with bank account number, bank's name and branch as indicated in the securities application form.
7. In case of over-subscription, allotment shall be made by lottery solely in accordance with the instructions by SEC.
8. Money receipt on clearance of draft or cheque, as the case may be, shall be sent by post to the applicant by the Company.
9. Joint application by two persons will be acceptable. In such a case, allotment or refund shall be made to the first applicant.
10. Application must be made by an individual, a corporation or company, a trust or a society and not by a firm, minor or persons of unsound mind.
11. In the case of non-allotment of securities, if the applicants' bank accounts as mentioned in their IPO Application Forms are maintained with any of the Bankers to the Issue, refund amount of those applicants will be directly credited into the respective bank accounts as mentioned in their IPO Application Forms. Otherwise, refund will be made only through "Account Payee" cheque(s) with bank account number and name of bank branch as mentioned in the application payable at Dhaka, Chittagong, Khulna, Barishal, Rajshahi or Sylhetas the case may be.
12. Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information in the application shall make the Application liable to rejection and subject to forfeiture of application money and/or forfeiture of share (unit) before or after issuance of the same by the issuer. The said forfeited Application money or share (unit) will be deposited in account specified by the Securities and Exchange Commission (SEC). This may be in addition to any other penalties as may be provided for by the law.
13. The intending NRB applicants shall deposit share money by US\$/UK Pound Sterling/EURO draft drawn on any Bank and payable in Dhaka, Bangladesh, or through a nominee by paying out of foreign currency deposit account maintained in Bangladesh or in Taka, supported by foreign currency encashment certificate issued by the concerned bank, for the value of securities applied for through crossed bank cheque marking "Account Payee only". So that the issuer's collecting bank can clear the proceeds and deposit the same into issuer bank's account in time.
14. The spot buying rate (TT Clean) in US\$, UK Pound Sterling and EURO of Sonali Bank at the day of subscription opening will be applicable for the Non-Resident Bangladeshi (NRB) applicants
15. The applicant shall furnish photocopies of relevant pages of valid passports in support of his being a NRB, dual citizenship or of the foreign passport bearing an endorsement from the concerned Bangladeshi Embassy to the effect that no visa is required for him to travel to Bangladesh.
16. In case of joint NRB application joint applicants shall also submit supporting papers/documents in support of their being an NRB as mentioned in para-15 above.
17. An applicant cannot submit more than two applications, one in his own name and another jointly with another person. In case an applicant makes more than two applications, all the application will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money shall be forfeited by the Commission and the balance amount will be refunded to the applicant.
18. No sale of securities shall be made nor shall any money be taken from any person, in connection with such sale until twenty five days after the Prospectus have been published.
19. The applicant who has applied for **more** than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% of their subscription money too.

THE NRB APPLICATION ALONG WITH THE FOREIGN CURRENCY DRAFT, AS ABOVE, IS TO BE SUBMITTED TO THE COMPANY'S HEAD OFFICE DIRECTLY WITHIN THE STIPULATED TIME MENTIONED IN PARA 5.



"শেয়ার বাজারে বিনিয়োগ ঝুঁকিপূর্ণ। ক্ষেত্রে ও বুঝে বিনিয়োগ করুন।"

APPLICATION FORMS

Interested persons are entitled to a Prospectus, if they desire, and that copies of Prospectus may be obtained from the issuer and the issue manager

Summit Purbanchol Power Company Limited

Application Form

APPLICATION FOR SHARES BY AFFECTED SMALL INVESTORS (ক্ষতিগ্রস্ত বিনিয়োগকারী)

Warning: Please read the instructions at the back of this form. Incorrectly filled applications may be rejected.

The Managing Director

Summit Purbanchol Power Company Limited

Summit Centre

18 Kauran Bazar

Dhaka- 1215, Bangladesh

Banker's Sl. No.

Dear Sir,

I/we apply for and request you to allot me/us the number of Shares and I/we agree to accept the same or any smaller number that may be allotted to me/us upon the terms of the Company's approved Prospectus and subject to the Memorandum and Articles of Association of the Company. Further, I/we authorize you to place my/our name(s) on the Register of Members of the Company and deposit the said shares to my BO (Beneficiary Owner) Account and/or in respect of any application money refundable by crediting directly to the first applicant's bank account stated below:

3. No. of Ordinary Shares.....of Tk 40 each including a premium of Tk. 30 per share.

4. Amount of Tk/- Taka (in words) only deposited vide Cash/Cheque/Draft/Pay Order No. dated on Bank Branch

3. Depository (B/O) Account Number

(If you do not mention your valid BO (Beneficiary Owners) account, your application will be treated as invalid)

4. I/We agree to fully abide by the instruction given herein.

5. Particulars of Applicant(s):

a) Sole/First Applicant

Name:	
Father's/Husband's name:	
Mother's name:	
Postal address:	
Occupation:	Nationality: Telephone No. (if any)
For refund warrant (Application will not be treated as valid if anyone uses a non-scheduled bank. To avoid this complication, investors are requested not to use the name of any non-scheduled bank) Please write the correct and full name of bank and branch:	
For refund purpose: I/we want refund through ☐ Bank Account ☐ Hand Delivery/Courier (please put tick mark in which refund will be made). The applicant shall provide with the same Bank Account number in the application form as it is in the BO account of the applicant.	
In case of deposit into the applicant's bank account, the applicant will bear the applicable charge, if any, of the applicants banker and the issuer shall simultaneously issue a letter of intimation to the applicant containing, among others, the date and amount remitted with details of the bank through and to which bank such remittance has been effected	
Applicant's Bank A/C No.:	
Name of the Bank:	Branch:

b) Second Applicant

Name:	
Father's/Husband's name:	
Mother's name:	
Postal address:	
Occupation:	Nationality:

6. I/we hereby declare that I/we have read the Prospectus of Summit Purbanchol Power Company Limited and have willingly subscribed for no. of shares of Tk. 40 each including a premium of Tk. 30 per share on this form.

7. Specimen Signature(s):

(i) Name (in block letters)	Signature:
(ii) Name (in block letters)	Signature:

In case of deposit into the applicant's bank account, the applicant will bear the applicable charge, if any, of the applicants banker, and the issuer shall simultaneously issue a letter of intimation to the applicant containing, among others, the date and amount remitted with details of the bank through and to which bank such remittance has been effected.

BANKER'S ACKNOWLEDGEMENT

Certified that this bank has received Tk. (in word) only from Mr./Mrs./Ms. being the Application Money for nos. Ordinary Shares of Summit Purbanchol Power Company Limited.

Authorized Signature

Banker's Sl. No.

Seal and Date

(Name & Designation)



Instructions

1. As per provision of Depository Act, 1999 and regulations made there under shares will be only be issued in dematerialized condition. Please mention your BO (Beneficiary Owner) Account number in the Application form. If you do not mention your valid BO (Beneficiary Owner) Account, your application will be treated as invalid.
2. All information must be typed or written in full (in block letters) in English or in Bengali and must not be abbreviated.
3. Application must be made on the Company's printed form/photocopy or on typed copy/hand written form thereof.
4. Application must not be for less than 100 Ordinary shares and must be for a multiple of 100 ordinary shares. Any application not meeting these criterions will not be considered for allotment purpose.
5. Remittance for the full amount of the shares must accompany each application and must be forwarded to any of the Bankers' to the Issue. Remittance should be in the form of cash/cheque/bank draft/pay order payable to one of the Bankers' to the Issue favoring "Summit Purbanchol Power Company Limited" and crossed "A/C Payee only" and must be drawn on a bank in the same town as the bank to which the application form has been sent.
6. In the case of a joint application form, the allotment letter will be dispatched to the person whose name appears first on this application form and where any amount is refundable in whole or in part the same will be refunded by Account payee Cheque by post/ courier service to the person named first on this Application Form in the manner prescribed in the Prospectus.
7. Joint application form for more than two persons will not be accepted. In case of joint application, each party must sign the application form.
8. Applications must be in the full name of individuals or companies or societies or trusts and not in the name of firms, minors or persons of unsound mind. Application from financial and market intermediary companies must be accompanied by Memorandum of Association and Articles of Association and Certificate of Incorporation.
9. An applicant cannot submit more than two applications, one in his own name and another jointly with another person. In case an applicant makes more than two applications, all the application will be treated as invalid and will not be considered for allotment purpose. In addition, 15% (fifteen) of the application money shall be forfeited by the Commission and the balance amount will be refunded to the applicant.
10. No receipt will be issued for the payment made with the application, but the bankers will issue a provisional acknowledgement to the issue for application lodged with them.
11. In the case of non-allotment of securities, if the applicants' bank accounts as mentioned in their IPO Application Forms are maintained with the Bankers to the Issue, Citibank, N.A. or Standard Chartered Bank, refund amount of those applicants will be directly credited into the respective bank accounts as mentioned in their IPO Application Forms. Otherwise, refund will be made only through "Account Payee" cheque(s) with bank account number and name of bank branch as mentioned in the application payable at Dhaka or Chittagong, as the case may be.
12. Allotment shall be made solely in accordance with the instructions of the Securities and Exchange Commission.
13. Making of any false statement in the application or supplying of incorrect information therein or suppressing any relevant information shall make the application liable to rejection and subject to forfeiture of application money and/or forfeiture of share (unit) before or after issuance of the same by the issuer. The said forfeited Application money or share (unit) will be deposited in account specified by the Securities and Exchange Commission (SEC). This may be in addition to any other penalties as may be provided for by the law.
14. Applications which do not meet the above requirements, or applications, which are incomplete, shall not be considered for allotment purpose.
15. The Bankers to the issue Banks shall be obliged to receive the A/C Payee Cheque (s) on the closing day of the subscription.
16. No sale of securities shall be made nor shall any money be taken from any person, in connection with such sale until twenty five days after the Prospectus have been published.
17. The applicant who has applied for **more** than two applications using same bank account, their application will not be considered for lottery and the Commission will forfeit 15% of their subscription money too.



SECTION-XIV

AUDITOR'S REPORT and FINANCIAL STATEMENTS



Summit Purbanchol Power Company Limited

Report and financial statements as at and
for the year ended 31 December 2011



Rahman Rahman Huq

Chartered Accountants
9 Mohakhali C/A (11th & 12th Floors)
Dhaka 1212
Bangladesh

Telephone +880 (2) 988 6450-2
Fax +880 (2) 988 6449
Email kpmg-rrh@citech-bd.com
Internet www.kpmg.com/bd

**Auditors' Report to the Shareholders of
Summit Purbanchol Power Company Limited**

We have audited the accompanying financial statements of Summit Purbanchol Power Company Limited ("the Company"), which comprise the statement of financial position as at 31 December 2011, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

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

Auditors' responsibility

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

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

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



Rahman Rahman Huq
Chartered Accountants

Opinion

In our opinion, the financial statements, prepared in accordance with BFRS, give a true and fair view of the state of the Company's affairs as at 31 December 2011 and of the results of its operations and its cash flows for the year then ended and comply with the Companies Act 1994, the Securities and Exchange Rules 1987 and other applicable laws and regulations.

We also report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 those books;
- c) the statement of financial position (balance sheet) and statement of comprehensive income (profit and loss account) dealt with by this report are in agreement with the books of account and returns; and
- d) the expenditures incurred were for the purposes of the Company's business.

Dhaka, **05** MAR 2012



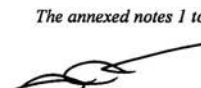
Summit Purbanchol Power Company Limited

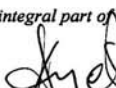
Statement of Financial Position
as at 31 December 2011

	Notes	As at 31 December 2011 Taka	As at 31 December 2010 Taka Restated*	As at 1 January 2010 Taka Restated*
Assets				
Non-current assets				
Property, plant and equipment	4	2,950,721,090	3,034,408,714	3,136,439,059
Intangible assets	5	145,833	195,833	245,833
Total non-current assets		<u>2,950,866,923</u>	<u>3,034,604,547</u>	<u>3,136,684,892</u>
Current assets				
Inventories	6	100,646,673	31,989,074	22,095,502
Trade receivables	7	181,504,880	186,076,442	131,114,040
Other receivables	8	-	1,251,271	1,965,949
Inter company receivables		-	-	103,455,787
Advances, deposits and prepayments	9	19,479,174	16,334,445	16,221,640
Cash and cash equivalents	10	68,851,303	61,860,613	125,044,431
Total current assets		<u>370,482,030</u>	<u>297,511,845</u>	<u>399,897,349</u>
Total assets		<u>3,321,348,953</u>	<u>3,332,116,392</u>	<u>3,536,582,241</u>
Equity and liabilities				
Shareholders' equity				
Share capital	11	762,802,130	663,306,200	576,788,000
Revaluation reserve	3.1.4	207,572,500	207,572,500	207,572,500
Retained earnings		584,510,369	321,901,695	94,035,053
Total equity attributable to equity holders		<u>1,554,884,999</u>	<u>1,192,780,395</u>	<u>878,395,553</u>
Liabilities				
Project loan - non-current portion	12	-	-	2,119,459,665
Redeemable preference shares - non-current portion	13.1	1,032,961,420	1,311,647,152	-
Finance lease - non-current portion	14	-	-	1,702,016
Total non-current liabilities		<u>1,032,961,420</u>	<u>1,311,647,152</u>	<u>2,121,161,681</u>
Trade creditors	15	30,482,036	53,677,552	36,989,324
Others creditors and accruals	16	39,638,325	51,875,990	65,042,410
Inter company payables	17	379,414,373	436,465,487	76,880,950
Project loan - current portion	12	-	-	353,243,278
Redeemable preference shares - current portion	13.1	283,967,800	283,967,800	-
Finance lease - current portion	14	-	1,702,016	4,869,045
Total current liabilities		<u>733,502,534</u>	<u>827,688,845</u>	<u>537,025,007</u>
Total liabilities		<u>1,766,463,954</u>	<u>2,139,335,997</u>	<u>2,658,186,688</u>
Total equity and liabilities		<u>3,321,348,953</u>	<u>3,332,116,392</u>	<u>3,536,582,241</u>

*See note 2.2 to the financial statements.

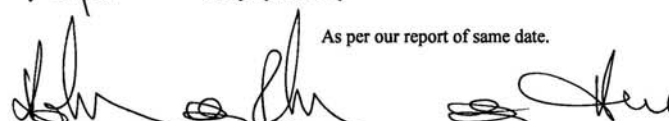
The annexed notes 1 to 37 form an integral part of these financial statements.


 Managing Director


 Director


 Company Secretary

As per our report of same date.


 Auditors

Dhaka, 05 MAR 2012



Summit Purbanchol Power Company Limited

Statement of Comprehensive Income
for the year ended 31 December 2011

	Notes	2011 Taka	2010 Taka Restated*
Revenue	18	1,145,014,718	1,141,751,963
Cost of sales	19	(536,404,947)	(504,400,111)
Gross profit		608,609,771	637,351,852
Other income, net	20	1,414,272	1,876,380
Operating expenses			
General and administrative expenses	21	(58,604,291)	(46,568,132)
Operating profit		551,419,752	592,660,100
Finance income	22	15,523,423	4,325,062
Finance costs	23	(171,673,261)	(282,600,320)
Finance costs, net		(156,149,838)	(278,275,258)
Other comprehensive income		-	-
Total comprehensive income for the year		395,269,914	314,384,842
Earnings per share (EPS)	24	5.18	4.74
Restated earnings per share (EPS)		-	4.12

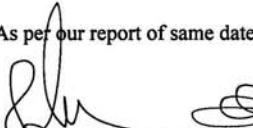
*See note 2.2 to the financial statements.

The annexed notes 1 to 37 form an integral part of these financial statements.

 Managing Director
  Director
  Company Secretary

As per our report of same date.

Dhaka, 05 MAR 2012


Auditors

Rahman Rahman Huq
Chartered Accountants



Summit Purbanchol Power Company Limited

Statement of Changes in Equity
for the year ended 31 December 2011

	Share capital Taka	Revaluation reserve Taka	Retained earnings Taka	Total Taka
Balance as at 1 January 2010	576,788,000	207,572,500	103,672,184	888,032,684
Impact of changes in accounting policy for 2009 (note 2.2)	-	-	(9,637,131)	(9,637,131)
Restated balance as at 1 January 2010	576,788,000	207,572,500	94,035,053	878,395,553
Issue of bonus shares	86,518,200	-	(86,518,200)	-
Restated comprehensive income for the year	-	-	314,384,842	314,384,842
Restated balance as at 31 December 2010	663,306,200	207,572,500	321,901,695	1,192,780,395
Issue of bonus shares	99,495,930	-	(99,495,930)	-
Dividend paid on ordinary shares	-	-	(33,165,310)	(33,165,310)
Comprehensive income for the year	-	-	395,269,914	395,269,914
Balance as at 31 December 2011	762,802,130	207,572,500	584,510,369	1,554,884,999





Summit Purbanchol Power Company Limited

Statement of Cash Flows
for the year ended 31 December 2011

	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
A. Cash flow from operating activities:		
Cash received from customers	1,149,586,280	1,086,789,561
Cash paid to suppliers and employees	(597,142,920)	(451,321,088)
Interest and other charges paid	(171,673,261)	(280,550,346)
Received from other sources	18,188,966	5,838,942
<i>Net cash flow from operating activities</i>	<u>398,959,065</u>	<u>360,757,069</u>
B. Cash flow from investing activities:		
Property, plant and equipment	<u>(21,364,202)</u>	<u>(2,974,201)</u>
<i>Net cash used in investing activities</i>	<u>(21,364,202)</u>	<u>(2,974,201)</u>
C. Cash flow from financing activities:		
Payment for redeemable preference shares	(278,685,733)	(879,137,965)
Payment for finance lease	(1,702,016)	(4,869,045)
Financing (to)/from inter company	(57,051,114)	463,040,324
Payment for dividend on ordinary shares	(33,165,310)	-
<i>Net cash used in financing activities</i>	<u>(370,604,173)</u>	<u>(420,966,686)</u>
D. Net cash inflow/(outflow) for the year (A+B+C)	6,990,690	(63,183,818)
E. Opening cash and cash equivalents	61,860,613	125,044,431
F. Closing cash and cash equivalents (D+E)	<u>68,851,303</u>	<u>61,860,613</u>





Summit Purbanchol Power Company Limited

**Notes to the financial statements
as at and for the year ended 31 December 2011**

1. Reporting entity

1.1 Company profile

Summit Purbanchol Power Company Limited (the "Company") was incorporated in Bangladesh on 15 August 2007 as a Private Limited Company under Companies Act 1994 with its registered office at Summit Centre, 18 Kawran Bazar, Dhaka 1215, Bangladesh. Subsequently, the Company has been converted to Public Limited Company under the Companies Act 1994 on 3 May 2010.

1.2 Nature of business

The principal activity of the Company is to set up power plants for generation and supply of electricity. The Company has set up power plants at Rupganj under Narayanganj district and Jangalia under Comilla district of 33 MW production capacity each. The plants initiated operation and started to generate electricity from Rupganj and Jangalia from 9 June and 25 June of 2009 respectively.

2. Basis of preparation

2.1 Statement of compliance

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

The financial statements were authorised for issue by the Board of Directors on **05-MAR 2012**

2.2 Changes in accounting policy

In 2011, the Company underwent the first of its expected major overhauling of its plant and machinery. As, the benefits of such major overhauling will be consumed over 2 to 3 years the cost of such has been recognised separately in the carrying amount of respective plant and machinery in accordance with BAS 16 *Property, Plant and Equipment*. However, the carrying amount of the replaced capital spare parts relating to major overhauling has to be derecognised. Previously, the related assets were not segregated, and were thus depreciated over the life of the plant, which is 30 years. Therefore, the carrying amount of replaced capital spare parts as at earlier periods were overstated. The following table summarises the adjustments made to the statement of financial position on implementation of this new accounting policy.





	Property, plant and equipment Taka	Retained earnings Taka
Balance as reported at 1 January 2010	3,146,076,190	103,672,184
Impact of changes in accounting policy for 2009:		
WDV adjustment for all 4 engines of 33 MW JPP	(4,889,333)	(4,889,333)
WDV adjustment for 2 engine of 33 MW RPP	(2,303,131)	(2,303,131)
WDV adjustment for 2 engine of 33 MW RPP	(2,444,667)	(2,444,667)
	(9,637,131)	(9,637,131)
Restated balance as at 1 January 2010	3,136,439,059	113,309,315
Balance as reported at 31 December 2010	3,063,320,106	350,813,087
Impact of changes in accounting policy for 2009	(9,637,131)	(9,637,131)
Impact of changes in accounting policy for 2010:		
WDV adjustment for all 4 engines of 33 MW JPP	(9,778,667)	(9,778,667)
WDV adjustment for 2 engine of 33 MW RPP	(4,606,261)	(4,606,261)
WDV adjustment for 2 engine of 33 MW RPP	(4,889,333)	(4,889,333)
	(19,274,261)	(19,274,261)
Restated balance as reported at 31 December 2010	3,034,408,714	321,901,695

2.3 Future prospects

As at 31 December 2011, the Company's current liabilities exceeded its current assets by Tk 363,020,504. The directors are however confident of future prospects in view of improved profitability and support of the parent company.

2.4 Basis of measurement

Financial statements have been prepared on the historical cost basis except for land and land development stated at current cost.

2.5 Functional and presentational currency and level of precision

The financial statements are presented in Bangladesh Taka (Taka/Tk), which is the Company's functional currency. All financial information presented in Taka have been rounded off to the nearest Taka.

2.6 Use of estimates and judgment

The preparation of financial statements in conformity with BAS and BFRS requires management to make 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 on going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in the following notes:

Note 3.1.5	Depreciation
Note 3.2	Amortisation
Note - 14	Lease classification
Note - 16	Other creditors and accruals

2.7 Reporting period

The reporting period of the Company under review covers the period from 1 January to 31 December 2011.

3. Significant accounting policies

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

3.1 Property, plant and equipment

3.1.1 Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any, except land and land development. Land and land development is initially measured at cost and subsequently at current cost. 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 assets to the location and condition necessary for it to be capable of operating in the intended manner.

3.1.2 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.

3.1.3 Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of comprehensive income as incurred. Spare parts whose estimated useful life is more than one year are capitalised and depreciated using the straight-line method over the estimated useful life of 2 to 3 years when used in major repair and maintenance processes.



3.1.4 Revaluation of land and land development

S. F. Ahmed & Co., Chartered Accountants, revalued the land of the Company as at 31 December 2008, following the current cost accounting method. The revaluation resulted into a revaluation surplus aggregating Tk 207,572,500 as at 31 December 2008.

3.1.5 Depreciation

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

Plant and machinery are depreciated from the month in which the asset comes into use or is capitalised. 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 as 15% of original cost, on straight line basis on the ground that management intends to continue with operation after completion of 15 years as stated in the Power Purchase Agreement (PPA). According to PPA the management can apply for extension of the agreement two years before the expiry of the agreement and management has decided to exercise this option unless it would clearly be not in the interest of the Company at that stage.

The estimated useful lives of property, plant and equipment for the current and comparative years are as follows:

	<u>2011</u> <u>Year</u>	<u>2010</u> <u>Year</u>
Furniture and fixtures	10	10
Office and electrical equipment	5	5
Office decoration	5	5
Maintenance equipment	5	5
Civil works and others	5	5
Plant and machinery	30	30

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

3.1.6 Retirements and disposals

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



3.2 Intangible assets

Intangible assets include IT software which is measured at cost less accumulated amortisation and accumulated impairment losses.

3.2.1 Recognition and measurement

An intangible asset is recognised if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and cost of the asset can be measured reliably.

An intangible asset is measured initially at cost. After initial recognition, an intangible asset is carried at its cost less accumulated amortisation and accumulated impairment losses.

3.2.2 Amortisation

IT software is amortised over five years from the year of first utilisation.

3.3 Leases

3.3.1 Finance lease

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

3.3.2 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.

3.3.3 Depreciation

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

3.3.4 Operating lease

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



3.4 Inventories

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

3.5 Provisions

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

3.6 Contingencies

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

3.7 Revenue

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

3.8 Taxation

No provision is required for income tax on the company's profits as the company has received exemption from all such taxes from the Government of Bangladesh under the private sector power generation policy for a period of 15 years from start of its commercial operation. Such exemption will expire in June 2024.

3.9 Deferred tax

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

3.10 Finance income and expenses

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues.

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



3.11 Foreign currency

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

3.12 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:

3.12.1 Non-derivative financial instruments

Financial assets carried in the statement of financial position include cash and cash equivalents, trade and other receivables, trade and other payables, loans and redeemable preference shares.

3.12.2 Cash and cash equivalents

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

3.12.3 Trade receivables

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

3.12.4 Finance lease obligation

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



3.12.5 Loans and borrowings

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

3.12.6 Payables

The Company recognises a financial liability when its contractual obligations arising from past events are certain and the settlement of which is expected to result in an outflow from the entity of resources embodying benefits.

3.13 Redeemable preference share

The company has issued redeemable preference shares in 2010. As per BAS 32 - *Financial Instruments: Presentation*, the substance of a financial instrument rather than its legal form governs its classification on the entity's financial statements. Accordingly, the redeemable preference shares which, in substance, meet the condition of a financial liability have been classified as liabilities in these financial statements.

3.14 Impairment

3.14.1 Financial assets

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

3.14.2 Non-financial assets

At each reporting date indications of impairment are reviewed. For this review, the Company is considered as a single cash generating unit and both tangible and intangible assets are reviewed. If any indication exists, the assets' recoverable amount will need to be estimated. As at 31 December 2011, the assessment of indicators of impairment reveals that impairment testing is not required for the Company.

3.14.3 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, therefore valued at cost.

3.14.4 Trade receivables

Trade receivables are measured and stated at cost less allowance for obsolescence. Allowance for obsolescence is determined on the basis of management estimation at each reporting date.





3.15 Employee benefits

The Company maintains defined contribution plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

Defined contribution plan (provident fund)

The Company operates contributory provident fund for all its permanent employees, which is a defined contribution plan. The provident fund is administered by the Board of Trustees and is funded by contributions from employees and from the Company @ 10% of the basic pay. These contributions are invested separately from the Company's business. This fund is recognised by National Board of Revenue.

3.16 Earnings per share

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

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the affects of all dilutive potential ordinary shares. However, dilution of EPS is not applicable for these financial statements as there was no potential dilutive ordinary shares during the relevant periods.



4. Property, plant and equipment

As at 31 December 2011

a) Own assets

i) Cost

Particulars	Cost			Depreciation			Written down value as at 31 December 2011
	Balance as at 1 January 2011	Addition during the year	Disposal during the year	Balance as at 31 December 2011	Charged during the year	Disposal during the year	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Furniture and fixtures	1,428,467	149,200	-	1,577,667	143,714	-	1,293,700
Office and electrical equipment	2,387,085	274,772	-	2,661,857	498,310	-	1,284,878
Office decoration	126,612	-	-	126,612	25,322	-	80,865
Maintenance equipment	444,833	-	-	444,833	88,968	-	154,690
Civil works and others	1,962,526	2,468,832	-	4,431,358	456,436	-	3,644,227
Plant and machinery:							
33 MW Jangalia Power Plant	1,456,322,983	2,120,816	-	1,458,443,799	51,049,630	-	1,330,867,451
33 MW Rungta Power Plant	1,399,836,163	16,324,582	12,561,389	1,403,599,356	50,102,651	12,561,389	1,289,054,933
Total (i)	2,862,508,669	21,338,202	12,561,389	2,871,282,482	102,365,031	12,561,389	2,626,472,845

ii) Revaluation

Particulars	Revaluation			Depreciation			Written down value as at 31 December 2011
	Balance as at 1 January 2011	Addition during the year	Disposal during the year	Balance as at 31 December 2011	Charged during the year	Disposal during the year	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Land and land development	321,524,415	-	-	321,524,415	-	-	321,524,415
Total (ii)	321,524,415	-	-	321,524,415	-	-	321,524,415
Total assets (i+ii)	3,184,033,084	21,338,202	12,561,389	3,192,809,897	102,365,031	12,561,389	2,947,997,260

b) Leased assets

Particulars	Cost			Depreciation			Written down value as at 31 December 2011
	Balance as at 1 January 2011	Addition during the year	Disposal during the year	Balance as at 31 December 2011	Charged during the year	Disposal during the year	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Motor vehicles	13,414,482	26,000	-	13,440,482	2,686,796	-	10,716,652
Total (a+b)	3,197,447,566	21,364,202	12,561,389	3,206,250,379	105,051,827	12,561,389	2,950,721,090



4.1 Allocation of depreciation

	2011 Taka	2010 Taka
Cost of sales (note 19)	101,152,281	100,197,323
General and administrative expenses (note 21)		
Own assets	1,212,750	1,055,377
Leased assets	2,686,796	3,751,846
	3,899,546	4,807,223
	105,051,827	105,004,546

As at 31 December 2010

a) Own assets

i) Cost

Particulars	Cost		Depreciation			Written down value as at 31 December 2010 Taka
	Balance as at 1 January 2010 Taka	Addition during the year Taka	Disposal during the year Taka	Balance as at 31 December 2010 Taka	Rate %	Balance as at 31 December 2010 Taka
Furniture and fixtures	598,048	830,419	-	1,428,467	10	140,253
Office and electrical equipment	2,255,085	140,000	(8,000)	2,387,085	20	786,569
Office decoration	19,400	107,212	-	126,612	20	20,425
Maintenance equipment	444,833	-	-	444,833	20	201,175
Civil works and others	102,956	1,859,570	-	1,962,526	20	330,695
Plant and machinery:						
33 MW Jungalia Power Plant	1,456,277,983	45,000	-	1,456,322,983	3.33	76,526,718
33 MW Rupganj Power Plant	1,399,836,163	-	-	1,399,836,163	3.33	77,003,161
Total (i)	2,859,534,468	2,982,201	(8,000)	2,862,508,669		1,555,008,996

ii) Revaluation

Particulars	Revaluation		Depreciation			Written down value as at 31 December 2010 Taka
	Balance as at 1 January 2010 Taka	Addition during the year Taka	Disposal during the year Taka	Balance as at 31 December 2010 Taka	Rate %	Balance as at 31 December 2010 Taka
Land and land development	321,524,415	-	-	321,524,415		321,524,415
Total (ii)	321,524,415	-	-	321,524,415		-
Total assets (i+ii)	3,181,058,883	2,982,201	(8,000)	3,184,033,084		155,008,996

b) Leased assets



Particulars	Cost			Depreciation			Written down value as at 31 December 2010
	Balance as at 1 January 2010	Addition during the year	Disposal during the year	Balance as at 1 January 2010	Charged during the year	Disposal during the year	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Motor vehicles	13,414,482	-	-	4,278,010	3,751,846	-	5,384,626
Total (a+b)	3,194,473,365	2,982,201	(8,000)	58,034,306	105,004,546	-	3,034,408,714

As at 31 December 2009

a) Own assets

i) Cost

Particulars	Cost			Depreciation			Written down value as at 31 Dec 2009
	Balance as at 1 January 2009	Addition during the year	Disposal during the year	Balance as at 1 January 2009	Addition during the year	Disposal during the year	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Furniture and fixtures	-	598,048	-	-	28,762	-	569,286
Office and electrical equipment	558,700	1,696,385	-	89,932	216,079	-	1,949,074
Office decoration	-	19,400	-	-	-	-	19,400
Maintenance equipment	116,200	328,633	-	-	88,967	-	355,866
Civil works and others	-	102,956	-	-	-	-	102,956
Plant and machinery :	-	-	-	-	-	-	-
33 MW Jangalia Power Plant	-	1,456,277,983	-	-	25,486,618	-	1,430,791,365
33 MW Ruppunji Power Plant	-	1,399,836,163	-	-	27,845,938	-	1,371,990,225
Total (i)	674,900	2,858,859,568	-	89,932	53,666,364	-	2,805,778,172

ii) Revaluation

Particulars	Revaluation			Depreciation			Written down value as at 31 Dec 2009
	Balance as at 1 January 2009	Addition during the year	Disposal during the year	Balance as at 1 January 2009	Addition during the year	Disposal during the year	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Land & land development	320,616,000	908,415	-	-	-	-	321,524,415
Total assets (i+ii)	321,290,900	2,859,767,983	-	89,932	53,666,364	-	3,127,302,587

b) Leased assets

Particulars	Revaluation			Depreciation			Written down value as at 31 Dec 2009
	Balance as at 1 January 2009	Addition during the year	Disposal during the year	Balance as at 1 January 2009	Addition during the year	Disposal during the year	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Motor vehicles	13,367,400	47,082	-	1,604,530	2,673,480	-	9,136,472
Total (a+b)	334,658,300	2,859,815,065	-	1,694,462	56,339,844	-	3,136,439,059



5. Intangible assets

As at 31 December 2011

Particulars	Cost			Amortisation			Written down value as at 31 Dec 2011
	Balance as at 1 January 2011	Addition during the year	Balance as at 31 December 2011	Balance as at 1 January 2011	Charged during the year	Balance as at 31 December 2011	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
IT software	250,000	-	250,000	54,167	50,000	104,167	145,833
	250,000	-	250,000	54,167	50,000	104,167	145,833

As at 31 December 2010

Particulars	Cost			Amortisation			Written down value as at 31 December 2010
	Balance as at 1 January 2010	Addition during the year	Balance as at 31 December 2010	Balance as at 1 January 2010	Charged during the year	Balance as at 31 December 2010	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
IT software	250,000	-	250,000	4,167	50,000	54,167	195,833
	250,000	-	250,000	4,167	50,000	54,167	195,833

As at 31 December 2009

Particulars	Cost			Amortisation			Written down value as at 31 December 2009
	Balance as at 1 January 2009	Addition during the year	Balance as at 31 December 2009	Balance as at 1 January 2009	Charged during the year	Balance as at 31 December 2009	
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
IT software	-	250,000	250,000	-	4,167	4,167	245,833
	-	250,000	250,000	-	4,167	4,167	245,833

6. Inventories

As at 31 December 2011

Particulars	Balance as at 1 January 2011	Purchase/transfer during the year	Inter-company transfer-in during the year	Consumption/transfer during the year	Inter-company transfer-out during the year	Balance as at 31 December 2011
	Taka	Taka	Taka	Taka	Taka	Taka
Stock in hand						
Spare parts	26,626,059	103,950,922	24,632,116	(59,188,894)	(10,012,353)	86,007,850
Fuel	5,363,015	38,815,022	17,752	(28,557,701)	(999,265)	14,638,823
	31,989,074	142,765,944	24,649,868	(87,746,595)	(11,011,618)	100,646,673
Stock in transit						
Spare parts	-	102,647,211	-	(102,647,211)	-	-
	-	102,647,211	-	(102,647,211)	-	-
Total	31,989,074					100,646,673

As at 31 December 2010

Particulars	Balance as at 1 January 2010	Purchase/transfer during the year	Inter-company transfer-in during the year	Consumption/transfer during the year	Inter-company transfer-out during the year	Balance as at 31 December 2010
	Taka	Taka	Taka	Taka	Taka	Taka
Stock in hand						
Spare parts	17,123,255	26,241,589	5,494,450	(15,385,731)	(6,787,298)	26,686,265
Fuel	4,972,247	23,042,040	159,840	(22,270,718)	(600,600)	5,302,809
	22,095,502	49,283,629	5,654,290	(37,656,449)	(7,387,898)	31,989,074



7. Trade receivables

	As at 31 December 2011	As at 31 December 2010	As at 1 January 2010
	Taka	Taka	Taka
Bangladesh Power Development Board - Comilla	105,410,908	92,206,188	91,484,499
Narayanganj Palli Bidyut Samity (REB)	80,178,900	93,870,254	39,629,541
	185,589,808	186,076,442	131,114,040
Less: Provision for doubtful debt	4,084,928	-	-
	181,504,880	186,076,442	131,114,040

8. Others receivables

Interest on fixed deposit receipt	-	362,500	-
VAT deduction at sources	888,771	888,771	1,965,949
	888,771	1,251,271	1,965,949
Less: Provision for doubtful debt (VAT)	888,771	-	-
	-	1,251,271	1,965,949

9. Advances, deposits and prepayments

Advances:

Advance to outsiders	1,400,000	-	57,565
Advance against spare parts	-	56,861	-
Advance to employees	-	107,000	315,000
	1,400,000	163,861	372,565

Deposits:

Security deposit (non-interest bearing)	27,000	118,410	155,474
Bakhrabad Gas Systems Ltd.	2,470,323	2,470,323	2,470,323
Bangladesh Power Development Board (BPDB)	3,936,823	3,936,823	3,936,823
Rural Electrification Board (REB)	3,936,823	3,936,823	3,936,823
Titas Gas Transmission and Distribution Co. Ltd.	2,470,323	2,470,323	2,470,323
	12,841,292	12,932,702	12,969,766

Prepayments:

Insurance premium	2,886,581	3,237,882	2,879,309
Annual licence fees (BERC)	2,000,000	-	-
Agency commission	351,301	-	-
	5,237,882	3,237,882	2,879,309
	19,479,174	16,334,445	16,221,640





10. Cash and cash equivalents

	As at 31 December 2011 Taka	As at 31 December 2010 Taka	As at 1 January 2010 Taka
Cash in hand	60,000	60,000	60,000
Cash at bank:			
Bank Asia Limited	414,270	415,770	417,420
BRAC Bank Limited	49,621,000	177,802	119,705,339
Citibank N.A.	24,981	234,151	31,421
Dutch-Bangla Bank Limited	14,919,922	7,702,828	834,754
Mutual Trust Bank Limited	1,822,015	1,824,165	1,826,645
National Credit and Commerce Bank Limited	1,180,525	1,183,023	1,310,144
Premier Bank Limited	701,703	153,217	746,294
United Commercial Bank Limited	33,416	34,686	36,073
Sonali Bank Limited	73,471	74,971	76,341
	68,791,303	11,800,613	124,984,431
Fixed deposit receipt (FDR):			
Mercantile Bank Limited	-	50,000,000	-
	-	50,000,000	-
	68,851,303	61,860,613	125,044,431

11. Share capital

Authorised:			
70,000,000 ordinary shares of Tk 10 each	700,000,000	700,000,000	700,000,000
100,000,000 ordinary shares of Tk 10 each	1,000,000,000	1,000,000,000	-
25,000,000 redeemable preference share of Tk. 100 each	2,500,000,000	2,500,000,000	2,500,000,000
	4,200,000,000	4,200,000,000	3,200,000,000
Issued, subscribed and paid-up:			
57,678,800 ordinary shares of Tk 10 each	576,788,000	576,788,000	576,788,000
8,651,820 bonus shares of Tk 10 each issued in 2010	86,518,200	86,518,200	-
9,949,593 bonus shares of Tk 10 each issued in 2011	99,495,930	-	-
	762,802,130	663,306,200	576,788,000

Shareholding position was as follows:

Name of shareholders	Percentage of shareholdings as at 31 December		Value of shareholdings as at 31 December		
	2011	2010	2011	2010	2009
Summit Power Limited	98.999995	98.9999943	755,174,070	656,673,100	571,020,100
Summit Industrial & Mercantile Corporation (Pvt.) Ltd.	0.9999330	0.9999303	7,627,510	6,632,600	5,767,900
Mr. Muhammad Aziz Khan	0.0000144	0.0000151	110	100	-
Mr. Latif Khan	0.0000144	0.0000151	110	100	-
Mr. Muhammad Farid Khan	0.0000144	0.0000151	110	100	-
Mr. Jafer Ummeed Khan	0.0000144	0.0000151	110	100	-
Ms. Ayesha Aziz Khan	0.0000144	0.0000151	110	100	-
	100	100	762,802,130	663,306,200	576,788,000





Classification of shareholders by holding:

Name of shareholders	No. of holders as at 31 December		% of holdings as at 31 December		
	2011	2010	2011	2010	2009
Less than 500 shares	5	5	0.00000072103	0.00000075380	Nil
500 to 5,000 shares	Nil	Nil	Nil	Nil	Nil
5,001 to 10,000 shares	Nil	Nil	Nil	Nil	Nil
10,001 to 20,000 shares	Nil	Nil	Nil	Nil	Nil
20,001 to 30,000 shares	Nil	Nil	Nil	Nil	Nil
30,001 to 40,000 shares	Nil	Nil	Nil	Nil	Nil
40,001 to 50,000 shares	Nil	Nil	Nil	Nil	Nil
50,001 to 100,000 shares	Nil	Nil	Nil	Nil	Nil
100,001 to 1,000,000 shares	Nil	Nil	Nil	Nil	Nil
1,000,001 to 10,000,000 shares	2	2	99.99999928	99.9999992	100
	<u>7</u>	<u>7</u>	<u>100</u>	<u>100</u>	<u>100</u>

12. Project loan

As at 31 December 2011	As at 31 December 2010	As at 1 January 2010
Taka	Taka	Taka

Industrial and Infrastructure Development Finance Company Limited (IIDFC):

Opening balance	-	2,472,702,943	596,666,667
Amount received during the year	-	-	1,876,036,276
Interest accrued during the year	-	123,459,712	-
Repayment of outstanding loan	-	(853,039,755)	-
Loan converted to redeemable preference shares	-	(1,743,122,900)	-
	<u>-</u>	<u>-</u>	<u>2,472,702,943</u>
Short-term portion	-	-	353,243,278
Long-term portion	-	-	2,119,459,665
	<u>-</u>	<u>-</u>	<u>2,472,702,943</u>

IIDFC (lead arranger) along with other banks arranged a syndicated loan of Tk. 2,385,000,000 in 2008. The interest rate of this syndicated loan was of 13 - 14% per annum, subject to semi-annual review by the agent and the lenders, from the date of first advance. The first advance was made on 22 September 2008. The moratorium period of this syndication loan was of 21 months/7 quarters commencing from the date of first advance. However, total of loan including outstanding interest has been converted into redeemable preference shares on 12 August 2010.

13. Redeemable preference shares (Note 3.13)

Opening balance	1,595,614,952	-	-
Project loan converted into redeemable preference share	-	1,743,122,900	-
New issue of redeemable preference share	-	150,000,000	-
	<u>1,595,614,952</u>	<u>1,893,122,900</u>	<u>-</u>
Less: Transaction costs	-	15,590,122	-
	<u>1,595,614,952</u>	<u>1,877,532,778</u>	<u>-</u>
Add: Amortisation of transaction costs	5,282,068	2,049,974	-
	<u>1,600,897,020</u>	<u>1,879,582,752</u>	<u>-</u>
Less: Repayment of installment	283,967,800	283,967,800	-
Closing balance	<u>1,316,929,220</u>	<u>1,595,614,952</u>	<u>-</u>





13.1 Redeemable preference shares

	As at 31 December 2011	As at 31 December 2010	As at 1 January 2010
	Taka	Taka	Taka
Short-term portion	283,967,800	283,967,800	-
Long-term portion	1,032,961,420	1,311,647,152	-
	<u>1,316,929,220</u>	<u>1,595,614,952</u>	<u>-</u>

Out of total redeemable preference shares, Tk 1,743,122,900 has been converted from project loan on 12 August 2010 and Tk 150,000,000 divided into 1,500,000 shares of each Tk 100 has been issued on 30 September 2010 bearing dividend @ 10 - 10.5% per annum payable half yearly commencing from December 2010. Preference shares will be redeemed over 6 years or by 7 installments payable at the end of each year commencing from December 2010.

Transaction cost represents issue costs of redeemable preference shares. This has been capitalised and to be amortised over the term of redeemable preference shares.

14. Finance lease

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

	As at 31 December 2011			As at 31 December 2010	As at 1 January 2010
	Short-term	Long-term	Total	Total	Total
	Taka	Taka	Taka	Taka	Taka
Payable to:					
United Leasing Company Ltd.	-	-	-	1,434,940	5,335,759
Prime Finance & Investment Ltd.	-	-	-	267,076	1,235,302
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,702,016</u>	<u>6,571,061</u>

The Company entered into lease agreements with United Leasing Company Ltd. for Tk 10,674,000 in May of 2008 and with Prime Finance & Investment Ltd. for Tk 2,552,918 in March of 2008. Both the agreements have expired in April and March of 2011 respectively.

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

	2011			2010	2009
	Future minimum lease	Interest	Present value of minimum lease payment	Present value of minimum lease payment	Present value of minimum lease payment
	Taka	Taka	Taka	Taka	Taka
Not later than one year	-	-	-	1,702,016	4,869,045
Later than one year but not later than five years	-	-	-	-	1,702,016
Total obligation under finance lease	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,702,016</u>	<u>6,571,061</u>



**15. Trade creditors**

	As at 31 December 2011	As at 31 December 2010	As at 1 January 2010
	Taka	Taka	Taka
Gas bill - Bakhrabad Gas Systems Limited	12,321,296	22,740,836	21,971,070
Gas bill - Titas Gas Transmission and Dist. Co. Ltd.	16,995,272	28,517,199	11,259,854
Ranks Petroleum Ltd.	175,599	165,519	3,758,400
Navana Petroleum Ltd.	200,158	2,253,998	-
Wartsila Bangladesh Ltd.	783,411	-	-
Mobil Jamuna Ltd.	6,300	-	-
	<u>30,482,036</u>	<u>53,677,552</u>	<u>36,989,324</u>

16. Other creditors and accruals

Liability - Withholding TAX and VAT	183,663	14,566,432	10,822,195
Contech Construction Ltd.	-	-	15,186,753
M/S Business King	-	-	1,737,342
M/S Silicon Engineers	-	-	2,137,188
Audit fee and certification	292,600	250,000	274,050
M/S Silicon Engineers	1,326,636	1,326,636	-
Foreign technical assistance fees	37,600,000	35,525,000	34,675,000
Others	235,426	207,922	209,882
	<u>39,638,325</u>	<u>51,875,990</u>	<u>65,042,410</u>

17. Inter company payables

Payable to:			
Summit Uttaranchol Power Company Ltd.	166,707,828	122,235,985	76,880,950
Summit Power Limited	212,706,545	314,229,502	-
	<u>379,414,373</u>	<u>436,465,487</u>	<u>76,880,950</u>

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





18. Revenue

	2011 Taka	2010 Taka
Plants		
Jangalia Power Plant, Comilla	569,804,127	563,643,317
Rupganj Power Plant, Narayanganj	575,210,591	578,108,646
	<u>1,145,014,718</u>	<u>1,141,751,963</u>

19. Cost of sales

Gas consumption - Jangalia Power Plant	164,502,754	172,912,051
Gas consumption - Rupganj Power Plant	179,810,979	190,374,070
Tools and spare consumption	48,824,081	17,025,766
Lube and other oil expenses	28,789,303	22,502,843
Maintenance works expenses	12,031,268	99,170
Plant maintenance	1,294,281	1,288,888
Depreciation on plant and machinery	101,152,281	100,197,323
	<u>536,404,947</u>	<u>504,400,111</u>

20. Other income, net

	1,414,272	1,876,380
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Other income represents proceeds from disposal of waste lubricant and empty drum.

21. General and administrative expenses

Salary and allowances	25,609,354	21,974,663
Board meeting attendance fees	132,300	180,900
Travelling and conveyance	249,499	157,708
Education and training expenses	-	16,500
Vehicle fuel and maintenance	507,525	516,483
Entertainment and others	677,992	450,394
Printing and stationery	107,342	63,161
General repair and maintenance	517,686	534,016
Office expenses	52,059	76,224
Communication expenses	645,672	520,896
Rent, rates and taxes	2,471,281	2,603,602
Utility expenses	78,440	280,679
Advertisement and publicity	2,236,855	1,608,914
Gift and compliments	37,500	17,000
Legal and professional consultancy fees	2,730,118	216,500
Statutory audit fees	280,000	250,000
Interim audit fees and certification expenses	429,200	-
Bad debt expenses	4,973,699	-
Uniform and liveries	349,930	284,250
Insurance premium	6,386,589	6,515,836
Donation and subscription	1,628,404	1,661,786
Depreciation (Note 4.a)	3,899,546	4,807,223
Amortisation (Note 5)	50,000	50,000
Medical and welfare expenses	5,828	5,022
Environmental compliance cost	250,000	195,000
IPO expenses	56,774	-
Credit rating expenses	400,000	-
Miscellaneous expenses	138,600	118,850
Security and temporary contract worker	2,578,323	2,216,526
Annual fees (note 21.1)	1,123,775	1,245,999
	<u>58,604,291</u>	<u>46,568,132</u>

21.1 Annual fees includes annual license fee of Bangladesh Energy Regulatory Commission (BERC), annual trade license fee, consent fee of SEC for raising paid-up capital and others.





22. Finance income

	<u>2011</u> <u>Taka</u>	<u>2010</u> <u>Taka</u>
Interest on FDR / STD A/C	15,523,423	4,325,062
	<u>15,523,423</u>	<u>4,325,062</u>

23. Finance costs

Interest and dividend:

Interest on project loan	-	204,835,694
Interest on lease finance from United Leasing Co. Ltd.	45,132	539,397
Interest on lease finance from Prime Finance and Inv. Ltd	7,156	128,692
Dividend on redeemable preference shares	168,870,894	74,882,132
	<u>168,923,182</u>	<u>280,385,915</u>

Bank charges and similar fees	100,079	1,140,706
Foreign exchange loss	2,075,000	850,000
Annual agency fees	575,000	223,699
	<u>171,673,261</u>	<u>282,600,320</u>

24. Earnings per share (EPS)

Basic earnings per share

The computation of EPS is given below:

a) Profit attributable to the ordinary shareholders	<u>395,269,914</u>	<u>314,384,842</u>
b) Weighted average number of shares outstanding	<u>76,280,213</u>	<u>66,330,620</u>
Earnings per share (EPS) (a/b)	<u>5.18</u>	<u>4.74</u>
Restated earnings per share (EPS)		<u>4.12</u>



**25. Financial risk management**

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

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's 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. The Board is assisted in its oversight role by Internal Audit under Audit Committee of Summit Power Limited. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board.

26. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivable from customers and investment securities. The Company's sales are made to Government entities, viz, Bangladesh Power Development Board (BPDB) and Rural Electrification Board (REB) under the conditions of the long term Power Purchase Agreement (PPA). Sales made to these entities are fully secured by Letters of Credit issued by local scheduled banks. Credit risk does not arise in respect of any other receivables.

26.1. Exposure to credit risk

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

	As at 31 Dec 2011 Taka	As at 31 Dec 2010 Taka
Trade receivables, net of provision	181,504,880	186,076,442
Other receivables	-	1,251,271
Advances, deposits and prepayments	19,479,174	16,334,445
Cash and cash equivalents	68,851,303	61,860,613
	<u>269,835,357</u>	<u>265,522,771</u>

26.2. Aging of trade receivables

Invoiced 0 - 30 days	181,504,880	186,076,442
Invoiced over 180 days	4,084,928	-
	<u>181,504,880</u>	<u>186,076,442</u>



27. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company'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 reputation. Typically, the Company ensures that it has sufficient cash and cash equivalents 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 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 repaid a portion of its financial liabilities in 2011 on due dates. Rest of the financial liabilities are expected to be repaid in due time which are to be expected to be financed from operational cash flow.

The following are the contractual maturities of financial liabilities:

	As at 31 December 2011 (Taka in Million)						
	Carrying amount	Contractual cash flows	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Redeemable preference share	1,317	1,893	284	284	284	852	189
Trade creditors	30	30	30	-	-	-	-
Others creditors and accruals	40	40	40	-	-	-	-
Inter company payables	379	379	379	-	-	-	-

	As at 31 December 2010 (Taka in Million)						
	Carrying amount <u>Taka</u>	Contractual cash flows <u>Taka</u>	6 months or less <u>Taka</u>	6 - 12 months <u>Taka</u>	1 - 2 years <u>Taka</u>	2 - 5 years <u>Taka</u>	More than 5 years <u>Taka</u>
Redeemable preference share	1,596	1,893	284	284	284	852	189
Finance lease	2	13	2	2	4	5	-
Trade creditors	54	54	54	-	-	-	-
Others creditors and accruals	51	51	51	-	-	-	-
Inter company payables	436	436	436	-	-	-	-

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

28. Market risk

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



**28.1. Currency risk**

The Company is exposed to currency risk on purchases of spare parts and consultancy services that are denominated in a currency other than functional currency primarily the Euro and U. S. Dollars. The effects of foreign purchase are insignificant to the Company. The Company has not entered into any type of derivatives instrument in order to hedge foreign currency risk as at 31 December 2011.

28.1.a. Exposure to currency risk

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

	As at 31 Dec 2011 Taka	As at 31 Dec 2010 Taka
Other creditors and accruals	37,600,000	35,525,000
	<u>37,600,000</u>	<u>35,525,000</u>

The following significant exchange rates are applicable during the year:

U. S. Dollar (USD)	75.20	69.80
Euro	105.00	101.00

28.1.b. Foreign exchange rate sensitivity analysis for foreign currency expenditures in 2011

A change of 10 basis points in foreign currencies in 2011 would have increased/decreased equity and profits or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates remain constant.

	<u>Profit or loss (Taka)</u>		<u>Equity (Taka in million)</u>	
	10 bp increase	10 bp decrease	10 bp increase	10 bp decrease
Expenditures denominated in Euro	(1.34)	1.34	(1.34)	1.34

28.2. Interest rate risk

Interest rate risk is the risk that arises due to changes in interest rates on borrowings. Local loans are however not significantly affected by fluctuations in interest rates.

29. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Board also monitors dividend trend to ordinary shareholders.





30. Contingent liability

Contingent liabilities existed for the Company were as follows:

<u>Nature of contingent liability</u>	<u>Expiry date</u>	As at	As at
		<u>31 Dec 2011</u>	<u>31 Dec 2010</u>
		<u>Taka</u>	<u>Taka</u>
Bank Guarantee - Titas gas T&D - Rupganj	25.01.2014	24,703,233	24,703,233
Bank Guarantee - Bakhrabad - Jangalia	25.01.2014	24,703,233	24,703,233
Operation Bond - BPDB AG. Jangalia, Comilla Project	05.08.2014	39,368,234	39,368,234
Operation Bond - REB AG. Rupganj, Narayanganj Project	05.08.2014	39,368,234	39,368,234
		<u>128,142,934</u>	<u>128,142,934</u>

31. Commitment of capital expenditure

There was no commitment of capital expenditure for the year ended 31 December 2011.

32. Foreign currency transactions

<u>Payment during 2011</u>	<u>Currency</u>	<u>2011</u>	<u>2010</u>
Spare parts	Euro	919,361	260,724

In addition, it is disclosed that the Company has no letter of credit (LC) on 31 December 2011 in hand for which it has to pay in year of 2012.

33. Related party transaction

33.1 Related party transactions and closing balances

During the year, the company carried out a number of transactions with related parties in the normal course of business. The names of the related parties and nature of these transactions have been set out in accordance with the provisions of BAS 24: *Related Party Disclosures*.

<u>Name of the party</u>	<u>Relationship with the entity</u>	<u>Nature of transaction</u>	<u>Transaction during the year</u>		<u>Balance as at</u>	
			<u>2011</u>	<u>2010</u>	<u>31 Dec 2011</u>	<u>31 Dec 2010</u>
			<u>Taka</u>	<u>Taka</u>	<u>Taka</u>	<u>Taka</u>
Summit Power Limited	Parent company	Non interest bearing short term financing/ spare parts/sharing of common administrative expenses	342,153,569	536,002,367	(212,706,545)	(314,229,502)
Summit Uttaranchol Power Company Ltd.	Subsidiary of parent	Short term financing	64,295,351	167,897,923	(166,707,828)	(122,235,985)

33.2 Key management personnel compensation comprise

	<u>2011</u>	<u>2010</u>
	<u>Taka</u>	<u>Taka</u>
Short-term employee benefits (salary and allowances)	5,375,712	4,479,760
Long-term employee benefits (Provident fund)	307,152	255,960
	<u>5,682,864</u>	<u>4,735,720</u>

Key management personnel include managing director, deputy managing director, finance controller, general manager, accounts manager, plant managers.





34. Capacity

Name of plants	Licenced & Ins. capacity	Plant factor (% on licensed capacity)		Energy sold (MWH)	
		year ended 31 December			
		2011	2010	2011	2010
Jangalia - Comilla	33 MW	Average: : 75.51 Max. : : 89.00	Average: : 75.5 Max. : : 90.50	218,281	217,925
Rupganj - Narayanganj	33 MW	Average: : 76.03 Max. : : 89.00	Average: : 80.87 Max. : : 91.72	219,786	233,993

35. Events after reporting period

There are no material events that had occurred after the reporting period to the date of issue of these financial statements, which could affect the figures stated in the financial statements.

36. Number of employees

During the year ended on 31 December 2011 there were 87 (2010: 84) employees who received salary Tk 36,000 or above per year. Details of employees are as under:

Types of employees	No. of employees
Full-time employees	45
Contractual employees	27
Casual employees	15

37. General

Comparative figures have been rearranged, wherever necessary, to conform to current year's presentation.





SECTION-XV

AUDITOR'S CERTIFICATES

**Rahman Rahman Huq**

Chartered Accountants
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Summit Purbanchol Power Company Limited

**Auditors' Report in pursuance of Section 135 (1) under para 24 (1) of
Part II of the Third Schedule of Companies Act 1994**

We, as the auditors of the above company, having examined the Financial Statements of Summit Purbanchol Power Company Limited for the period/years ended 31 December 2011, 2010, 2009, 2008 and 2007, which were audited by us, in pursuance of Section 135 (1) under para 24 (1) of part II of the Third Schedule of the Companies Act 1994, report that:

1. The Company was incorporated as a "Private" limited company by shares on 15 August 2007 and converted into "Public" limited company on 3 May 2010 under the Companies Act 1994.

2. The statements of operating results and financial position of Summit Purbanchol Power Company Limited are as under:

A. The statements of assets and liabilities of the Company as under:

Particulars	As at 31 Dec 2011 Taka	As at 31 Dec 2010 Taka Restated*	As at 31 Dec 2009 Taka Restated*	As at 31 Dec 2008 Taka	As at 31 Dec 2007 Taka
Assets					
Property, plant and equipment	2,950,721,090	3,034,408,714	3,136,439,059	11,233,840	-
Capital work in progress	-	-	-	1,058,218,702	200,716,693
Intangible assets	145,833	195,833	245,833	-	-
Total non-current assets	2,950,866,923	3,034,604,547	3,136,684,892	1,069,452,542	200,716,693
Inventories	100,646,673	31,989,074	22,095,502	7,750	-
Accounts receivable	181,504,880	186,076,442	131,114,040	-	-
Other receivables	-	1,251,271	1,965,949	-	-
Inter company receivables	-	-	103,455,787	272,424,953	-
Advances, deposits and prepayments	19,479,174	16,334,445	16,221,640	11,404,988	10,000,000
Cash and cash equivalents	68,851,303	61,860,613	125,044,431	24,782,821	125,260
Total current assets	370,482,030	297,511,845	399,897,349	308,620,512	10,125,260
Total assets	3,321,348,953	3,332,116,392	3,536,582,241	1,378,073,054	210,841,953
EQUITY & LIABILITIES					
Share capital	762,802,130	663,306,200	576,788,000	100,000	100,000
Share money deposit	-	-	-	576,688,000	-
Revaluation reserve	207,572,500	207,572,500	207,572,500	207,572,500	-
Retained earnings/(loss)	584,510,369	321,901,695	94,035,053	(15,332,331)	(1,435,870)
Total equity attributable to equity holders	1,554,884,999	1,192,780,395	878,395,553	769,028,169	(1,335,870)
Non-current Liabilities					
Project loan - non current portion	-	-	2,119,459,665	596,666,667	-
Redeemable pref. shares - non-current portion	1,032,961,420	1,311,647,152	-	-	-
Obligation under finance lease - long term portion	-	-	1,702,016	6,524,078	-
Total non-current liabilities	1,032,961,420	1,311,647,152	2,121,161,681	603,190,745	-
Trade creditors	30,482,036	53,677,552	36,989,324	-	-
Short term loan	-	-	-	-	196,638,259
Others creditors and accruals	39,638,325	51,875,990	65,042,410	1,667,720	41,800
Inter company payables	379,414,373	436,465,487	76,880,950	-	15,497,764
Project loan - current portion	-	-	353,243,278	-	-
Redeemable preference shares - current portion	283,967,800	283,967,800	-	-	-
Obligation under finance lease - current portion	-	1,702,016	4,869,045	4,186,420	-
Total current liabilities	733,502,534	827,688,845	537,025,007	5,854,140	212,177,823
Total liabilities	1,766,463,954	2,139,335,997	2,658,186,688	609,044,885	212,177,823
Total equity and liabilities	3,321,348,953	3,332,116,392	3,536,582,241	1,378,073,054	210,841,953

* Balances of property, plant and equipment and retained earnings have been restated to give effect of the changes in accounting policy.

Rahman Rahman Huq, a partnership firm registered in Bangladesh and a member firm of the KPMG network of independent member firms affiliated with KPMG International cooperative ("KPMG International"), a Swiss entity.

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Rahman Rahman Huq
Chartered Accountants

B. The statement of operating results of the Company as follows:

Particulars	1 Jan to 31 Dec 2011	1 Jan to 31 Dec 2010	1 Jan to 31 Dec 2009	1 Jan to 31 Dec 2008	15 Aug to 31 Dec 2007
	Taka	Taka Restated*	Taka Restated*	Taka	Taka
Operating revenues	1,145,014,718	1,141,751,963	610,733,770	-	-
Operating expenses	(536,404,947)	(504,400,111)	(267,648,494)	-	-
Gross profit	608,609,771	637,351,852	343,085,276	-	-
General and administrative expenses	(58,604,291)	(46,568,132)	(48,300,561)	(15,431,638)	(1,425,400)
Other income	1,414,272	1,876,380	495,245	573,135	-
Operating profit/(loss)	551,419,752	592,660,100	295,279,960	(14,858,503)	(1,425,400)
Finance income	15,523,423	4,325,062	-	2,300,139	-
Financial costs	(171,673,261)	(282,600,320)	(177,389,443)	(1,338,097)	(10,470)
Net profit for the year	395,269,914	314,384,842	117,890,517	(13,896,461)	(1,435,870)
Accumulated profit/(loss) brought forward	321,901,695	94,035,053	(14,218,333)	(1,435,870)	-
Impact of changes in accounting policy for 2009	-	-	(9,637,131)	-	-
	717,171,609	408,419,895	94,035,053	(15,332,331)	(1,435,870)
Ordinary stock dividend	(99,495,930)	(86,518,200)	-	-	-
Ordinary cash dividend	(33,165,310)	-	-	-	-
Retained earnings/(loss)	584,510,369	321,901,695	94,035,053	(15,332,331)	(1,435,870)

* Cost of sales and retained earnings have been restated to give effect of the changes in accounting policy.

C. Cash Flow Statement is as follows:

Particulars	1 Jan to 31 Dec 2011	1 Jan to 31 Dec 2010	1 Jan to 31 Dec 2009	1 Jan to 31 Dec 2008	15 Aug to 31 Dec 2007
	Taka	Taka	Taka	Taka	Taka
Cash flow from operating activities:					
Cash received from customers	1,149,586,280	1,086,789,561	479,619,730	-	-
Cash paid to suppliers and employees	(597,142,920)	(451,321,088)	(197,748,514)	(10,859,347)	(1,383,600)
Interest and other charges paid	(171,673,261)	(280,550,346)	(177,389,443)	-	(10,470)
Received from other sources	18,188,966	5,838,942	495,245	962,042	-
Net cash from/(used in) operating activities	398,959,065	360,757,069	104,977,018	(9,897,305)	(1,394,070)
Cash flow from investing activities:					
Capital work in progress	-	-	(2,119,419,859)	(649,929,509)	(200,716,693)
Property, plant and equipment	(21,364,202)	(2,974,201)	(3,042,505)	(815,382)	-
Bank guarantee margin relating to project	-	-	-	(977,514)	(10,000,000)
Net cash used in investing activities	(21,364,202)	(2,974,201)	(2,122,462,364)	(651,722,405)	(210,716,693)
Cash flow from financing activities:					
Proceeds from project loan	-	-	1,876,036,276	596,666,667	-
Short term loan	-	-	-	(196,638,259)	196,638,259
Payment of project loan	-	(729,580,043)	-	-	-
Payment of finance lease	(1,702,016)	(4,869,045)	(4,139,437)	(2,516,420)	-
Proceeds from redeemable preference share	-	150,000,000	-	-	-
Repayment of redeemable preference share	(278,685,733)	(283,967,800)	-	-	-
Payment of transaction costs related to redeemable pre. Share	-	(15,590,122)	-	-	-
Financing (to)/from inter company	(57,051,114)	463,040,324	245,850,116	(287,922,717)	15,497,764
Share capital	-	-	-	-	100,000
Share money deposit	-	-	-	576,688,000	-
Payment of dividend on ordinary shares	(33,165,310)	-	-	-	-
Net cash (used in)/from financing activities	(370,604,173)	(420,966,686)	2,117,746,955	686,277,271	212,236,023
Net cash inflow/(outflow) for the period/year	6,990,690	(63,183,818)	100,261,610	24,657,561	125,260
Opening cash and bank balances	61,860,613	125,044,431	24,782,821	125,260	-
Closing bank balance	68,851,303	61,860,613	125,044,431	24,782,821	125,260



Rahman Rahman Huq
Chartered Accountants

D. Dividend

Particulars	1 Jan to 31 Dec 2011	1 Jan to 31 Dec 2010	1 Jan to 31 Dec 2009	1 Jan to 31 Dec 2008	15 Aug to 31 Dec 2007
	Taka	Taka	Taka	Taka	Taka

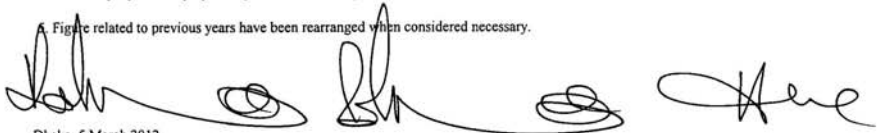
The company declared dividend as follows:

Ordinary stock dividend for the year 2009 @ 15%	-	86,518,200	-	-	-
Ordinary stock dividend for the year 2010 @ 15%	99,495,930	-	-	-	-
Ordinary cash dividend for the year 2010 @ 5%	33,165,310	-	-	-	-
Dividend on redeemable preference shares @ 10%	154,382,884	68,618,646	-	-	-
Dividend on redeemable preference shares @ 10.50%	9,205,942	4,213,512	-	-	-

3. The Company has no subsidiary company.

4. The Company did not prepare any accounts for the period subsequent to 31 December 2011

5. Figure related to previous years have been rearranged when considered necessary.



Dhaka, 5 March 2012

**Rahman Rahman Huq**

Chartered Accountants
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Summit Purbanchol Power Company Limited**Auditors' Certificate regarding calculations of EPS and Ratios**

We have examined the following Earning Per Share (EPS) and other ratios of Summit Purbanchol Power Company Limited for the period/years ended 31 December 2011, 2010, 2009, 2008 and 2007, which have been produced by the management of the Company to us. The preparation of the EPS and other ratios is the responsibility of the Company's management. Our responsibility is to review them and certify as to whether they have been properly prepared using stated principles on the basis of audited Financial Statements for the period/years ended 31 December 2011, 2010, 2009, 2008 and 2007.

Based on our review, we certify that the Company has properly prepared the following EPS and other ratios using stated principles on the basis of audited Financial Statements for the year ended 31 December 2011, 2010, 2009, 2008 and 2007.

Selected Ratio are as specified in rule 8 B (20c)/Annexure B of the "Securities and Exchange Commission (Public Issue) Rules, 2006"

<u>Liquidity Ratios</u>	<u>Formula</u>	<u>31 Dec 2011</u>	<u>31 Dec 2010</u>	<u>31 Dec 2009</u>	<u>31 Dec 2008</u>	<u>31 Dec 2007</u>
Current Ratio (Times)	$= \frac{\text{Current Assets}}{\text{Current Liabilities}}$	0.51	0.36	0.74	52.72	0.05
Quick Ratio (Times)	$= \frac{\text{Current Assets} - \text{Stock} - \text{prepayments}}{\text{Current Liabilities}}$	0.34	0.30	0.67	50.77	0.00
Time Interest Earn Ratio (Times)	$= \frac{\text{Operating profit/(loss)} + \text{Finance Income}}{\text{Interest Charge}}$	3.30	2.11	1.66	(9.39)	(136.14)
Debt/ Equity Ratio (Times)	$= \frac{\text{Loans} + \text{pref. shares} + \text{Lease obligation}}{\text{Shareholders Equity}}$	0.85	1.34	2.82	0.79	(147.20)
Operating Ratios						
Accounts Receivable Turnover Ratio (Times)	$= \frac{\text{Sales}}{\text{Avg Accounts Receivable}}$	6.23	7.20	4.66	-	-
Inventory Turnover Ratio (Times)	$= \frac{\text{COS}}{\text{Average Inventory}}$	8.09	18.65	24.22	-	-
Asset Turnover Ratio (Times)	$= \frac{\text{Sales}}{\text{Average Total Assets}}$	0.34	0.33	0.25	-	-
Profitability Ratios						
Gross Margin Ratio (%)	$= \frac{\text{Gross Profit}}{\text{Sales}}$	53.15%	55.82%	56.18%	-	-
Operating Income Ratio (%)	$= \frac{\text{Operating Income}}{\text{Sales}}$	48.16%	51.91%	48.35%	-	-
Net Income Ratio (Before Tax) (%)	$= \frac{\text{NIBT}}{\text{Sales}}$	34.52%	27.54%	19.30%	-	-
Net Income Ratio (After Tax) (%)	$= \frac{\text{NIAT}}{\text{Sales}}$	34.52%	27.54%	19.30%	-	-
Return on Assets (%)	$= \frac{\text{Net Profit After Tax}}{\text{Avg. Total Assets}}$	11.88%	9.15%	4.80%	-1.75%	-0.68%
Return on Equity (%)	$= \frac{\text{Net Profit After Tax}}{\text{Average Shareholders Equity}}$	28.77%	30.36%	14.31%	-3.62%	107.49%
Earning Per Share (Taka)	$= \frac{\text{Net profit attributable to ordinary shareholders}}{\text{Weighted Average Numbers of Shares}}$	5.18	4.74	2.04	-	-
Weighted Average No. of Shares		76,280,213	66,330,620	57,678,800	10,000	10,000
Face Value of each Shares		10	10	10	10	10

Dhaka, 5 March 2012

Rahman Rahman Huq, a partnership firm registered in Bangladesh and a member firm of the KPMG network of independent member firms affiliated with KPMG International cooperative ("KPMG International"), a Swiss entity.

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Summit Purbanchol Power Company Limited**Net Asset Value per share based on shareholder's equity**

Net Asset Value (NAV) is calculated by dividing the Company's total shareholders equity with the number of paid up ordinary shares. Figures have been used from the audited Statement of Financial Position as at 31 December 2011 which are as follows:

<u>Particulars</u>	<u>Amount (Taka)</u>
Share capital (paid up)	762,802,130
Revaluation reserve	207,572,500
Retained earnings	584,510,369
Total shareholders' equity	1,554,884,999
 Total number of paid up ordinary shares as at 31 December 2011	 76,280,213
 Net Assets Value per share (considering revaluation reserve)	 20.3839
 Net Assets Value per share (without revaluation reserve)	 17.6627
 Face value of share	 10.00

We have examined the above calculation of Net Asset Value per share of Summit Purbanchol Power Company Limited as at 31 December 2011 prepared by the management of Summit Purbanchol Power Company Limited and have found that it is properly prepared on the basis of audited financial statements as at 31 December 2011.



Dhaka, 5 March 2012

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Summit Purbanchol Power Company Limited

**Auditors' certificate regarding allotment of shares to promoters or
Sponsor shareholders for consideration in cash/other than in cash**

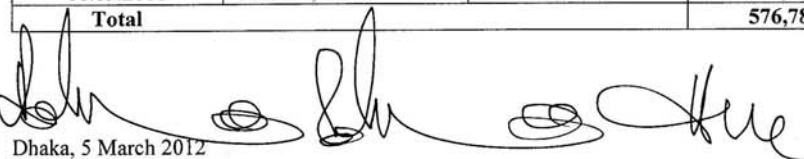
This is to certify that the paid up capital of Summit Purbanchol Power Company Limited as of 31 December 2011 was Tk 762,802,130 divided into 76,280,213 ordinary shares of Tk 10 each. Details are as follows:

Allotment date	Basis			Total amount (Taka)
	In cash (Taka)	Other than in cash (Taka)	Bonus share (Taka)	
In Memorandum	100,000	-	-	100,000
As on 17 January 2009	576,688,000	-	-	576,688,000
As on 21 June 2010	-	-	86,518,200	86,518,200
As on 11 April 2011	-	-	99,495,930	99,495,930
Total	576,788,000	-	186,014,130	762,802,130

The Company had subdivided the face value of its ordinary share from Tk. 100 to Tk. 10 through a special resolution in the General Meeting held on 14 November 2010 and necessary amendments in the capital clause of the Memorandum of Association and Articles of Association were made accordingly. Hence, the paid up capital of the Company has stood at Tk. 762,802,130 divided into 76,280,213 ordinary shares of Tk. 10 each from then.

Also, this is to certify that the Company had raised its paid up capital through the following bank deposits:

Date of deposition	Name of bank	Branch name	Amount (Taka)
17.10.2007	Citibank, N.A.	Gulshan Branch	99,000
17.10.2007	Citibank, N.A.	Gulshan Branch	1,000
24.04.2008	Citibank, N.A.	Gulshan Branch	400,000,000
20.08.2008	Citibank, N.A.	Gulshan Branch	60,000,000
03.09.2008	Citibank, N.A.	Gulshan Branch	57,338,900
09.09.2008	Citibank, N.A.	Gulshan Branch	5,766,900
10.09.2008	Citibank, N.A.	Gulshan Branch	53,582,200
Total			576,788,000


Dhaka, 5 March 2012



Credit Rating Information and Services Limited

CREDIT RATING REPORT ON SUMMIT PURBANCHOL POWER COMPANY LIMITED

REPORT: RR/1348/12

CRISL Report

This is a credit rating report as per the provisions of the Credit Rating Companies Rules 1996. CRISL's entity rating is valid one year for long-term rating and 6 months for short term rating. After the above periods, these ratings will not carry any validity unless the entity goes for surveillance.

CRISL followed Corporate Rating Methodology published in CRISL website www.crislbd.com

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Analysts:
Khandakar Aminul Islam
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Habibur Rahman Khan
habibur@crislbd.com

Entity Rating
Long Term: AA
Short Term: ST-2

Outlook: Stable

**SUMMIT PURBANCHOL
POWER COMPANY
LIMITED**

ACTIVITY
Power Generation

**DATE OF
INCORPORATION**
15th August, 2007

CHAIRMAN
Mr. Muhammed Aziz
Khan

**MANAGING
DIRECTOR**
Mr. Md. Mozammel
Hossain

EQUITY
Tk. 1,554.88 mil.

TOTAL ASSETS
Tk. 3,321.34 mil.

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Date of Rating	March 28, 2012	
	Long Term	Short Term
Entity Rating:2012	AA	ST-2
Entity Rating:2011	AA	ST-2
Outlook: 2012	Stable	

1.0 RATIONALE

CRISL has reaffirmed the Long Term rating 'AA' (pronounced as double A) and the Short Term rating 'ST-2' to Summit Purbanchol Power Company Limited (hereinafter referred as 'SPPCL') on the basis of its financials and other relevant quantitative and qualitative information up to the date of rating. The above ratings have been assigned after due consideration to its fundamentals such as sound Group exposures in power plant operation, parent support, strong liquidity, good financial performance, good cost efficiency, regular debt repayment history and efficiency, experienced top management, etc. However, the above factors are moderated, to some extent, by high finance cost burden, limited financial flexibility, exposure to gas supply risk, etc.

The Long Term rating indicates that entities rated in this category are adjudged to offer higher safety and have high credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions. The Short Term rating indicates high certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.

CRISL placed the company with "Stable Outlook" with an expectation of no extreme changes in economic or company situation within the rating validity period.

2.0 CORPORATE PROFILE

2.1 Genesis

Summit Purbanchol Power Company Limited, an Independent Power Producer (IPP), has been operating as a subsidiary of Summit Power Limited (SPL). The main activity of the company is to generate and supply electricity to Rural Electrification Board (REB) and Bangladesh Power Development Board (BPDB). It was incorporated in Bangladesh under the Companies Act 1994 as a private limited company on 15th August, 2007 with paid-up capital of Tk. 0.10 mil. The company further raised its paid-up capital to Tk. 576.79 mil. during 2009 through issuance of new shares to the existing share holders and also increased its paid-up capital to Tk. 762.80 mil. as on December 31, 2011 through issuance of bonus share. The management of the company has decided to go for Initial Public Offering (IPO) within FY2012. With the above intention, the company converted as a public limited company under Companies Act 1994 on May 3, 2010.

Being a subsidiary of Summit Power Limited, SPPCL is operating under the same management and operational team of the parent company. The present Chairman of SPPCL, Mr. Muhammed Aziz Khan is a renowned and pioneering business personality in the power sector of Bangladesh. The power plants of SPPCL are located at Rugganj in Narayanganj (33MW) and at Jangalia in Comilla (33 MW). The commercial operation of Rugganj plant started on June 09, 2009 and Jangalia plant started on June 24, 2009. The corporate head office of the company is located at Kawranbazar, Dhaka.

Muzaffar Ahmed, FCMA, FCS
President and CEO

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CREDIT RATING REPORT ON SUMMIT PURBANCHOL POWER COMPANY LIMITED

CRISL Report

98.99% share owned by
Summit Power Limited

Emerging conglomerate

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2.2 Ownership Pattern

Serial	Name of the Shareholders	Percentage (%) of Shareholdings	No. of shares
1	Summit Power Limited	98.9999700	75,517,407
2	*SIMCL	0.9999600	762,751
3	Others (5 individual shareholders)	0.0000720	55
	Total	100.000002	76,280,213

* Summit Industrial & Mercantile Corporation (Pvt.) Ltd

Being a subsidiary of Summit Power Limited, major ownership stake is owned by Summit Power Limited, which is about 98.99% (75,517,407 shares) of the total outstanding share. The rest 1% share are owned by Summit Industrial & Mercantile Corporation (Pvt.) Ltd (SIMCL) and five individual shareholders namely Mr. Muhammad Aziz Khan, Mr. Latif Khan, Mr. Muhammad Farid Khan, Mr. Jafer Ummeed Khan and Ms. Ayesha Aziz Khan all of whom are holding 11 shares each. CRISL views that although present share holding pattern is confined to the sister concern of Summit Group, after IPO the above will be diversified to some extent.

3.0 IPO FUND UTILIZATION PLAN

The management of the company has decided to go for IPO (Initial Public Offering) by issuing 30 mil. shares of Tk. 10 each including an expected premium of Tk. 40 per share (subject to the approval of The Securities and Exchange Commission). The above fund (Tk. 1,500 mil.) will be utilized to redeem its preference shares, working capital requirement, and IPO expenses.

Particulars	Amount in BDT (mil.)
IPO Proceeds:	
Number of Shares (30 mil. shares)	
Issue of 30 mil. of ordinary share Tk. 10 each	300.00
Expected Share Premium (Tk. 40 per share)	1,200.00
Total IPO Proceeds	1,500.00
Usage of Proceeds:	
1. Redemption of preference share	1,325.00
2. Working capital requirements	124.00
3. IPO expense including NBR tax	51.00
Total Usage of Proceeds	1,500.00

4.0 GROUP PROFILE

Summit Group is one of the leading conglomerates in Bangladesh with special concentration in the infrastructure sector. The major sectors of the Group investment covers power generation, tanks terminal, shipping, real estate, construction, civil & hydro engineering, container depots and trading etc. With the dynamic leadership of its Chairman Mr. Muhammed Aziz Khan, the Group is now considered as the private sector leader in the power generation sector. Presently it comprises of 10 sister units. Out of these 10 companies, only KPCL, Summit Power Limited, Summit Alliance Port Ltd. and Ocean Containers Limited are publicly listed with both the bourses of the country. Notable concerns of the Group are delineated below:

Muzaffar Ahmed, FCMA, FCS
President and CEO

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CREDIT RATING REPORT ON SUMMIT PURBANCHOL POWER COMPANY LIMITED

CRISL Report

Name	Description
Summit Power Limited	Incorporated as a private limited company in Bangladesh on March 30, 1997 as the first Bangladeshi Independent Power Producer and subsequently converted to Public Limited Company on June 7, 2004 under the Companies Act 1994. During October and November 2005, the company listed in Dhaka and Chittagong Stock Exchanges respectively. The main objective of the company and its subsidiaries is to set up power plants for generation and supply of electricity to the national grid of Bangladesh. Presently its individual production capacity stood at 105 MW of electricity. Three subsidiaries of SPL are Summit Purbanchol Power Company Ltd., Summit Uttaranchol Power Company Ltd. and Summit Narayangonj Power Limited.
Summit Purbanchol Power Company Ltd.	Incorporated as a private limited company on 15 August 2007 under the Companies Act 1994. Currently its production capacity stands at 66 MW.
Summit Uttaranchol Power Company Ltd.	Incorporated as a private limited company on 15 August 2007 under the Companies Act 1994. Currently its production capacity stands at 44 MW.
Summit Narayangonj Power Limited	Incorporated as a private limited company on May 4, 2010 under the Companies Act 1994. Currently its production capacity stands at 102 MW.
Khulna Power Company Ltd.	Incorporated as a private limited company in Bangladesh on 15 October, 1997 and subsequently converted to public limited company on 19 July 2009 under the Companies Act 1994. The company is listed with both Dhaka and Chittagong Stock Exchanges. The main objective of the company and its subsidiaries is to set up power plants for generation and supply of electricity to the national grid of Bangladesh. Presently its individual production capacity stands at 110 MW of electricity. Two subsidiaries of KPCL are Khulna Power Company Unit II Ltd. and Khanjahan Ali Power Company Ltd.
Khulna Power Company Unit II Ltd.	Incorporated as a private limited company on 22 June 2010 under the Companies Act 1994. Currently its production capacity stands at 115 MW.
Khan jahan Ali Power Company Ltd.	Incorporated as a private limited company on 19 July 2010 under the Companies Act 1994. Currently its production capacity stands at 40 MW.
Summit Shipping Limited	Incorporated in 1998 to operate in transportation of liquid products. Presently operates with six oil tankers with a total capacity of 9,400 MT and three tank terminals with a total shell capacity of 7,600 MT.
Ocean Containers Limited	Pioneer in the inland container depot and freight stations and is the largest privately owned land container port in Bangladesh. Capable of handling 7,000 TEUs export containers and 1000 TEUs import containers monthly with empty storage facility of 3,000 TEUs at a time.
Summit Alliance Port Limited	A listed company operating as an inland container depot and container freight station (i.e. off-dock operator). Capable of handling CFS stuffing up to 4500 TEUs and un stuffing of import cargo of 2500 TEUs monthly and has empty storage facility of 4,500 TEUs at a time.
United Summit Coastal Oil Ltd.	First private sector energy oil management company of Bangladesh. Provides oil to power plants which require oil based fuel for power generation.
Cosmopolitan Traders (Pvt.) Ltd.	It is a holding company involved in port related businesses such as trading, stock broker & dealer (DSE membership), shipping and other businesses.
Summit Pipe co Limited	Established in order to promote gas pipeline installation to provide quality supply of gas.
Summit Communications Limited	It has been set up to ensure diversification to break into the telecommunication sector to provide much needed revitalization to the Bangladesh's telecommunication infrastructure and services. Improvement in the telecommunications sector is a move towards Integrating Bangladesh into the larger global community.
Cosmopolitan Finance Limited	Incorporated as a private limited company on 27 Sept. 2010 under the Companies Act 1994. The aims and objectives of the company is to act as a Merchant Bank in the capacity of Portfolio Manager, Issue Manager, Underwriter and the business of securities management, brokerage, custodian service, Investment and Assets Management, Capital Market Operation and any other non-banking financial service including corporate Advisory, Merger & Acquisitions, Equity Investment etc.
Summit Bibiyana I Power Co. Ltd.	Incorporated as a public limited company on 09 December 2010 under the Companies Act 1994. The principal activity of the company is to set up power plants for generation and supply of electricity to the national grid through selling the same to Bangladesh Power Development Board (BPDDB) under Power Purchase Agreement (PPA) between the company and BPDDB. The project is under construction and is expected to generate 341 MW of electricity in future.

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Muzaffar Ahmed, FCMA, FCS
President and CEO
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CREDIT RATING REPORT ON SUMMIT PURBANCHOL POWER COMPANY LIMITED

CRIISL Report

Summit Bibiyana II Power Co. Ltd.	Incorporated as a public limited company on 21 December 2010 under the Companies Act 1994. The principal activity of the company is to set up power plants for generation and supply of electricity to the national grid through selling the same to Bangladesh Power Development Board (BPDB) under Power Purchase Agreement (PPA) between the company and BPDB. The project is under construction and is expected to generate 341 MW of electricity in future.
Summit Meghnaghat Power Co. Ltd.	Incorporated as a public limited company on 21 December 2010 under the Companies Act 1994. The principal activity of the company is to set up power plants for generation and supply of electricity to the national grid through selling the same to Bangladesh Power Development Board (BPDB) under Power Purchase Agreement (PPA) between the company and BPDB. The project is under construction and is expected to generate 335 MW of electricity in future.

4.1 Group Exposure in Power Sector

At present, the Group is supplying 427 MW of electricity to the National Power Gridline. SPL along with its three subsidiaries are supplying 317 MW of electricity and (SPL 105 MW and its three subsidiaries supply 212 MW) KPCL is supplying 110 MW of electricity. Moreover, the Group has 4/5 on going power project of a total 1,300 MW capacities.

Company	Plant Location	Capacity	Power Purchaser
Summit Power Limited (SPL)	Ashulia	45 MW	REB
	Madhabdi	35 MW	REB
	Chandina	25 MW	REB
Summit Uttaranchol Power Company Ltd. (SUPCL)	Ullapara Power Plant	11 MW	REB
	Maona Power Plant	33 MW	REB
Summit Purbanchol Power Company Ltd. (SPPCL)	Rupganj Power Plant	33 MW	REB
	Jangalia Power Plant	33MW	BPDB
Summit Narayanganj Power Limited	Madanganj, Narayanganj	102 MW	BPDB
Khulna Power Company Limited	Khulna	110 MW	BPDB
Summit Saldpur Power Limited (Not in operation)	Saldpur	104.41MW	BPDB
Summit Shantahar Power Limited (Not in operation)	Shantahar	52.21 MW	BPDB
Amin Bazar (Not in operation)	Amin Bazar, Dhaka	104.09MW	BPDB
Summit Bibiyana-1 Power Co. Ltd	Sylhet	341 MW	BPDB
Summit Bibiyana-2 Power Co. Ltd	Sylhet	341 MW	BPDB
Summit Meghnaghat Power Co. Ltd	Narayanganj	335 MW	BPDB

5.0 PROJECT DETAILS

SPPCL is presently operating with two power plants as an Independent Power Producer (IPP) at Jangalia in Comilla, Rupganj in Narayanganj having a total production capacity of 66 MW. SPPCL signed a power supply contract with Bangladesh Power Development Board (BPDB) and Rural Electrification Board (REB) for a term of 15 years under BOO (Build, Own & Operate) from Commercial Operation Date. Both the power plants are entrusted to supply power to REB and BPDB through National Power Gridline. The power plants are set up on its landed property and have made a Gas Supply Agreement with gas Distribution company in the respective zone for ensured gas supply. A summary of the power plants are outlined below:

5.1 Jangalia Plant

The Jangalia power plant is set up on 3.11 acres of land having core engine facilities from Wartsila, Finland of 33 MW capacities. In addition, the supplier (Wartsila) will provide all types of repair and maintenance including spare parts within the warranty period of one year and a separate spare parts agreement is to be placed for the forthcoming years. The plant gets gas supply from Bakhrabadh GAS Transmission and Distribution Company Limited. The plant started to generate electricity from 24 June 2009.

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Operating two power plants with production capacity of 66MW

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5.2 Rugganj Plant

The Rugganj Plant is set up on 3.63 acres of land having core engine facilities from Wartsila, Finland of 33 MW capacities. The supplier (Wartsila) will provide all types of repair and maintenance including spare parts within the warranty period of one year and a separate spare parts agreement is to be placed for the forthcoming years. The plant gets gas supply from Titas Gas Transmission and Distribution Co. Ltd. The plant started to generate electricity from 9 June 2009.

5.3 Tariff Structure

The tariff structure is clearly outlined in the Power Purchase Agreement (PPA) where the reference tariff is composed of two components including reference capacity price and reference energy price. The reference capacity price is made up of two components as non-escalable capacity price and escalable capacity price. Again the reference energy price is composed of two components as variable operation & maintenance O&M cost and fuel cost. The reference tariff against power supply is same in two power plants as Tk. 2.40 per Kwh in the initial year comprising of i) capacity component of Tk. 1.14 per Kwh ii) energy component of Tk. 1.26 per Kwh. Again the fuel cost set to generate 1 Kwh power is estimated at Tk. 0.69 against gas supply. The fuel cost is completely passed through component.

6.0 INDUSTRY OVERVIEW

Electricity is the major source of power for the country's most of the economic activities. Bangladesh's energy infrastructure is quite small, insufficient and poorly managed. Its installed electricity generation capacity was 8,233 MW in the year of 2011. That is only 45% of the population has access to electricity with a per capita availability of 149 kWh per annum only. The current peak demand for electricity in summer is more than 7,518 MW while the supply varies between some 4,300 MW to 5,900 MW. In the rural areas the demand stands at some 2,400 MW but the Rural Electrification Board (REB) can supply barely half of that. In the capital city, the demand stands at 1,800 MW but there is supply shortage of about 500 MW every day in summer. And the gap between power demand and supply would be wider in the coming years if proper step is not taken. Public and private sector produces 63% and 37% of electricity respectively. Public sector produces electricity through Bangladesh Power Development Board (BPDB), Ashuganj Power Station Company Ltd. (APSCL) and Electricity Generation Company of Bangladesh (EGCB). On the other hand, private sector produces power through small independent power producers and rental that government buys at a constant price. BPDB individually produces 46% of the total electricity generation. Problems in the Bangladesh's electric power sector include corruption in administration, high system losses, delays in completion of new plants, low plant efficiencies, erratic power supply, electricity theft, poor governance, politically blessed bureaucracy dominated energy sector, management lacking in competency and efficiency and shortages of funds for power plant maintenance. At present 75 percent of electricity is produced by the natural gas and the country's gas reserve is depleting over the years. The proven reserve now is 7.3 trillion cubic feet (tcf) while the probable reserve is 5.5 tcf or more as disclosed by competent authority. For this, it is important to take up on-shore and offshore exploration for new reserves.

The government has invited bids from global players to build six more coal-fired power plants to generate up to 2,775 megawatts (mw) of electricity by 2015 to ensure future electricity generation at affordable costs. The Government has an arrangement with Tripura to buy 100 megawatts (MW) of electricity from its proposed Palatana Power Plant by 2012. Government is operating a feasibility study for setting up coal-based power plants in Chittagong, Khulna, Shariatpur and Meghnaghat by 2014 with a capacity of generating 2,000-2,600MW. The government has taken up plans to set up wind power units and solar power plants to generate 280MW of power by 2013. For nuclear waste disposal, Bangladesh stands in a position for pursuing 'take back option' meaning that the reactor suppliers will take the high level radioactive wastes back.

Significant demand
supply gap in the market

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Strong parent support

7.0 PARENT'S SUPPORT TO SPPCL's OPERATION

Being a subsidiary of Summit Power Ltd, SPPCL gets all types of technical assistance and management support from the parent. The corporate management of SPPCL is under the control of present senior executives of the parent. The parent (SPL) has an exposure of being the first local Independent Power Producer (IPP) in Bangladesh. The experienced operation team of SPL also imparts training to SPPCL regarding plant operation, maintenance etc. Moreover, as a subsidiary of SPL, SPPCL can use the head office of SPL as its head office and use Accounts division, IT division, Human resources division and Administration of the parent under cost shared basis. The above costs are allocated on the basis of installed capacity of the subsidiaries for utilizing the above service of the parent. Being the first IPP, SPL has built up good financial and profitability track record over the years and in any stressed situation, SPPCL may expect parent's support.

8.0 CORPORATE GOVERNANCE

The issue of corporate governance as a factor of transparent management has now been recognized in the corporate management arena. It is a blend of law, regulations, enforcement and appropriate voluntary practices by the companies that permit a corporate to attract capital, perform efficiently and generate long term economic value for its shareholders while respecting the interest of its stakeholders and society as a whole. In view of the above, SPPCL is running under good corporate governance. Managing Director holds all power and takes every single decision on day to day basis. In pursuit of the above facts, CRISL examines and evaluates the followings:

8.1 Board of Directors

The Board of Directors of the company comprises of 7 Directors and is chaired by Mr. Muhammed Aziz Khan, a renowned business personality in power sector of Bangladesh. After completion of MBA from Institute of Business Administration in 1980, he sponsored the Summit Group. Due to his keen business farsightedness, Summit Group has already created a franchise value in the country. The other members of the Board are also eminent personalities having diversified business track record. The Board formulates strategic objectives and policies for the company, provides leadership and supervises management actions in implementing objectives of the company. The Board conducted 04 (four) meetings during 2011.

Serial	Name	Designation
1	Mr. Muhammed Aziz Khan	Chairman
2	Mr. Tauhidul Islam	Director
3	Mr. Muhammad Latif Khan	Director
4	Mrs. Anjuman Aziz Khan	Director
5	Mr. Md. Farid Khan	Director
6	Mrs. Ayesha Aziz Khan	Director
7	Engr. A.N.M. Tariqur Rashid	Director

8.2 Committees

The management team is divided into five committees namely Audit Committee chaired by Mr. Syed Fazlul Haque FCA; Executive Committee chaired by Mr. Tauhidul Islam; Purchase Committee chaired by Mr. Md. Latif Khan; Technical Committee chaired by Mr. Md. Mozammel Hossain, Managing Director of Summit Purbanchol Power Company Limited; Operation & Maintenance Committee chaired by Mr. Faisal Karim Khan. The above management team of the company has qualified and technical professionals to run the operation smoothly. Manager of internal audit has been appointed on September 2009, so the Audit Committee can ensure the transparency and accountability of the operations of the company.

Seven Members Board

Five management committees

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Experienced
management team

8.3 Corporate Management

As mentioned earlier, top management of SPPCL, SUPCL and SPL (parent) are common where the plant operation is being run by separate set of people. The corporate management team of SPPCL is very experienced and efficient, led by Managing Director Mr. Md. Mozammel Hossain having long exposures in the power sector. Prior to joining in SPPCL, he was the Director Technical of Power Grid Company of Bangladesh (PGCB). Mr. Hossain is aided by Md. Abdus Sobhan; General Manager, who has 22 years of experience as Sr. Engineer in Govt., Semi Govt. and Private organization at home & abroad. Financial Controller & Company Secretary is Mr. Mahmud Hasan FCMA, who has 20 years of experience in power, telecom, and others sectors. Mr. Nazmul Hasan, Deputy General Manager, has 20 years of experience in power, Ocean going ships sectors.

Serial	Name	Designation
1	Mr. Md. Mozammel Hossain	Managing Director
2	Md. Abdus Sobhan	General Manager
3	Mr. Mahmud Hasan FCMA	Financial Controller
4	Mr. Nazmul Hasan	Deputy General Manager

8.4 Human Resource Management

SPPCL recognizes human resource as the most important resource and for this it tries to create a congenial working environment within the company. The company follows structured service rule of the parent to deal with employees and to ensure transparency at all level. Total staff strength of SPPCL stood at 87 as on 31st December 2011. The company is yet to introduce structured performance evaluation system. Each recruitment process is done through open advertisement. Though the company has already passed 3 years of operation, the Board is yet to form any recruitment and promotion committee.

8.5 Management Information System

The Management Information System of the company is moderate. The company has own web based data communication system among the power plants and Head Office. Each work stations of head office are connected through LAN. Without having any automated software, the company uses different packages to generate management report. The company uses Tally software for accounting system.

9.0 BUSINESS PERFORMANCE

Indicators	SPPCL for FY 2011		
	Jangalia Plant	Rupganj Plant	Total
Installed Capacity (MW)	33 Mw	33 Mw	66 Mw
Average Energy Generation (KW)	218,281,000	219,786,000	438,067,000
Net Energy Output/Dispatched (KW)	218,281,000	219,786,000	438,067,000
Plant Factor (%)	75.51	76.03	75.76
Economic Efficiency (TK/KW)	1.17	1.17	1.17

The operating performance of the company is good. The company generated average 438,067,000 KW of energy during FY 2011 against the gross profit of Tk. 608.61 mil. SPPCL has dispatched average 438,067,000 KW of energy to Rural Electrification Board (REB) and Bangladesh Power Development Board (BPDDB) through National Power Gridline against installed capacity of 66 MW of energy during 2011. In view of the above, the average plant factor stood at 75.76%. In terms of economic efficiency (production cost to energy output), average cost per KW reached to Tk. 1.17 for Jangalia Plant and also Tk. 1.17 for Rupganj Plant.

10.0 FINANCIAL PERFORMANCE

Although the company has been operating for only three years; financial performance of this company appears to be good and revenue is almost secured by the Power Purchase Agreement. In view of the above, the company maintained a reasonable growth in its

Good operational
performance

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Good financial
performance

High finance cost

financial performance over the last three years. The revenue stood at Tk. 1,145.01 mil. in the FY 2011 and Tk. 1,141.75 mil. in the FY 2010. After deducting all administrative and finance expenses the net profit after tax of the company reached to Tk. 395.27 mil. in FY 2011 and Tk. 314.33 mil. in FY 2010.

10.1 Profitability

Indicator	FY 2011	FY 2010	FY 2009
Return on Average Assets (ROAA)%	11.88	9.15	4.80
Return on Average Equity (ROAE)%	28.77	30.36	14.31
Return on Average Capital Employed (ROACE)%	15.52	11.40	10.76
Gross Profit Margin%	53.15	55.82	56.18
Operating Profit Margin%	48.16	51.91	48.35
Net Profit Margin%	34.52	27.54	19.30

The profitability indicators of SPPCL were found to be good within its short period of operation. In analyzing the profitability indicators of the company, the gross profit margin stood at 53.15% in FY 2011 and 55.82% in FY 2010. However, the operating profit margin decreased to 48.16% in FY 2011 from 51.91% in FY 2010. The net profit margin of the company stood at 34.52% in FY 2011 and 27.54% in FY 2010. The above increase in net profit margin was due to reduction of finance cost.

The profitability of a company can also be measured in terms of Return on Average Assets (ROAA), Return on Average Equity (ROAE) and Return on Average Capital Employed (ROACE). These indicators were also found to be good with an increasing trend. The company has received exemption from all related taxes from the Government of Bangladesh under the Private Sector Power Generation Policy for a period of 15 years from start of its commercial operation. Such exemption will expire in February FY 2024. As on 31st December, 2011 the Earning per share (EPS) of Tk. 10 stood at Tk. 5.18 and Tk. 5.03 in FY 2010.

10.2 Cost Efficiency

Indicator	FY 2011	FY 2010	FY 2009
Cost to Revenue Ratio %	46.85	44.18	43.82
Administrative Exp to Revenue Ratio %	5.12	4.08	7.91
Finance Cost to Revenue Ratio %	14.99	24.75	29.05

The cost efficiency indicators (cost of production compared to its revenue) of SPPCL increased in FY 2011. The cost to revenue ratio increased to 46.85% in FY 2011 from 44.18% in FY 2010. The above increase was due to incurring huge maintenance cost for the plant. The administrative expense to revenue stood at 5.12% in FY 2011 and 4.08% in FY 2010. However, due to the redemption of its project loan, the finance cost to revenue ratio significantly decreased to 14.99% in FY 2011 and 24.75% in FY 2010.

11.0 CAPITAL STRUCTURE AND LEVERAGE

Indicator	FY 2011	FY 2010	FY 2009
Leverage Ratio (X)	1.14	1.79	2.99
Bank Borrowing to Equity(X)	0.85	1.34	2.79
Net Asset Value Per Share (Tk.10)- With revaluation	20.38	18.42	15.40
Net Asset Value Per Share (Tk.10)- Without revaluation	17.67	14.85	11.80

SPPCL has been operating with a leverage ratio of 1.14 times as on December 31, 2011 against 1.75 times as on 31st December, 2010. Due to issuance of bonus share and repayment of its project loan, its leverage ratio improved in FY 2011 compared to FY 2009 and FY 2010. The capital employed as on December 31, 2011 stood at Tk. 2,587.85 mil. consisting of non-current assets of Tk. 2,950.87 mil. and net current assets of Tk. (363.02) mil. The above capital employed was financed by shareholders' equity of Tk. 1,554.88 mil. (including revaluation reserve of Tk. 207.57 mil.) and non-current liabilities of Tk. 1,032.96



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mil. However, considering all outside liabilities, total debt to equity ratio of the company reached to 53:47 as on December 31, 2011 against 64:36 respectively as on December 31, 2010.

Particulars	FY 2011	FY 2010	FY 2009
Current assets	370.48	297.51	399.90
Less Current liabilities	733.50	827.69	537.03
Net Current Asset	-363.02	-530.18	-137.13
Add Non-current assets before Revaluation	2,743.30	2,827.03	2,938.75
Revaluation of Assets	207.57	207.57	207.57
CAPITAL EMPLOYED	2,587.85	2,504.43	3,009.19
FINANCED BY			
Equity:			
Paid up capital	762.80	663.31	576.79
Retained earnings	584.51	321.90	103.67
Revaluation reserve	207.57	207.57	207.57
Total Equity	1,554.88	1,192.78	888.03
Non-Current Liabilities:			
Long term Liabilities (Redeemable Preference share)	1032.96	1,311.65	2,121.16
Total Equity & Non-Current Liabilities	2,587.85	2,504.43	3,009.19

The components of shareholders equity as on December 31, 2011 included paid-up capital of Tk. 762.80 mil. (49.06% of total shareholders' equity), Revaluation reserve Tk. 207.57 mil. (13.35% of total share holder equity) and Retained earnings of Tk. 584.51 mil. (37.59 % of total shareholders' equity). The Net asset value per share (NAV) of Tk. 10 each stood at Tk. 20.38 as on December 31, 2011 against Tk. 18.42 in FY 2010. Without considering the revaluation reserve it stood at Tk. 17.67 as on December 31, 2011 against Tk. 14.85 as on December 31, 2010.

12.0 LIQUIDITY AND FUNDING

Indicator	FY 2011	FY 2010	FY 2009
Current Ratio (X)	0.51	0.36	0.74
Quick Ratio (X)	0.37	0.32	0.70

Liquidity depends on early realization of receivables from REB & BPDB

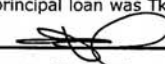
Being a power generation company not alike other inventory based manufacturing company, SPPCL depends highly on its early realization of receivables to support its liquidity. Albeit its revenue flow has been structured through PPA, it has to delay almost 45 days to cash its receivable from REB and BPDB. Accordingly, it also staggers its payment obligation to gas distributing company almost 34 days that counterbalances the impact. However, CRISL perceived that, if receivable to REB becomes higher, liquidity of the company may be affected in future, which will also hamper the repayment of financial obligation duly.

While analyzing the cash flow of the company it was revealed that the company generated sufficient cash flow to meet its fixed financial obligation and other liabilities also. SPPCL, being a power generation company will generate almost static revenue due to its structured tariff agreement. As on December 31, 2011, the operating cash flow of the company stood at Tk. 398.96 mil. and after adjusting the capital expenditure of Tk. 21.36 mil. the free operating cash flow stood at Tk. 377.60 mil. resulting in a operating cash flow to Debt coverage ratio of 1.40 times.

13.0 CREDIBILITY & BANKING RELATIONSHIP

13.1 Liability Position

As on December 31, 2011 total outstanding loan was Tk. 1316.93 mil. as redeemable preference share. The company availed a syndicated term loan of Tk. 2,385 mil. during FY2008 and FY 2009. As on 11 August 2010, the outstanding principal loan was Tk. 2,472.70


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Sound debt servicing
capacity

Exposed to financial
flexibility risk

Dependency on natural
gas

Minimal Operational risk

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mil. and outstanding interest was Tk. 123.46 mil. Again, up to 12 August 2010 the company repaid the principal loan amount of Tk. 853.04 mil. to Sonali Bank Ltd. But those who were interested to convert its funded portion of Tk. 1,743.12 mil., converted into redeemable preference share having a maturity of 6 years @ 10%-10.5% interest rate. The company further issued redeemable preference share worth of Tk. 150.00 mil. as on 30 September 2010 with the same terms and conditions including the repayment schedule.

13.2 Payment Efficiency and Creditworthiness

Indicator	FY 2011	FY 2010	FY 2009
Debt Service Coverage Ratio (X)	1.47	1.10	1.88
Interest Coverage Ratio (X)	3.30	2.11	1.66

The loan payment history of the company was found to be good. The creditworthiness of the company is also supported by its debt servicing capacity as well as interest coverage capability. The Debt service coverage ratio stood at 1.47 times in FY 2011 against 1.10 times in FY 2010. Interest coverage ratio was quite good and it stood at 3.30 times in FY 2011 against 2.11 times at the end of FY 2010 and 1.66 times in FY 2009.

14.0 RISK MANAGEMENT

14.1 Financial Flexibility Risk

After issuing the preference shares the financial flexibility of the company has shrunk to some extent. SPPCL will not avail any form of financing facility from any lenders. If required, the company may avail term loan facility by creating separate subsidiary company subject to the consent of the preference shareholders. On the above backdrop, SPPCL has financial flexibility risk.

14.2 Gas Supply and Gas Price Escalation Risk

As per the agreement with REB, Bakhrahadh Gas transmission & Distribution Company and Titas Gas Transmission & Distribution Company are responsible for supply of gas in appropriate specification and quantity to the projects. The company is guaranteed by REB and BPDB for gas supply agreement for fifteen years with required quantity and pressure. The company is yet to face any shortage of gas supply or required gas pressure of its initial 1.5 years of commercial operation. Again, availability of gas, being a natural resource is not fully dependent on supplier's commitment. Therefore, project has dependency risk for availability of natural gas. As per PPA, gas price is a pass through element in the Tariff Structure of SPPCL. Any change of the gas price from the base will be compensated through the energy price. Thus CRISL does not foresee any gas price escalation risk.

14.3 Revenue Collection Risk

SPPCL supply power to REB and BPDB from two of its plant. Being that a single client is purchasing electricity from each plant, SPPCL's ability to service its both existing and future debt obligations rest on buyer's ability to meet the tariff payments under the PPA. However, failure of one party to consume total capacity of the plants, the cash flow may be affected seriously. To minimize the above risk, SPPCL has signed an Implementation Agreement with the Ministry of Power, Energy and Mineral Resources to ensure the buying of electricity from the latter party in case of failure of REB and BPDB to purchase the electricity due to any reason. Therefore, the agreement protects SPPCL from single Party Risk Exposure.

14.4 Operating and Maintenance Risk

SPPCL has been enjoying warranty period (only 1 year from the date of commercial operation) for its plants and machinery including all spare parts and logistic support from Wartsila, a world class engine supplier. SPPCL took responsibility to operate and maintain the plants with its own experts under the supervision of Wartsila and has also employed all operating personnel. After the warranty period the technical team of SPPCL will be responsible for operation and maintenance of the plant. Meanwhile, the technical team of the company will obtain necessary training from the supplier. On the above back drop CRISL does not foresee any risk regarding operation of the plants.


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President and CEO

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14.5 Spare parts agreement risk

Although, the company has to buy spare parts from Wartsila after that warranty period of one year, there is no price agreement with the company. Being monopoly supplier of the spare parts, Wartsila may demand more than the justified market price.

15.0 OBSERVATION SUMMARY

Rating Comforts: • Government guarantee against minimum power purchase • Parent support • Sound Group exposures in power plant operation • Strong liquidity • Good financial performance • Good cost efficiency • Experienced top management • Regular debt repayment history and efficiency • State-of-the-Art-Plant	Rating Concerns: • High finance cost • Limited financial flexibility • Exposed to gas supply risk • Exposed to financial risk
Business Prospects: • Bright scope of private sector power generation • Significant deficit of electricity generation in the Government sector	Business Challenges: • Unstable Government policy • Limited gas supply • Development of efficient technical team

END OF THE REPORT

(Information used herein is obtained from sources believed to be accurate and reliable. However, CRISL does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities. All rights of this report are reserved by CRISL. Contents may be used by news media and researchers with due acknowledgement)

[We have examined, prepared, finalized and issued this report without compromising with the matters of any conflict of interest. We have also complied with all the requirements, policy procedures of the SEC rules as prescribed by the Securities and Exchange Commission.]


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16.0 CORPORATE INFORMATION

Date of Incorporation: 15th August, 2007

Commencement of Business: June, 2009

Board of Directors:

Serial	Name	Designation
1	Mr. Muhammed Aziz Khan	Chairman
2	Mr. Tauhidul Islam	Director
3	Mr. Muhammad Latif Khan	Director
4	Mrs. Anjuman Aziz Khan	Director
5	Mr. Md. Farid Khan	Director
6	Mrs. Ayesha Aziz Khan	Director
7	Engr. A.N.M. Tariqur Rashid	Director

Key Management:

Serial	Name	Designation
1	Mr. Md. Mozammel Hossain	Managing Director
2	Md. Abdus Sobhan	General Manager
3	Mr. Mahmud Hasan FCMA	Financial Controller
4	Mr. Nazmul Hasan	Deputy General Manager

Auditor:

RAHMAN RAHMAN HUQ.
Chartered Accountant


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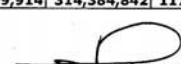
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17.0 FINANCIALS**A. Balance Sheet As at :**

	Figure in Mil. Tk.		
Balance Sheet	31 Dec, 2011	31 Dec, 2010	31 Dec, 2009
Assets			
Non-current assets			
Property, plant and equipment	2,950,721,090	3,034,408,714	3,136,439,059
Intangible assets	145,833	195,833	245,833
Total non-current assets	2,950,866,923	3,034,604,547	3,136,684,892
Current assets			
Inventories	100,646,673	31,989,074	22,095,502
Trade receivables	181,504,880	186,076,442	131,114,040
Other receivables	-	1,251,271	1,965,949
Intercompany receivables	-	-	103,455,787
Advances, deposits and prepayments	19,479,174	16,334,445	16,221,640
Cash and cash equivalents	68,851,303	61,860,613	125,044,431
Total current assets	370,482,030	297,511,845	399,897,349
Total assets	3,321,348,953	3,332,116,392	3,536,582,241
Equity and liabilities			
Shareholders' equity			
Share capital	762,802,130	663,306,200	576,788,000
Revaluation reserve	207,572,500	207,572,500	207,572,500
Retained earnings	584,510,369	321,901,695	94,035,053
Total equity attributable to equity holders	1,554,884,999	1,192,780,395	878,395,553
Liabilities			
Project loan - non-current portion	-	-	2,119,459,665
Redeemable preference shares - non-current portion	1,032,961,420	1,311,647,152	-
Finance lease - non-current portion	-	-	1,702,016
Total non-current liabilities	1,032,961,420	1,311,647,152	2,121,161,681
Trade creditors	30,482,036	53,677,552	36,989,324
Others creditors and accruals	39,638,325	51,875,990	65,042,410
Intercompany payables	379,414,373	436,465,487	76,880,950
Project loan - current portion	-	-	353,243,278
Redeemable preference shares - current portion	283,967,800	283,967,800	-
Finance lease - current portion	-	1,702,016	4,869,045
Total current liabilities	733,502,534	827,688,845	537,025,007
Total liabilities	1,766,463,954	2,139,335,997	2,658,186,688
Total equity and liabilities	3,321,348,953	3,332,116,392	3,536,582,241

B. Income Statement (For the period/year ended)

	Figure in Mil. Tk.		
Income Statement	31 Dec, 2011	31 Dec, 2010	31 Dec, 2009
Revenue	1,145,014,718	1,141,751,963	610,733,770
Cost of sales	(536,404,947)	(504,400,111)	(267,648,494)
Gross profit	608,609,771	637,351,852	343,085,276
Other income, net	1,414,272	1,876,380	495,245
Operating expenses			
General and administrative expenses	(58,604,291)	(46,568,132)	(48,300,561)
Operating profit	551,419,752	592,660,100	295,279,960
Finance income	15,523,423	4,325,062	-
Finance costs	(171,673,261)	(282,600,320)	(177,389,443)
Finance costs, net	(156,149,838)	(278,275,258)	(177,389,443)
Other comprehensive income	-	-	-
Total comprehensive income for the year	395,269,914	314,384,842	117,890,517


MUZAFFAR AHMED, FCMA, FCS
 President and CEO
 Credit Rating Information and Services Ltd.



Credit Rating Information and Services Limited

CREDIT RATING REPORT ON SUMMIT PURBANCHOL POWER COMPANY LIMITED

CRISL Report

CRISL RATING SCALES AND DEFINITIONS LONG-TERM RATINGS OF CORPORATE	
RATING	DEFINITION
AAA Triple A (Highest Safety)	Investment Grade Entities rated in this category are adjudged to be of best quality, offer highest safety and have highest credit quality. Risk factors are negligible and risk free, nearest to risk free Government bonds and securities. Changing economic circumstances are unlikely to have any serious impact on this category of companies.
AA+, AA, AA- (Double A) (High Safety)	Entities rated in this category are adjudged to be of high quality, offer higher safety and have high credit quality. This level of rating indicates a corporate entity with a sound credit profile and without significant problems. Risks are modest and may vary slightly from time to time because of economic conditions.
A+, A, A- (Single A) (Adequate Safety)	Entities rated in this category are adjudged to offer adequate safety for timely repayment of financial obligations. This level of rating indicates a corporate entity with an adequate credit profile. Risk factors are more variable and greater in periods of economic stress than those rated in the higher categories.
BBB+, BBB, BBB- (Triple B) (Moderate Safety)	Entities rated in this category are adjudged to offer moderate degree of safety for timely repayment of financial obligations. This level of rating indicates that a company is under-performing in some areas. Risk factors are more variable in periods of economic stress than those rated in the higher categories. These entities are however considered to have the capability to overcome the above-mentioned limitations.
BB+, BB, BB- (Double B) (Inadequate Safety)	Speculative Grade Entities rated in this category are adjudged to lack key protection factors, which results in an inadequate safety. This level of rating indicates a company as below investment grade but deemed likely to meet obligations when due. Overall quality may move up or down frequently within this category.
B+, B, B- (Single B) (Risky)	Entities rated in this category are adjudged to be with high risk. Timely repayment of financial obligations is impaired by serious problems which the entity is faced with. Whilst an entity rated in this category might be currently meeting obligations in time through creating external liabilities.
CCC+, CCC, CCC- (Triple C) (Vulnerable)	Entities rated in this category are adjudged to be vulnerable and might fail to meet its repayments frequently or it may currently meeting obligations in time through creating external liabilities. Continuance of this would depend upon favorable economic conditions or on some degree of external support.
CC+, CC, CC- (Double C) (High Vulnerable)	Entities rated in this category are adjudged to be very highly vulnerable. Entities might not have required financial flexibility to continue meeting obligations; however, continuance of timely repayment is subject to external support.
C+, C, C- (Extremely Speculative)	Entities rated in this category are adjudged to be with extremely speculative in timely repayment of financial obligations. This level of rating indicates entities with very serious problems and unless external support is provided, they would be unable to meet financial obligations.
D (Default)	Default Grade Entities rated in this category are adjudged to be either already in default or expected to be in default.
Note: For long-term ratings, CRISL assigns + (Positive) sign to indicate that the issue is ranked at the upper-end of its generic rating category and - (Minus) sign to indicate that the issue is ranked at the bottom end of its generic rating category. Long-term ratings without any sign denote mid-levels of each group.	
SHORT-TERM CORPORATE RATING	
ST-1	Highest Grade Highest certainty of timely payment. Short-term liquidity including internal fund generation is very strong and access to alternative sources of funds is outstanding. Safety is almost like risk free Government short-term obligations.
ST-2	High Grade High certainty of timely payment. Liquidity factors are strong and supported by good fundamental protection factors. Risk factors are very small.
ST-3	Good Grade Good certainty of timely payment. Liquidity factors and company fundamentals are sound. Although ongoing funding needs may enlarge total financing requirements, access to capital markets is good. Risk factors are small.
ST-4	Moderate Grade Moderate liquidity and other protection factors qualify an entity to be in investment grade. Risk factors are larger and subject to more variation.
ST-5	Speculative Grade Speculative investment characteristics. Liquidity is not sufficient to ensure discharging debt obligations. Operating factors and market access may be subject to a high degree of variation.
ST-6	Default Entity is in default or is likely to default in discharging its short-term obligations. Market access for liquidity and external support is uncertain.

CRISL

Page 14 of 14


Muzaffar Ahmed, FCMA, FCS
President and CEO
Credit Rating Information and Services Ltd.



AUDITORS ADDITIONAL DISCLOSURE

Auditor's additional disclosure as per requirement by the Securities and Exchange Commission (SEC) letter no SEC/CI/IPO-169/2011/1171 dated 19 March 2012 relating with Schedule XI Part II Para 4 of the Companies Act 1994 pertaining to financial statements of Summit Purbanchol Power Company Limited for the year ended 31 December 2011

Disclosure requirement as per Schedule-XI Part II Para 4 of the Companies Act, 1994	Compliance Status																											
(a) Managerial remuneration paid or payable during the financial year to the directors , including managing director, a managing agent or manager, if any	Salary and allowances includes remuneration paid to the following persons: <table><tr><th>Name</th><th>Designation</th><th>Taka</th></tr><tr><td>Tauhidul Islam</td><td>Managing Director</td><td>990,360</td></tr><tr><td>Md. Mozammel Hossain</td><td>Managing Director</td><td>90,000</td></tr><tr><td>Mahmud Hasan, FCMA</td><td>Finance Controller & Company Secretary</td><td>537,600</td></tr><tr><td>Kazi Asif Tareq</td><td>General Manager (Administration)</td><td>91,200</td></tr><tr><td>Md. Abdus Sobhan</td><td>General Manager (P & D)</td><td>2,016,000</td></tr><tr><td>Md. Nazmul Hasan</td><td>Deputy General Manager (Training and stores)</td><td>1,764,099</td></tr><tr><td>Rahmat -e- Rabbi</td><td>Manager – Accounts and Finance</td><td>193,536</td></tr><tr><td>Swapon Kumar Pal</td><td>Manager – Internal Audit</td><td>193,536</td></tr></table> Managing Director, Deputy Managing Director, Finance Controller & Company Secretary, General Manager (Administration), Manager (Accounts & Finance) and Manager (Internal Audit) are management personnel working in corporate office of Summit Power Limited. As corporate office is responsible to administer all the subsidiaries under Summit Power Limited, the common expenses incurred for corporate office are allocated in proportion to plant capacity. Mr. Tauhidul Islam, Managing Director, of Summit Power Limited was also the Managing Director of Summit Purbanchol Power Company Limited up-to 30 October 2011. Mr. Md. Mozammel Hossain, Deputy Managing Director of Summit Power Limited has assumed his responsibility as the Managing Director of Summit Purbanchol Power Company Limited with effect from 01 November 2011.	Name	Designation	Taka	Tauhidul Islam	Managing Director	990,360	Md. Mozammel Hossain	Managing Director	90,000	Mahmud Hasan, FCMA	Finance Controller & Company Secretary	537,600	Kazi Asif Tareq	General Manager (Administration)	91,200	Md. Abdus Sobhan	General Manager (P & D)	2,016,000	Md. Nazmul Hasan	Deputy General Manager (Training and stores)	1,764,099	Rahmat -e- Rabbi	Manager – Accounts and Finance	193,536	Swapon Kumar Pal	Manager – Internal Audit	193,536
Name	Designation	Taka																										
Tauhidul Islam	Managing Director	990,360																										
Md. Mozammel Hossain	Managing Director	90,000																										
Mahmud Hasan, FCMA	Finance Controller & Company Secretary	537,600																										
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Rahmat -e- Rabbi	Manager – Accounts and Finance	193,536																										
Swapon Kumar Pal	Manager – Internal Audit	193,536																										
(b) Expenses reimbursed to the managing agent	Not applicable																											
(c) Commission or other remuneration payable separately to a managing agent or his associate	Not applicable																											
(d) Commission received or receivable by the managing agent or his associate as selling or buying agent of other concerns in respect of contracts entered into by such concerns with the Company	Not applicable																											
(e) The money value of the contracts for the sale or purchase of goods and materials or supply of services, entered into by the company with the managing agent or his associate during the financial year	Not applicable																											
(f) Any other perquisites or benefits in cash or in kind stating, approximate money value where practicable;	Not applicable																											



(g) Other allowances and commission including guarantee commission;	Not applicable
(h) Pensions, etc- (i) Pensions (ii) gratuities (iii) payment from provident funds in excess of own subscription and interest thereon; (iv) compensation for loss of office (v) consideration in connection with retirement from office	Not applicable

On the basis of representations made to us and tests that we considered appropriate we confirm the above.

For

Sd /-

Rahman Rahman Huq
Chartered Accountants
Date: 01 April 2012



COMPLIANCE TO THE CONDITION NO 7 OF THE QUERY LETTER NO. SEC/CI/IPO-169/2011/1171 DATED 19 MARCH 2012 BY SECURITIES AND EXCHANGE COMMISSION

Management Disclosure

Information included as per SEC's notification no. SEC/CMRRCD/2008/115/admin/30 dated October 05, 2011

1. Earnings per Share (EPS) on fully diluted basis (The total existing no. of shares):

Particulars	Amount in Taka
Net profit after Tax	395,269,914
No. of shares before IPO	76,280,213
Earnings per Share (EPS) on fully diluted basis	5.18

2. Net profit excluding Extra-ordinary income or non-recurring income coming from other than core operations:

Particulars	Amount in BDT
Net profit after Tax	395,269,914
Other Income	1,414,272
Net profit after tax except other income	393,855,642

3. Earnings per shares excluding extra-ordinary income or non-recurring income coming from other than core operations:

Particulars	Amount in BDT
Net profit after Tax	395,269,914
Other Income	1,414,272
Net profit after tax except other income	393,855,642
No. of shares before IPO	76,280,213
Earnings per Share (EPS) on fully diluted basis	5.16

3. Net Asset Value per Share

Considering revaluation reserve and without considering revaluation reserve:

Particulars	Amount in BDT
Share Capital	762,802,130
Share Premium	-
Retained Earnings	584,510,369
Revaluation reserve	207,572,500
Total Shareholders' Equity	1,554,884,999
Total Number of Ordinary Share	76,280,213
NAV without considering revaluation reserve	17.66
NAV considering revaluation reserve	20.38



COMPLIANCE TO THE DHAKA STOCK EXCHANGE QUERY LETTER NO DSE/LISTING/ULC/2012/3059 DATED APRIL 12, 2012

Management Disclosure

Information included as per requirement by Dhaka Stock Exchange query letter no DSE/Listing/ULC/2012/3059 dated April 12, 2012:

Sl. No.	Query Ref No	Our Response
01	Revaluation of Land and Land Development	The purpose of valuation was to arrive at a fair value of the fixed assets so as to incorporate such fair value in its financial statement for the year ended 31 December 2008. A copy of the valuation report is enclosed in annexure 1
02	Redeemable Preference shares	a) The name of financial institutions has been disclosed at annexure 2 b) The following information related to: i) conversion from project loan to redeemable preference shares; ii) List of allottees of redeemable preference shares; and iii) Terms and conditions of redeemable preference shares; has been disclosed at annexure 3 and also incorporated in the draft Prospectus at page 45.
03	No Workers Profit Participation Fund	In accordance with section 233(h) of Bangladesh Labor Act 2006: " Workers in relation to a company Means an employee of the company who has been in the employment of the company for a period of not less than six months irrespective of his post but shall not include following persons: i) Any person employed in the management or administration; ii) Any persons appointed in a supervisory post who does, by ex-officio post, or power imposed on him, managerial or administrative functions." The equipment of our power projects are fully automated (sophisticated) electricity generating equipment. As a result, all personnel employed at the Power Plants under SPPCL are involved in managerial and administrative functions instead of workers. Therefore, Workers Profit Participation Fund (WPPF) is not applicable in our Company and therefore, no provision is made the financial statements of the Company. We also made this representation to our independent auditor, Rahman Huq, Chartered Accountants.
04	Depreciation rate	The Company estimates useful life of the power plants 30 years if plants are maintained as per manufacturer's recommendation. The Company has agreements with Wartsila, Finland OY for smooth supply of world class spare parts and for maintenance of the projects. The maintenance is modular type where the parts are replaced by set of new parts, i.e. the engine is getting new lease of life after each maintenance. Please note that the above is an industry practice in Bangladesh as established by the power plants operated and managed by Bangladesh Power Development Board. Management strongly believes that there are no possibilities of early termination of the agreement given the severe supply shortage of electricity in the country coupled with tremendous demand for power (also mentioned in the IPO Prospectus). Furthermore, the Government of Bangladesh is actively encouraging more local entrepreneurs to invest in this sector to address this demand and supply gap in electricity. Moreover, the ongoing scarcity of power reveals that the power crisis is likely to persist in the future as the Bangladeshi economy continues to grow at 6+% resulting in the continuously growing demand for power and electricity. As a result of this supply-demand dynamics in the power generation industry, the SPPCL contracts are highly likely to be extended by BPDB and REB. Near its end of term, project will be debt-free – therefore, considering SPPCL's technology's life span of 30 years, the project's ability to supply electricity at competitive tariff rates thereby increasing the likelihood of the contracts getting renewed by BPDB and REB.
05	Related Party Transaction	Terms and conditions is as under: There is no maturity period of short term financing. Short term financing is repaid as when fund is available. Also, short term financing is repaid when related parties (Summit Power Limited and Summit Uttaranchol Power Company Limited) requires their fund; i) The short term financing (balance of related party transactions) is not interest bearing, as Summit Purbanchol Power Company Limited is wholly owned by Summit Power Limited;
06	Use of IPO proceeds	The Company intends to strengthen its financial base by paying off the outstanding debt liabilities using the proceeds of the IPO. It is commonly understood by the management that after paying off outstanding debt liabilities, future EPS would be better off. So in this background the management of SPPCL has decided to use net IPO proceeds to partial redeem the redeemable preference shares instead of carrying liabilities up to 6 years. Furthermore, the terms of the redeemable preference shares allows SPPCL to pay off the said liabilities on a 1 month notice.

Sd/-

(Md. Mozammel Hossain)
Managing Director

Date: 15 April 2012



ANEX - 1

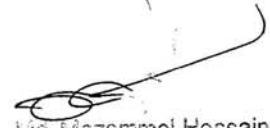
VALUATION REPORT ON LAND & LAND
DEVELOPMENT



Report on the Valuation of Fixed Assets of Summit Purbanchol Power Company Limited

Prepared by

S. F. AHMED & CO (SFACO)
Chartered Accountants
House 25, Road 13A, Block D, Banani, Dhaka 1213, Bangladesh
Telephones (880-2): PABX 989-4346, 989-4258 Others 881-6467 & 881-5101
Fax : (880-2) : 882-5135
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Md. Mozammel Hossain
Managing Director
Summit Purbanchol
Power Company Limited



S. F. Ahmed & Co, Dhaka, Bangladesh — Management Services Division

Report on the Valuation of Fixed Assets of Summit Purbanchol Power Company Limited

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2.	Purpose of the Work	1
3.	Scope of, and Approach to, the Work	1-2
4.	Cut-off Date for the Purpose of the Work	2
5.	Value of Lands of SPPCL	2
6.	Disclaimers, Restrictions and Limitations with Regard to the Work	3


Md. Mozammel Hossain
Managing Director
Summit Purbanchol
Power Company Limited





S. F. Ahmed & Co, Dhaka, Bangladesh — Management Services Division

Report on the Valuation of Fixed Assets of
Summit Purbanchol Power Company Limited

Page 1 of 3

1. Background

Summit Purbanchol Power Company Limited (SPPCL), a private company, decided to re-value its fixed assets as of 31 December 2008 in order to reflect fair value thereof in its financial statements for the year ended 31 December 2008. With this end in view, S. F. Ahmed & Co, Chartered Accountants, a technical assistance firm of Ernst & Young International, Inc of New York, USA in Bangladesh (**the Valuers**), were appointed to carry out such valuation (**the Work**).

2. Purpose of the Work

As mentioned above, the purpose of this Work is to arrive at a fair value of the fixed assets of SPPCL so as to incorporate such fair value in its financial statements for the year ended 31 December 2008.

3. Scope of, and Approach to, the Work

Based on the Terms of Reference outlined in the letter of appointment for the Work, and subsequent discussions with the directors and officials of the aforementioned companies, the scope of, and the approach to, the Work were mutually agreed. In order to determine the value of the fixed assets of SPPCL, it was agreed to revalue/re-evaluate the aforesaid fixed assets at a current cost accounting (CCA) basis. For this purpose, the following work was done: -

- (a) **Meetings and discussions on the work-** An overview meeting was held amongst the senior officials of the SPPCL and the senior partner and senior professionals of the Valuers in order to agree upon the scope of the Work, and timeframe for its completion. Also, progress meetings were held from time to time to review the progress of, and discuss draft report on, the Work.
- (b) **Physical verification of lands-** All the lands as of 31 December 2008, of SPPCL were physically verified in order to ascertain, amongst others, their existence, physical condition, usage, and probable remaining useful lives. Other fixed assets (plant and machinery), being in progress, were kept outside the scope of the physical verification works.


Md. Mozammel Hossain
Managing Director
Summit Purbanchol
Power Company Limited



S. F. Ahmed & Co, Dhaka, Bangladesh — Management Services Division

Report on the Valuation of Fixed Assets of
Summit Purbanchol Power Company Limited

Page 2 of 3

(c) **Collection/review of revaluation-related information-**

Lands

- (i) Detailed breakdowns of lands as of 31 December 2008 were obtained from SPPCL containing information, inter-alia, relating to group, description, location, year of acquisition; and, where applicable, physical condition thereof.
- (ii) Market prices of similar lands were obtained from local sources.
- (iii) Thereafter, valuation of the aforesaid lands was done considering the findings referred to in paragraphs 3(b) and 3(c) above (**Annex I**).

Other fixed assets

- (v) Other fixed assets, in progress, were kept outside the scope of the re-valuation works. These are expected to be realisable at costs thereof mentioned in the balance sheet of SPPCL as at 31 December 2008.

4. Cut-off Date for the Purpose of the Work

For the purpose of valuation of the fixed assets of SPPCL, 31 December 2008 was taken as the cut-off date.

5. Value of the aforesaid Land and Buildings

Based on the Current Cost Accounting (CCA) Method as referred to in the paragraph 3 above, the value of the aforesaid Lands of SPPCL at 31 December 2008 comes to Taka 320,616,000, resulting in a revaluation surplus of Taka 207,572,000, as detailed in the Annexure hereto.

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Md. Mozammel Hossain
Managing Director
Summit Purbanchol
Power Company Limited



S. F. Ahmed & Co, Dhaka, Bangladesh — Management Services Division

Report on the Valuation of Fixed Assets of
Summit Purbanchol Power Company Limited

Page 3 of 3

6. Disclaimers, Restrictions and Limitations with Regard to the Work

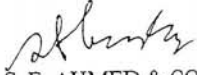
Our report is not intended for general circulation or publication. It should not be reproduced or used for any purpose other than that outlined in paragraph 2 without our written prior permission in each specific instance. The Valuers will not assume any responsibility or liability for losses occasioned to SPPCL or its directors or shareholders or to any third parties as a result of circulation, publication, reproduction or use of our report or any extracts therefrom contrary to the provisions of this paragraph.

The Valuers reserve the right, but not the obligation, to review all values or computations included or referred to in this report and, if considered necessary, to revise their assessment in the light of any information existing at the valuation date which becomes known to them after the date of this report.

The Valuers, in arriving at the valuation, have relied upon and assumed the fairness and completeness of all information that is made available to them by SPPCL. These information were however, evaluated, wherever considered necessary, through analysis, enquiry and examination for the purpose of assessing the value of the fixed assets of SPPCL.

This report has been prepared with due care and diligence and the statements and conclusions in this report are made in good faith and belief on the reasonable ground that those statements and conclusions are not false or misleading.

House 25, Road 13A
Block D, Banani, Dhaka 1213
Dated, 15 February 2009


S. F. AHMED & CO
Chartered Accountants

Attachments: Annexes


Md. Mozammel Hossain
Managing Director
Summit Purbanchol
Power Company Limited



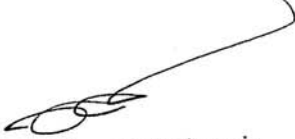
S. F. Ahmed & Co, Dhaka, Bangladesh — Management Services Division

Annex I

Report on the Valuation of Fixed Assets of Summit Purbanchol Power Company Limited

REVALUATION OF LAND LOCATED AT NARAYANGANJ AND COMILLA

Group of fixed assets	Annex	Historical cost/Taka	Current cost/Taka	Revaluation surplus/Taka
Lands and land development	A	113,043,500	320,616,000	<u>207,572,500</u>


Md. Mozammel Hossain
Managing Director
Summit Purbanchol
Power Company Limited



S. F. Ahmed & Co, Dhaka, Bangladesh — Management Services Division

Annex A

Report on the Valuation of Fixed Assets of Summit Purbanchol Power Company Limited

REVALUATION OF LAND LOCATED AT NARAYANGANJ AND COMILLA

Location	Sale Deed No.	Sale Deed Date	Mouza	CS Khatian No.	SA Khatian No.	Plot No.	Area in Decimal	Rate per Decimal/ Taka	Current Cost/Taka
Rupganj, Narayanganj			No 6 Tellabo						
	19405/07	30 Dec 2006		189	135	155	4.00	500,000	2,000,000
	19406/07			197	128	156	14.00	500,000	7,000,000
	19407/07			195	153	157	34.00	500,000	17,000,000
				198	136	158	18.00	500,000	9,000,000
				200	134	159	105.5	500,000	52,750,000
				216	138	160	34.00	500,000	17,000,000
				191	130	161	30.00	500,000	15,000,000
				6	205	164	22.50	500,000	11,250,000
				151	141	165	21.00	500,000	10,500,000
						166	45.00	500,000	22,500,000
						167	25.00	500,000	12,500,000
						116 to 120	8.80	500,000	4,400,000
						(A)	361.8		180,900,000

Jangalia, Comilla			No 6 Tellabo						
	66	24 Jan 2008		455	-	-	0.80	450,000	360,000
	68	24 Jan 2008		444	-	-	14.76	450,000	6,642,000
	72	24 Jan 2008		453	-	-	5.78	450,000	2,601,000
	70	24 Jan 2008		459	-	-	8.08	450,000	3,636,000
	743738	13 Mar 2008		455	-	-	5.06	450,000	2,277,000
	74	24 Jan 2008		166	-	-	30.00	450,000	13,500,000
	76	24 Jan 2008		117	-	-	11.00	450,000	4,950,000
	78	24 Jan 2008		118/1204	-	-	2.50	450,000	1,125,000
	80	24 Jan 2008		118/1204	-	-	2.50	450,000	1,125,000
	82	24 Jan 2008		118/1204	-	-	2.50	450,000	1,125,000
	84	24 Jan 2008		121	-	-	4.00	450,000	1,800,000
	86	24 Jan 2008		118/1204	-	-	5.50	450,000	2,475,000
	88	24 Jan 2008		118/1204	-	-	2.50	450,000	1,125,000
	90	24 Jan 2008		121	-	-	2.66	450,000	1,197,000
	92	24 Jan 2008		121	-	-	2.66	450,000	1,197,000
	94	24 Jan 2008		118/1204	-	-	2.50	450,000	1,125,000
	96	24 Jan 2008		118/1204	-	-	2.50	450,000	1,125,000
	98	24 Jan 2008		121	-	-	2.68	450,000	1,206,000
	100	24 Jan 2008		118/1204	-	-	5.50	450,000	2,475,000
	2	24 Jan 2008		117	-	-	51.00	450,000	22,950,000
	4	24 Jan 2008		117	-	-	15.00	450,000	6,750,000
	6	24 Jan 2008		117	-	-	15.00	450,000	6,750,000
	9	24 Jan 2008		115	-	-	15.00	450,000	6,750,000
	1	24 Jan 2008		118	-	-	13.00	450,000	5,850,000
	13	24 Jan 2008		118	-	-	13.00	450,000	5,850,000
	15	24 Jan 2008		118	-	-	26.00	450,000	11,700,000
	17	24 Jan 2008		118	-	-	13.00	450,000	5,850,000
	743734	13 Mar 2008		114	-	-	6.00	450,000	2,700,000
	743747	13 Mar 2008		111	-	-	15.00	450,000	6,750,000
	743746	13 Mar 2008		111	-	-	15.00	450,000	6,750,000
						(B)			139,716,000
						Total = A+B	31048		320,616,000

Md. Mozammel Hossain
 Managing Director
 Summit Purbanchol
 Power Company Limited

ANEX - 2

SCHEDULE B

	Lenders	Participation	Lending Office
1.	INDUSTRIAL AND INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LIMITED	BDT 60.33 Million	Metropolitan Chamber Building (6 th & 7 th Floor) 122-124, Motijheel C/A Dhaka-1000
2.	NATIONAL CREDIT AND COMMERCE BANK LIMITED	BDT 60.33 Million	Gulshan Branch 85, Gulshan Avenue Gulshan, Dhaka
3.	BANK ASIA LIMITED	BDT 150.00 Million	Gulshan Branch Bay's Galleria (Ground Floor) 57, Gulshan Avenue, Gulshan Dhaka-1212
4.	UNITED COMMERCIAL BANK LIMITED	BDT 281.19 Million	Principal Branch 58, Motijheel C/A, Dhaka
5.	AGRANI BANK LIMITED	BDT 120.66 Million	9/D, Motijheel C/A, Dhaka-1000
6.	INFRASTRUCTURE DEVELOPMENT COMPANY LIMITED	BDT 361.97 Million	UTC Building (16 th Floor) 8, Panthapath, Kawran Bazar Dhaka-1215
7.	BRAC BANK LIMITED	BDT 199.08 Million	1, Gulshan Avenue, Gulshan-1 Dhaka-1212
8.	PUBALI BANK LIMITED	BDT 120.66 Million	Principal Branch 26, Dilkusha C/A Dhaka-1000
9.	SONALI BANK LIMITED	BDT 271.48 Million	Local Office 35-44, Motijheel C/A Dhaka-1000
10.	STANDARD BANK LIMITED	BDT 60.33 Million	Principal Branch Metropolitan Chamber Building (3 rd Floor) 122-124, Motijheel C/A Dhaka-1000
11.	SAUDI-BANGLADESH INDUSTRIAL AND AGRICULTURAL INVESTMENT COMPANY LIMITED	BDT 37.50 Million	BRAC Centre (10 th and 11 th Floor) 75, Mohakhali Dhaka-1212
12.	JANATA BANK LIMITED	BDT 210.00 Million	
13.	PRIME BANK LIMITED	BDT 120.66 Million	Bashundhara Branch Bashundhara R/A, Block-B, Plot-3-6 Dhaka-1229
14.	MUTUAL TRUST BANK LIMITED	BDT 90.49 Million	
15.	BANGLADESH INDUSTRIAL FINANCE COMPANY LIMITED	BDT 30.16 Million	63, Dilkusha C/A, (1 st Floor) Dhaka-1000
16.	RUPALI BANK LIMITED	BDT 120.66 Million	Local Office 34, Dilkusha C/A Dhaka-1000
17.	THE PREMIER BANK LTD.	BDT 60.33 Million	Head Office Branch, DTC Dhaka (Ground Floor) 7-9, Pakistan Bazar, Dhaka-1000
18.	FIRST SECURITY BANK LIMITED	BDT 30.16 Million	23, Dilkusha C/A, Dhaka-100023, Dilkusha C/A, Dhaka-1000
	TOTAL	BDT 2,385.97 Million	

