



SUMMIT ALLIANCE PORT LIMITED

www.saplbd.com

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Company Profile

An initiative of Summit Group and Alliance Holdings Limited, Summit Alliance Port Limited (SAPL), initially incorporated as a private company under the Companies Act, 1994 on December 06, 2003, was converted to a Public Company on March 06, 2008. The Company's Registered office is at Katghar, South Patenga, Chittagong-4000 with Corporate Office at Summit Centre, 18 Kawran Bazaar Commercial Area, Dhaka-1215. With the permission of Securities & Exchange Commission (SEC) vide its letter SEC/CI/IPO-101/08/343 dated July 01, 2008, the Company offered its shares to Public and after completing all the required formalities, the shares of the Company commenced its trading through both the bourses of the Country effective from October 16, 2008.

SAPL commenced its commercial operation from 20th February 2007 as an Off-Dock service provider, utilizing over 30.0 acres of Customs Bonded Area. Located only 6.5 km away from the multipurpose and container vessel berths of Chittagong Port, SAPL has an ideal geographical advantage to carry out its principal activities of providing Off-Dock services as Inland Container Depot with facility for Empty Container Storage and Container Freight Station having provisions for handling both Import and Export Cargo.

SAPL has three purpose-built warehouses, comprising of total 2,27,500 sft, for handling export cargo. The warehouses have all modern amenities including cross-docking facility, clear span structure and reinforced floors for fork-lift operation. SAPL also has a state-of-the-art 20,000 sft specialized Hanger Shed for handling for Import and Yard Cargo. With 35ft high ceiling allowing for 2-high container stacking and Reach Stacker operation, this Hanger Shed is the first structure of its kind in the Off-Dock industry and is specially built to handle sensitive cargo during adverse weather conditions.

To facilitate the operational volume, SAPL has one of the largest fleets in the industry with latest heavy and light equipments including the largest Laden Reach Stacker in the country, Empty Container Handlers, Side Stackers, brand new High & Low Mast Forklifts of various capacities etc. With this considerable equipment fleet SAPL is able to handle any type of containerized or loose (dry) cargo.

With its goodwill and team of dedicated and experienced work force, SAPL enjoys a an esteemed clientele list including, among others, Kuehne+Nagel Limited, APL Bangladesh Limited, DSV Air & Sea Limited, Maersk Bangladesh Limited and several other prestigious Main Line Operators and Freight Forwarders.

Considering the immense opportunities in the sector, SAPL is striving to expand its infrastructure and facilities in order to set the standards and always remain ahead of the industry competitors. The company's continuous investments in equipment and infrastructural development, including purchase of land coupled with the most professional management team in the industry has enabled SAPL to provide high standard of service to clients and gain a significant competitive edge. On this progression SAPL has acquired another existing inland container depot, Ocean Containers Limited in April 27, 2009 and later on August 23, 2009 SAPL acquire another Company named Cemcor Limited to build the first ever privately owned riverine Port of the Country. Brief profiles of these two Subsidiary Companies are as under:





Ocean Containers Limited

Ocean Containers Limited (OCL), a leading Land Container Port in the private sector of the Country and located at Patenga Industrial Area of Chittagong on the International Airport road, is only 6 km from the country's largest seaport, Chittagong Port. Established in 1987, the Company has around 15 Acres of Custom bonded free hold land and the principal activity of the Company is to provide Off-Dock services as Inland Container Depot (ICD) with facilities for Empty Container Storage and Container Freight Station (CFS) for stuffing of Export cargo and transportation of the same to the Chittagong Port yard for shipment as well as for unstuffing of import cargo on behalf of its clients. OCL is the first Off-Dock in Bangladesh to have the Global Security Verification (GSV) certification which is the leading international business network for supporting the development and implementation of measures for enhancing global supply chain security. With this GSV certificate OCL has been determined by an independent 3rd party expert as having the appropriate security measures in place, as published by the **U.S. Bureau of Customs and Border Protection**, and that these measures are implemented and maintained throughout the facility.

OCL's valued clientele includes Maersk, APL, Hapag-Lloyd, Shipping Corporation of India, Yang Ming Line, China Shipping, Norasia, DSV, Danzas. OCL was listed under provisions of Dhaka/Chittagong Stock Exchange (Direct Listing) Regulations, 2006 and its shares are traded in both the bourses of the country effective from 4th March 2010.





Cemcor Limited

Cemcor Limited is a private company limited by shares, incorporated in Bangladesh under the Companies Act, 1994 on 26 February 1998. Cemcor Ltd. was originally owned by Holcim (Bangladesh) Limited, originally intended for the manufacture and marketing of cement. On 30 April 2001, the company changed its status to that of a private company limited by shares and on 24th August 2009 the entire shareholdings of Holcim (Bangladesh) Limited (175,829,994 shares of Tk. 100/- each out of 175,830,000 shares) were purchased by Summit Alliance Port Limited (SAPL). Cemcor also has a subsidiary Company named Wahid Spinning Mills Limited (WSML), which is just beside Cemcor. Cemcor acquired 100% shares of WSML from its promoters on 19th September 1999 as its subsidiary, the profile of which is given below.

Wahid Spinning Mills Ltd. (WSM) was incorporated as Private Company on 6th September 1999 under the Companies' Act 1994. Cemcor Limited holds 39,999 shares out of 40,000 shares.

Neither Cemcor nor its subsidiary, WSM is operative. SAPL acquired the companies, with the purpose of establishing a Riverine Port on the 14 acres of land lands situated on the bank of river Dholeshwari in Mukterpur under Munshigonj District. The work of development has already been taken in hand and it is expected to commence operation from 1st Quarter 2012.

Once operational this River Terminal will offer an attractive alternative for the Importers and Exporters of the country who are presently fully dependent on the congested Dhaka – Chittagong highway.





Corporate Directory

Board of Directors

Mr. Muhammed Aziz Khan	Chairman
Mr. Syed Ali Jowher Rizvi	Managing Director
Mrs. Anjuman Aziz Khan	Director
Mrs. Sobera Ahmed Rizvi	Director
Mr. Latif Khan	Director
Ms. Ayesha Aziz Khan	Director
Mr. Syed Yasser Haider Rizvi	Director
Ms. Adeeba Aziz Khan	Director
Mr. Syed Nasser Haider Rizvi	Director
Mr. Faisal Karim Khan	Director
Mr. Syed Fazlul Haque	Director
Captain Asif Mahmud	Director
Ms. Azeeza Aziz Khan	Alternate Director

Company Secretary

Mr. Syed Fazlul Haque FCA

Corporate Office

Summit Centre
18 Kawran Bazar C/A
Dhaka- 1215.

Registered Office & Off-Dock Location

Katghar, South Patenga
Chittagong- 4204.

Auditor

Basu Banerjee Nath & Co.
Taher Chamber (Ground Floor)
10 Agrabad Commercial Area
Chittagong- 4204.

Legal Advisor

Mahmood Jabbar Khan
Barristers & Advocates
Summit Centre
18 Kawran Bazar C/A.

Main Bankers

Standard Bank Limited
Hong Kong Shanghai Banking Corporation (HSBC)
Jamuna Bank Limited
Trust Bank Limited
Dutch Bangla Bank Limited





Notice of the 7th Annual General Meeting

Notice is hereby given that the 07th Annual General Meeting of Summit Alliance Port Limited will be held at Army Golf Club 'Golf Garden', Airport Road, Dhaka Cantonment, Dhaka (opposite Radisson Water Garden Hotel) on Wednesday, the 25th May 2011 at 11-30 AM to transact the following Agenda:

1. To receive and adopt the Directors' Report and the Audited Financial Statements of the Company with related consolidated statements for the year ended 31st December 2010 and the Auditors' Report thereon.
2. To declare final Dividend for the year 2010.
3. To confirm re-appointment of Managing Director for five years ending on 31st December 2014.
4. To elect Directors of the Company in terms of Articles 41 and 42 of the Company's Articles of Association.
5. To appoint Auditors of the Company for the year 2011 and fix their remuneration.

By Order of the Board



Syed Fazlul Haque
Director & Company Secretary

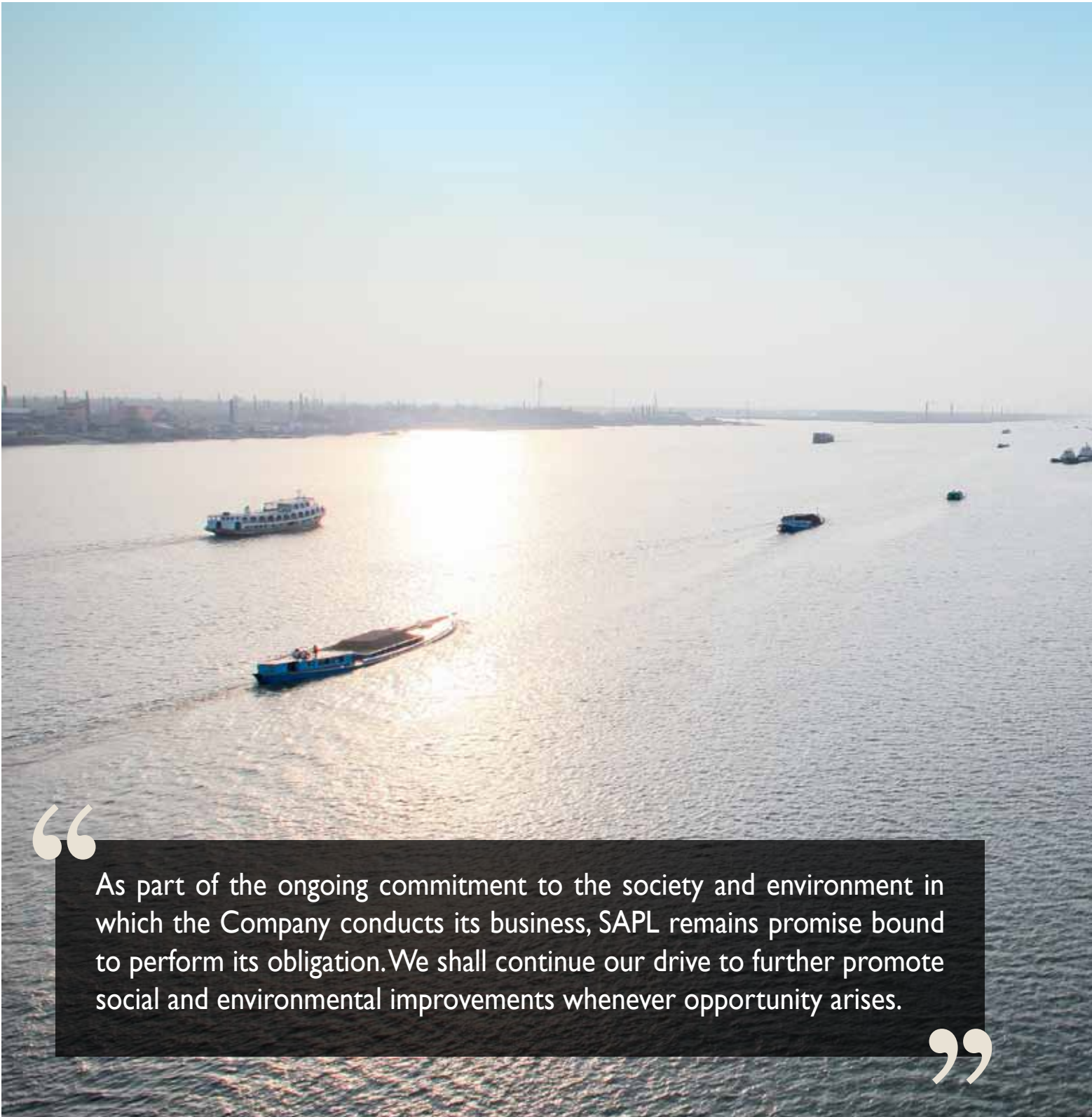
Dated, Dhaka
3rd May, 2011

Notes:

1. Members entitled to attend and vote at the Annual General Meeting may appoint a Proxy to attend in his/her stead. The Proxy Form must be affixed with requisite revenue stamp and deposited at the Company's Corporate Office not less than 48 hours before the time appointed for holding the meeting.
2. Shareholders whose names appear in the Members' Register of the Company or in the Depository Register on the record date on 12th April 2011 will be eligible to attend and vote in the AGM and to receive dividend as approved in the AGM.



Chairman's Statement



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As part of the ongoing commitment to the society and environment in which the Company conducts its business, SAPL remains promise bound to perform its obligation. We shall continue our drive to further promote social and environmental improvements whenever opportunity arises.

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Chairman's Statement

Dear Owners of Summit Alliance Port Limited

Assalmualaikum and very good morning to you all.

The recent decline in the general index of the Country's Stock market has also affected price of the shares of your beloved company, Summit Alliance Port Limited (SAPL). This plunge is an issue that has been triggered by combination of factors beyond our control and rattled the confidence of general investors. While I am sad for the present debacle of the Capital market, I can assure that fundamentals of your Company comprising operational, financial and other indicators are very strong and give us the confidence that your Company is capable of robustly continuing its operation with sustainable growth year on year, in the foreseeable future. Backed with this robust operation, our Company's land based asset price is increasing phenomenally. SAPL and its subsidiary companies collectively own more than 53 acres of land. I see huge opportunities for our Company.

As mentioned in my last year's deliberations, global financial and economic depression of 2008-09, had taken its toll on the economy of Bangladesh as well. It was a challenge for the management of your Company to hold market share and customers' confidence. That has on the one hand compelled us to make substantial reduction in tariff to be competitive and on the other we had to continue spending for maintaining operational excellence. As a result Company's Operating Profit was adversely affected in the last year and this year. However we have greatly enhanced our good relationship with valued customers. During the year under report Company's business volume grew by 49% in export cargo and 45% in import handling. World economy is, however, gradually coming out of the impact of global financial crisis and Bangladesh economy also has made reasonable recovery as well which is evident from the business growth projected for 2011 by our major clients. This in turn gives us confidence to expect corresponding growth in our revenue and profitability in future years ahead. The Company has an excellent management team of professionally qualified people in relevant fields and has

earned the confidence and trust of our valued international/national customers for our high standard services.

Your Company's extraordinary success in taking Ocean Containers (OCL), subsidiary of SAPL, public with divesting of around 27% of the holdings, has enriched liquidity of the Company greatly and has brought in enough capital gain resulting high EPS of Tk.11.53 for the year. In commensurate with total profit, your Board has recommended Dividend of 75% for the year, 25% Stock and 50% Cash. With this year's Stock dividend, if approved by you in the AGM, each one of you will be having 65% growth in your Shares quantity since it has been listed in 2009 (On 2008 Accounts-20% Stock, on 2009 Accounts-10% Stock and on the current year-25% Stock), besides cash dividend.

About the prospect of the Company in years ahead, I would like to reiterate my statement that with the strong fundamentals, your Company has the ability to continue its operation with respectable growth year on year for a foreseeable future. The potential of your company is enormous. Besides phenomenal growth of the country's export and import by about 40% this fiscal year, Bangladesh is geographically situated at the entry point of four other countries namely, India (North Eastern States), Nepal, Bhutan and China. Sooner or later, Bangladesh will be able to reap the benefit of this God given unique geographical position. Your Company stands to gain most from this.

Your Company is continuously striving to expand facilities and improve performance standard to prepare for taking advantage of the huge need for port services. The Company has, today Warehouse facility of 205,500sft and import shed of 19,500sft besides having other related facilities to provide necessary services to our valued clients. Continuous efforts are always made to expand facilities commensurate with the customers' need.

Work to develop a river terminal on the bank of river Dhaleshwari in Munshigonj which was taken in hand

in the last quarter of 2010, is going on in full swing and expected to be complete by end 2011. Once completed this river port/terminal, the first of its kind in Bangladesh, can handle around 200,000 TEUs or number of containers per year. Containers stuffed or unstuffed in this terminal will be shipped to Chittagong Port. This, on the one hand, will help the exporters/importers to be more competitive by way of less transportation cost and on the other, will ease the pressure on the already over-burdened Dhaka-Chittagong high-way, while increasing profitability of your company.

I am very proud to be a share holder of this great company of yours, I am very honored and privileged to be the founder Chairman of this great institution and I am most pleased that our company has been paying respectable dividend to its shareholders year on year. I am also excited at the future prospect of our great Company.

I am sure as prudent responsible investors you will see the merit of your company through the opaque, sometimes irrational behavior of markets. You certainly own a great company and I hope to see you next year and each year, to be able to announce greater achievements of your company, Summit Alliance Port Limited

Muhammed Aziz Khan
 Chairman
 Summit Alliance Port Limited.

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... WE HAVE GREATLY ENHANCED OUR GOOD RELATIONSHIP WITH VALUED CUSTOMERS. DURING THE YEAR UNDER REPORT COMPANY'S BUSINESS VOLUME GREW BY 49% IN EXPORT CARGO AND 45% IN IMPORT HANDLING. WORLD ECONOMY IS, HOWEVER, GRADUALLY COMING OUT OF THE IMPACT OF GLOBAL FINANCIAL CRISIS AND BANGLADESH ECONOMY ALSO HAS MADE REASONABLE RECOVERY AS WELL WHICH IS EVIDENT FROM THE BUSINESS GROWTH PROJECTED FOR 2011 BY OUR MAJOR CLIENTS.

MUHAMMED AZIZ KHAN
 CHAIRMAN

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Introducing the Directors

Mr. Muhammed Aziz Khan, Chairman



Muhammed Aziz Khan, an MBA from the Institute of Business Administration under Dhaka University, has been in business since 1973. In 1985, in order to consolidate his business activities under one umbrella, he formed Summit Industrial & Mercantile Corporation (Pvt.) Limited (SIMCL) which is now the largest private sector investor of the Infrastructure Industrial House of the country. Mr. Khan is the Chairman of the Summit Group of Companies.

Mr. Khan played the pioneering role in setting up the Country's first independent power plant (IPP), Khulna Power Company Limited of which he is the Chairman. He is also the Chairman of Summit Power Limited, the first Company in this sector to go public. Regarded as an expert in the energy business, Mr. Khan played his due role in formulating the Private Sector Power Generation Policy of Bangladesh. He was the founder president of Bangladesh Energy Companies' Association, formed to represent and promote the interest of private sector business engaged in energy generation.

Mr. Khan, a dynamic personality with a track record of 37 years as successful entrepreneur, in his strive to diversify and expand his business horizon ventured into the Off-Dock Industry by acquiring the Ocean Containers Limited in the year 1995, of which he is the Chairman. Subsequently, considering the fast growing volume of container movement, Mr. Khan, along with his friend Mr. Syed Ali Johwer Rizvi of Alliance Holdings Limited established Summit

Alliance Port Limited (SAPL) in 2003, making a valuable addition to the ever expanding Off-Dock industry of the Country. It may be mentioned that SAPL is the first Company in this sector to go public and today it is one of the top 10 Companies in terms of Turnover and Market Capitalization.

Mr. Khan has also taken an initiative to contribute in the Telecommunication sector by investing in nationwide telecommunication infrastructure of fiber optic cable network. With this in view, he has established Summit Communication Ltd. (SCL) which holds Nationwide Telecommunication Transmission Network (NTTN) license from BTRC. SCL has already completed over 100 km underground state of the art fiber optic cable network in Dhaka in short time and fast approaching nationwide. This is helping Government in removing overhead cables in Dhaka city which has been creating public hazards.

Mr. Khan has set up "Siraj Khaleda Trust" - a social wing of Summit Group, which is setting up 200 beds for medical services on charitable basis in Dhaka Cantonment. He enthusiastically takes part & contributes to social activities such as to help to acid burn and drug victims to mention a few amongst host of other activities and, in recognition, he has been elected as the founder Chairman of the Prothom Alo Trust formed recently to consolidate and manage the CSR activities centrally.

Introducing the Directors

Mr. Syed Ali Jowher Rizvi, Managing Director



Mr. Syed Ali Jowher Rizvi completed his MBA degree in International Finance and Accounting from Indiana University, USA. He also earned MA in Economics with Honors from Dhaka University.

Mr. Rizvi started his professional career with Bank of Credit and Commerce International (BCCI) in 1977 and at the same time was engaged with Institute of Business Administration (IBA) as a part time (Honorary) Lecturer. From 1991 to 1997, he served Union Bank Zambia Ltd., Zambia as its founder Managing Director.

Returning to Bangladesh he established Alliance Holdings Limited and started his journey as an entrepreneur. In 1997, along with his friend Mr. Muhammed Aziz Khan of Summit Group, he entered the Off-Dock business where Mr. Rizvi has since served as the Managing Director of Ocean Containers Limited. Subsequently in 2003, the two sponsors jointly made another valuable addition to the expanding Off-Dock industry of the Country by establishing Summit Alliance Port Limited. Both companies are listed with the two major bourses of the country.

Mr. Rizvi, through Alliance Holdings Limited, also has substantial investment in Beverage Manufacturing, Textile, Prefabricated Steel Building Manufacturing, Real Estate Development, Financial Institutions, Dairy Products, Financial Institutions etc.

Mrs. Anjuman Aziz Khan, Director



Mrs. Anjuman Aziz Khan, wife of Mr. Muhammed Aziz Khan has 20 years of business experience. Mrs. Khan is the member of Siraj Khaleda Trust- a social wing of Summit Group, which is setting up a 200 beds hospital for medical service on charitable basis in Dhaka Cantonment. She enthusiastically takes part & contributes to social activities such as Assistance of Blind Children (ABC) and women's entrepreneurship development.

Introducing the Directors

Mrs. Sobera Ahmed Rizvi, Director



Mrs. Sobera Ahmed Rizvi, wife of Mr. Syed Ali Jowher Rizvi, completed her MA with Honors in Economics from Dhaka University in 1975. She is the founder Director and past Chairperson of Himadri Limited (a Public Listed Company) and Rabeya Flour Mills Limited. Presently Mrs. Rizvi is serving in Global Beverage Co. Ltd. as Chairperson.

Mr. Latif Khan, Director



Mr. Latif Khan pursued BA in Public Administration at Dhaka University, and subsequently left for higher studies to the U.S in 1981. There Mr. Khan 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 and worked as a Financial Officer at Wells Fargo Bank in California. He returned to Bangladesh in 1997 and thereafter joined Summit Group.

Mr. Khan has established himself as a sound and dynamic businessman of the country. He is presently holding charge of Vice Chairman, Summit Power Limited.

Introducing the Directors

Ms. Ayesha Aziz Khan, Director



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. In her career, she has financed multiple power projects, which includes - Summit Uttaranchal Power Company Limited (SUPCL) Summit Purbanchal Power Company Limited (SPPCL), Summit Narayananj Power Limited and Summit Power Limited (SPL).

Her career as Director Finance has been enriched due to her expertise in building client & partner relationships and take ownership of deal shaping and contract negotiations, reporting to the Board in the preparation of budgets and financial reports, including income statements, balance sheets, tax returns and reports for Government regulatory agencies, contributing the achievement of the company objectives by providing advice and guidance on financial strategy, overseeing all accounting procedures and systems used by the Company, meeting with the Board of Directors regularly to keep them informed and to offer direction, reviewing reports and analyze projections of sales and

income against actual figures and suggests methods of improving the planning processes, assessing the long term financial trends and review prospects for future growth of income in conjunction with the Board, ensuring the Company meets its financial and legal responsibilities. 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.

Introducing the Directors

Mr. Syed Yasser Haider Rizvi, Director



Mr. Syed Yasser Haider Rizvi completed his Bachelor degree with Honors in Economics from University College London (UCL), UK. He started his professional career in 2002 with Standard Chartered Bank's prestigious Management Trainee program in Bangladesh.

In 2005 he joined Global Beverage Co. Ltd. as Deputy Managing Director, looking after overall production and distribution activities of the company. Mr. Rizvi joined Ocean Containers Ltd. and Summit Alliance Port Ltd. as Deputy Managing Director in 2007, serving as Acting Managing Director of both companies from June to December, 2010.

Ms. Adeeba Aziz Khan, Director



Ms. Adeeba Aziz Khan is an Advocate, a Barrister by profession. The daughter of Mr. Muhammad Aziz Khan. She completed her Bar Vocational Course from Inns of Court School of Law, UK in 2005. She worked with Dr. Kamal Hossain & Associates, Bangladesh and later with Drew & Napier LLC, Singapore as an International Lawyer. On a sabbatical leave she completed her Masters in Law and is currently pursuing her PhD in London.

Introducing the Directors

Mr. Faisal Karim Khan, Director



Mr. Faisal Karim Khan, began his career with Summit Group with a training stint at Summit Power Limited and Summit Alliance Ports Limited. From February 2008, Mr. Khan has engaged himself with Summit Alliance Ports Limited and Ocean Containers Limited as a member of the Board of Directors and as Deputy Managing Director.

Thereafter, Mr. Khan increased his responsibility by taking up Directorship of Summit Industrial & Mercantile Corporation Pvt. Limited, Cosmopolitan Traders Limited, Summit Power Limited and Summit Communications Limited. Mr. Khan also represents Summit Group in the Board of Directors in National Housing Finance & Investment Limited.

Mr. Khan is currently responsible for the Group's interest in large infrastructure development business, specifically in the power sector. Recently, the Dhaka Chamber of Commerce and Industry (DCCI) appointed Mr. Khan as Co-Convener: Energy & Infrastructure Sector.

Mr. Khan completed his secondary education from United World College of the Atlantic, UK, in 2004, and thereafter completed Mechanical Engineering with Business Finance degree from University College London (UCL) and London School of Economics (LSE) in 2007.

Mr. Syed Nasser Haider Rizvi, Director



Mr. Syed Nasser Haider Rizvi completed his Bachelor degree in Management from Bentley College, Boston, USA. He started his professional career in 2007 taking the responsibility of Director at Global Beverage Co. Ltd. which included monitoring and supervision of all marketing activities of Virgin Drinks and ZamZam Cola Products. In 2010 Mr. Rizvi took over the responsibility of overall operational activities of the company and introduced new products such as Shark Energy Drink (Thailand) and Parle Agro's (India) fruit based beverage products.

Mr. Nasser Rizvi serves Ocean Containers Ltd. and Summit Alliance Port Limited as Deputy Managing Director. His primary responsibility includes overseeing the IT infrastructure and Client liaison.



Introducing the Directors

Mr. Syed Fazlul Haque, FCA, Director & Company Secretary



A Chartered Accountant by profession, **Syed Fazlul Haque**, started his career as partner of A. Qasem & Co, Chartered Accountants in mid 1971. In April 1975 he moved to executive career by joining Biman Bangladesh Airlines, as its Controller of Accounts and since then his long varied career included increasingly higher positions in different local and multinational organizations including Padma Oil Co. Ltd, where Mr. Haque served for 12 years.

Mr. Haque's last assignment before joining Ocean Containers Limited in 2005 was with Glaxo Bangladesh (subsequently renamed as GlaxoSmithKline Bangladesh) as Managing Director of the Company.

During the tenure of his long career, Mr. Haque served as Committee member of Metropolitan Chamber of Commerce & Industries, Foreign Chamber of Commerce & Industries and Bangladesh Employers Federation.

Captain Asif Mahmood, Director (Projects & Procurement)



Captain Asif Mahmood started his career with the group in 1999 and presently holds the position of Director, Projects & Procurement. Son of a retired Army officer (Major), Capt. Mahmood completed his secondary education in 1978 from Adamjee School & College, Dhaka and thereafter entered a career in sailing with renowned companies such as Gulfeast Ship Management Ltd, UASC, NYK, HRC. He has experience in both container vessels, Break Bulk Ship and Car Carriers.

Captain Mahmood obtained his professional certificates on Class 3 in 1985, Class 2 in 1989 & Class 1 Master's in 1995. All the certificates were obtained from UK.

Success Milestones



February 20, 2007
Commercial Operation at Chittagong

December 06, 2003
Incorporation of the Company

January 24, 2008
Appointment of Issue Manager

March 06, 2008
Conversion from private to public Limited Company

April 19, 2008
Credit Rating by CRISL

July 01, 2008
Approval of Prospectus from Security & Exchange Commission

July 03, 2008
Publication of Prospectus

August 10, 2008
Subscription opens for Public

September 01, 2008
Agreement with CDBL

September 29, 2008
Allotment of IPO Shares

October 13, 2008
Listing with Dhaka Stock Exchange Ltd.

October 14, 2008
Listing with Chittagong Stock Exchange Ltd.

October 16, 2008
First Trading in Stock Exchanges

April 27, 2009
Acquires Approximately 100% shares of Ocean Containers Limited

August 23, 2009
Acquire Approximately 100% shares of Cemcor Limited

October 20, 2009
Signed JV Agreement with APM Terminals BV, the leading terminal operator in the world, for participation in upcoming tender for Operation & Management of New Mooring Container Terminal, Chittagong

July 08, 2010
Approval for Denomination of Share value & market lot to Tk. 10 & 100 Shares from Securities & Exchange Commission

July 20, 2010
Date of trading started under denominated Face value and Market Lot

Corporate Governance

The corporate governance philosophy of the Company is aimed at assisting the top management in efficient conduct of its affairs as well as in meeting obligations to all the stakeholders and is guided by strong emphasis on transparency, accountability and integrity. It provides the Company with strategic guidance as to how the objectives are set and achieved, how risk is monitored and assessed and how the performance is maximized.

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

- That the Board is appropriate in size and members are committed to their respective duties and responsibilities
- That timely flow of information to the Board and its Committees are ensured to enable them discharge their functions effectively
- That a sound system of risk management and internal control is in place.
- That timely and balanced disclosure of all material information concerning the Company is made to all Stakeholders.
- That all transactions of the Company are transparent and accountability for the same is well established.
- That all regulatory and statutory rules and regulations are complied with.

The Responsibilities of the Board

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

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

- Reviewing and guiding corporate strategy, major plans

of action, risk policy, annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance.

- Ensuring the integrity of the company's accounting & financial reporting systems, in particular, systems for risk management, financial and operational control and compliance with the law and relevant standards.
- Reviewing company's financial statements and oversee its compliance with applicable audit, accounting and reporting requirement.
- Monitoring implementation and effectiveness of the approved strategic and operating plans.
- Establish company's value.
- Oversee the corporate governance of the company

The Company's policy is to maintain optimum combination of Directors from both Sponsors and general public. The short introduction of the Directors has been described separately in this Report. The Board ensures that the activities of the Company are always conducted with adherence to high ethical standard and in the best interest of the shareholders.

Board meetings and procedures

Ten (10) meetings of the Board of Directors of the Company were held during the financial year ended 31 December 2010. The procedures of the board meeting are mentioned below:

- (a) **Selection of Agenda:** The Chairman of the Board, in consultation with Managing Director sets the agenda for Board meetings with the understanding that the Board is responsible for providing suggestions for agenda items that are aligned with the advisory and monitoring functions of the Board. Any member of the Board may request that an item be included on the agenda.
- (b) **Board Materials:** Board materials related to agenda items are provided to Board members sufficiently in advance of Board meetings to allow the Directors to prepare for discussion of the items at the meeting.
- (c) **Senior Management in the Board meeting:** At the



invitation of the Board, members of senior management attended Board meetings or portions thereof for the purpose of participating in discussions.

Internal Control Framework

The Management recognizes its responsibilities to present a balanced and understandable assessment of the company's position and prospect. The management has accountability for reviewing and approving the effectiveness of internal controls operated by the company, including financial, operational and compliance controls and risk management.

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





Directors' Report

to the Shareholders for the year ended December 31, 2010

Dear Shareholders,

Assalmu-alaykum and very good morning.

The Board of Directors of Summit Alliance Port Limited (SAPL) welcomes you all to the 07th Annual General Meeting of the company. We are pleased to submit before you the operational activities and audited financial statements of the company for the year that ended on December 31, 2010.

The Directors' Report is prepared in compliance with section 184 of the Companies Act 1994, Securities & Exchange Commission's notification no- SEC/CMRRCD/2006-158/Admin/02-08 dated 20th February 2006 and other applicable laws and regulations.

BUSINESS ACTIVITIES

Established in December 2003 the Company is located on around 30 acres of free hold land in Patenga Industrial Area on International Airport Road Chittagong. The principal activity of the Company is to provide Off-Dock services as Inland Container Depot with facility for Empty Container Storage and Container Freight Station for handling of both Import and Export Cargo. The Company has two subsidiaries whose profile, in brief, is as under:

- Ocean Containers Limited (OCL), a leading Land Container Port in the private sector of the Country and located at Patenga Industrial Area of Chittagong on the International Airport road, is only 6 km from the country's largest seaport, Chittagong Port. Established in 1987, the Company has around 15 Acres of Custom bonded free hold land and the principal activity of the Company is to provide Off-Dock services as Inland Container Depot (ICD) with facilities for Empty Container Storage and Container Freight Station (CFS) for stuffing of Export cargo and transportation of the same to the Chittagong Port yard for shipment as well as for unstuffing of import cargo on behalf of its clients. OCL is the first Off-Dock in Bangladesh to have the Global Security Verification (GSV) certification which is the leading international business network for supporting the development and implementation of measures for enhancing global supply chain security. With this GSV certificate OCL has been determined by an independent 3rd party expert as having the appropriate security measures in place, as published by the U.S. Bureau of Customs and Border Protection, and that these measures are implemented and maintained throughout the facility. OCL's valued clientele includes Maersk, APL, Hapag-Lloyd, Shipping Corporation of India, Yang Ming Line, China Shipping, Norasia, DSV, Danzas. OCL was listed under provisions of Dhaka/Chittagong Stock Exchange (Direct Listing) Regulations, 2006 and its shares are traded in both the bourses of the country effective from 4th March 2010.
- Cemcor Limited (Cemcor) is a private company limited by shares, incorporated in Bangladesh under the Companies Act, 1994 on 26 February 1998, and its subsidiary, Wahid Spinning Mills Limited (WSM) was incorporated on 6th September 1999 under the Companies' Act 1994. Neither Cemcor nor its subsidiary WSM is presently operative. SAPL acquired the companies, with the purpose

of establishing a Riverine Port on the 14 acres of land owned by the two companies and situated on the bank of river Dholeshwari in Mukterpur under Munshigonj District. The work of development has already been taken in hand and it is expected to commence operation from 1st Quarter 2012. Once operational this River Terminal will offer an attractive alternative for the Importers and Exporters of the country who are presently fully dependent on the congested Dhaka – Chittagong highway.

Carry over effect of global economic meltdown coupled with intense competition that arose due to influx of a few more off-docks during 2008-09 resulting in substantial reduction of tariff for off-dock services had taken its toll on the performance of the year under report as well. Combined operating revenue of the company with its subsidiary for the year reduced by 5.5% compared to year 2009 in spite of 49% growth in the volume of export cargo handling and that of import cargo by 45% over same period last year. It may, however, be mentioned that even with the influx of new entrants your company has successfully managed to retain its valued customers that helped in substantial increase in the annual throughput and, in turn reduced as much as possible the downward pressure on revenue. Business growth projected by our valued clients with gradual recovery from the impact of recession gives us the confidence to expect improved revenue and profitability for the year 2011 and beyond.

FINANCIAL RESULTS

Consolidated net profit of the Company after Tax and minority interest amounted to Tk.1,114.7 million for the year under report as compared to Tk. 353.6 million of the year 2009. Profit for the year includes an amount of Tk.928.5m on account of capital gain on disposal of Company's investment in Ocean Containers Limited (OCL) on Direct Listing of OCL as per provisions of Dhaka/Chittagong Stock Exchange (Direct Listing) Regulations 2006. Fund so raised will be utilized for development works of expansion/new projects of the Company.

Directors of the Company would like to report the company's financial results for the year ended 31st December 2010 with the recommendations for appropriation as follows:





Directors' Report

Appropriation of Profit	Figure in thousand taka
	2010
Net Profit of SAPL after Tax and Tax-Holiday Reserve	1,040,404
Retained earnings of the Company as on 01-01-10 brought forward	228,503
Controlling interest in the Retained Earnings of Ocean Containers as on 31-12-10	60,521
Loss of the non-operating subsidiary, Cemcor Limited	(2,382)
Consolidated Net Profit after Tax with Subsidiaries	1,327,046
30% Dividend Paid on 2009 Accounts (20% Stock & 10% cash):	(263,704)
Balance available for Appropriation	1,063,342
Less: 30% Interim Cash Dividend Paid	290,075
Retained Earnings per Statement of Financial Position as on 31-12-10	773,267
Final Dividend proposed for the year:	
• Cash dividend: 50% (including 30% interim paid earlier)	193,383
• Stock Dividend: 25%	241,729
Total Appropriation	(435,112)
Retained Earnings	338,155

DIVIDEND

Your Board recommends 25% Stock Dividend and 50% Cash Dividend (including 30% interim paid earlier), subject to approval by the shareholders at the 07th Annual General Meeting and SEC's approval for the Stock Dividend.

DIRECTORS

• Directors' meeting & attendance

During the year ended December 31, 2010, the Board of Directors held 10 (Ten) meetings. Name of the Directors and the number of meetings attended by each are given below:

Name of Directors	Attended
Mr. Muhammed Aziz Khan	10
Mrs. Anjuman Aziz Khan	08
Mr. Syed Ali Jowher Rizvi	05
Mrs. Sobera Ahmed Rizvi	04
Mr. Md. Latif Khan	09
Ms. Ayesha Aziz Khan	08
Ms. Azeeza Aziz Khan	09
Mr. Faisal Karim Khan	09
Mr. Syed Yasser Haider Rizvi	09
Mr. Syed Nasser Haider Rizvi	08
Mr. Syed Fazlul Haque	07
Captain Asif Mahmood	07

Alternate to Ms. Adeeba Aziz Khan who is on leave

Appointed by Board in its meeting dated 30-04-10

Appointed by Board in its meeting dated 30-04-10

The Directors who could not attend the meetings were granted leave of absence.

• Re-appointment of Mr. Syed Ali Jowher Rizvi as Managing Director

On expiry of the existing term, your Board, re-appointed Mr. Syed Ali Jowher Rizvi as Managing Director of the Company for a further period of five years ending on 31st December 2014 in its meeting held on 30th April 2010 subject to confirmation of shareholders in Annual General Meeting. The



Directors' Report

matter will therefore be placed in the ensuing 07th Annual General Meeting of the Company for confirmation.

• Directors' Election & re-appointment

As per Article 42 of the Articles of Association Mr. Muhammed Aziz Khan Mr. Faisal Karim Khan and Ms. Adeebe Aziz Khan shall retire in the 07th Annual General Meeting by rotation and being eligible, offer them for re-election.

Your Board, in exercise of its power vested in Article-41 of the Company's Articles of Association, appointed Mr. Syed Fazlul Haque, FCA and Captain Asif Mahmood a Directors of the Company in its meeting held on 30th April 2010. Both the directors so appointed by the Board shall retire in the ensuing 07th AGM and being eligible offer themselves for election.

• Auditors

The present auditors, Messrs Basu Banerjee Nath & Co, Chartered Accountants retire and being eligible, offered themselves for re-appointment for the year 2011 with request for a reasonable increase of fees. Your Board recommended the re-appointment of Basu Banerjee Nath & Co as auditor of the Company for the year 2011 and Board's recommendation will be placed at the forthcoming Annual General Meeting for approval.

BUSINESS EXPANSION

Established in December 2003, your company is the first Off-Dock company in the private sector that has gone public on 16th October 2008. The company commenced its commercial operation in February 2007 and your Board has been continuously striving to expand facilities and improve performance standard to accommodate the increased demand that arose from the confidence and trust our valued customers reposed on our high standard services. In order to accommodate the growing business volume, the Company has, today, 24.72 acres of freehold land which has been developed with Warehouse facility of 205,500 sft and import cargo warehouse of 19,500 sft besides having other related facilities to provide necessary services to our valued clients, viz, Kuehne+Nagel, APL Bangladesh Limited and so on.

BUSINESS RISK & UNCERTAINTIES

Off-Dock operation is highly dependent on the efficiency of handling exports and imports by Chittagong Port that generate from International trade of the Country. Therefore any disruption in Chittagong Port operation will have adverse impact on the trade volume of the Country and have consequential effect on the business of the Company. However given the importance of Chittagong Port as the gateway for over 90% of the country's containerized export and import cargo we do not foresee the Government allowing such a situation arising. Besides the dependency on Chittagong Port, the project is closed to the Bay of Bengal and thereby risking the possibility of being affected by sea driven natural calamities. However the

recently constructed protection embankment by the Bangladesh Water Development Board has reduced this risk greatly. Furthermore the same embankment has been earmarked to be part of the Asian Super Highway which should lead to further strengthening of the structure and thereby minimizing any potential risk from sea driven calamities. Finally, all Off-Dock Companies are dependent on renewing permission / clearance from Chittagong Custom House (NBR), Chittagong Port Authority and various other relevant Government Agencies. Delay at any stage can have consequential effect in smooth continuation of the operation.

GOING CONCERN

While approving the financial statements, Directors have made appropriate enquiries and analyzed the significant financial, operating as well as other indicators for enabling them to understand the ability of the company to continue its operations for a foreseeable period. Directors are convinced and have a reasonable expectation that the company has adequate resources to continue its operation consistently for the foreseeable future. Therefore the company adopted the going concern basis in preparing these financial statements

CORPORATE GOVERNANCE

Corporate Governance is the system through which companies are directed, guided and controlled by the Board, keeping in view its accountability to the shareholders. Your company strives to maintain full compliance with the laws, rules and regulations that govern the business and to uphold the highest standards.

Since corporate governance is not a static process, we always continue to improve our practices. A separate chapter on corporate governance has been reported before.

CORPORATE SOCIAL RESPONSIBILITY

As part of the ongoing commitment to the society and environment in which the Company conducts its business, SAPL remains promise bound to perform its obligation. We shall continue our drive to further promote social and environmental improvements whenever opportunity arises.

HUMAN RESOURCES MANAGEMENT

Your company recognizes that People are the most important resource and key to the success of any organization. To develop and equip the employees with key skills, the company places great emphasis on the development of its people and hence we strive to send our people to various courses and workshop as well as we also arrange in house workshops for updating knowledge on the respective functional areas.

STATUS OF COMPLIANCE

In accordance with the requirement stipulated in condition No-5.00 of the Securities & Exchange Commission's notification no-SEC/



Directors' Report

CMRRCD/2006-158/Admin/02-08 dated February 20, 2006 the Corporate Governance Compliance Report is shown in **Annexure - I**.

CORPORATE AND FINANCIAL REPORTING FRAMEWORK

International Financial Reporting Standards (IFRS) as adopted by Institute of Chartered Accountants of Bangladesh and other applicable laws and regulations require presenting fairly the financial position of the company and its performance for the period. To adhere to the requirements, the following salient issues have been considered in preparing the financial statements of the Company:—

- I. Selection of suitable accounting policies and then applying them consistently
- II. Making judgments and estimates that are reasonable and prudent
- III. Ensure that the financial statements have been prepared in accordance with Bangladesh Financial Reporting Standards and comply with applicable regulations.
- IV. Preparation of financial statements on going concern basis

Apropos SEC Notification dated 20th February 2006, Directors are also pleased to make the following declaration in their Report:

- a. The Financial Statement prepared by the management of the Company present fairly its State of Affairs, the result of its Operations, Cash Flows and Changes in Equity.
- b. Proper Books of Accounts have been maintained.
- c. Appropriate Accounting Policies have been consistently applied in preparation of the Financial Statements and that the Accounting estimates are based on reasonable and prudent judgment.
- d. International Financial Reporting Standards (IFRS), as applicable in Bangladesh have been followed in preparation of the Financial Statements.
- e. The Company maintains a sound Internal Control System which gives reasonable assurance against any material misstatement of loss. The internal control system is regularly reviewed by the Company's Internal Audit Team.
- f. There are no significant doubts upon the Company's ability to continue as a going concern.
- g. Significant deviations from the last year's operating results of the Company, if any have been highlighted under the headings Appropriation of Profit, Financial Performance and Summery Balance Sheet herein before and the reasons are stated in the Chairman's Statement and Directors' Report.
- h. Key operating and financial data of at least immediately preceding three years has been summarized;
- i. Significant plans and decisions, such as corporate restructuring, business expansion and discontinuance of operations as appropriate,

future prospects, risks and uncertainties surrounding the company has been outlined under the related captions of this report;

- j. The number of Board meetings held during the year and attendance by each director has been disclosed;
- k. The pattern of shareholding has been reported to disclose the aggregate number of shares.

KEY OPERATING & FINANCIAL DATA

The summarized key data for last three years is set out in **Annexure-2**.

SHAREHOLDING INFORMATION

The shareholding information as at 31st December 2010 with other related information are set out in **Annexure-3**.

ACKNOWLEDGEMENT

Your Directors would like to put on record its deep appreciation of the efforts made by the employees of the Company. Their commitment and passion, both individually and through teamwork, have helped achieve OCL that it is today. The Board also recognizes and appreciates the critical support provided by the families of the employees which enables them to focus on their work in OCL.

The trust and confidence that our valued customers bestow in OCL is our main driving force. We accept this trust in all humility and shall continue to strive to live up to the expectations. Board expresses its heartfelt thanks and gratitude to all the stakeholders including Investors, Clients, Suppliers, Banks & Financial Institutions, Insurance Companies, Service Providers, the Securities & Exchange Commission, Registrar of Joint Stock Companies & Firms, Central Depository of Bangladesh Limited, Dhaka/Chittagong Stock Exchanges, various Government Authorities and agencies as well as Individuals who have helped us achieve what we are today.

We look forward to seeing you at our 07th Annual General Meeting.

On behalf of the Board of Directors,



Syed Ali Jowher Rizvi
Managing Director

Compliance Report

Annexure-i

Compliance Report on SEC's Notification

Status of Compliance with the conditions imposed by the Commissions Notification No- SEC/CMRRCD/2006-158/Admin/02-08 dated February 20, 2006 issued under section 2CC of the Securities & Exchange Ordinance 1969.
(Report under condition no 5.00)

Condition Title	Compliance status		Explanation for non-compliance with the condition
	Complied	Not complied	
1.1 Board's size	√		
1.2 (i) Independent Directors		√	Being processed. To be appointed as soon as possible
1.2 (ii) Appointment of Independent Non-shareholder Director		√	To be done soon
1.3 Chairman and Chief Executive	√		
1.4 Director's report to include declarations on:			
a. Fairness of State of the Affairs	√		
b. Keeping proper Books of Accounts	√		
c. Consistent application of Accounting Policies in preparation of Financial Statements	√		
d. Observance of Bangladesh Accounting Standard (BAS)	√		
e. Soundness and efficiency of Internal Control	√		
f. Ability of Summit Alliance Port Limited to continue as a going concern	√		
g. Significant deviations from last year in operating result	√		
h. Presentation of key Operating and Financial data for last three years	√		
i. Declaration of Dividend	√		
j. Number of Board meeting held during the year and attendance by each Director	√		
k. Shareholding pattern	√		
2.1 Appointment of CFO and Company Secretary in the Board meeting	√		CFO is the company Secretary
2.2 Attendance of CFO and Company Secretary in the Board meeting	√		
3.0 Audit Committee		√	Shall be formed as soon as the Independent Auditor is appointed. All the points under 3.1, 3.2, 3.3.1, 3.3.2 & 3.4 being linked with condition 3.0 therefore remain un-complied subject to comment made there against.
3.1 i. Composition of audit Committee			
ii. Audit Committee Members Appointment			
iii. Filling of casual vacancy in Audit Committee			
3.2 i. Chairman of Audit Committee			
ii. Audit Committee Chairman's Qualification			
3.3.1 i. reporting to the Board of Directors			
ii. Report on:			
a. Conflicts of interests			No such incident arose
b. Suspected materials defect in the internal control system			No such incident arose
c. Suspected infringement of laws			No such incident arose
d. Any other matter			No such incident arose
3.3.2 Reporting to the Authorities			No such incident arose
3.4 Reporting to the Shareholders			No such incident arose
4.0 Statutory Auditors not to engage in:			
a. Appraisal or valuation services	√		
b. Financial Information system design and implementation	√		
c. Book keeping or other services related to Financial Statements	√		
d. Broker – dealer services	√		
e. Actuarial services	√		
f. Internal audit services	√		
g. Any other services that the audit Committee determines	√		

Financial Highlights

Annexure-ii

	2010	2009	2008
Asset Employed			
Property Plant & Equipment	3,450,525	3,011,200	1,322,691
Long-Term Investment	27,309	188,387	-
Intangible Asset: Goodwill	1,000		
Net Current Asset	111,495	(197,054)	150,149
Total Asset Employed	3,590,329	3,002,533	1,472,840
Financed By			
Share Capital	966,916	879,015	500,000
Revaluation Reserve	709,070	713,779	717,937
Tax Holiday Reserve	148,202	123,678	120,551
Capital Reserve	623,784	916,315	-
Retained Earnings	773,268	278,701	111,190
Shareholders' Equity	3,221,240	2,911,488	1,449,678
Minority Interest	348,697	67,984	-
Long Term Borrowing	20,392	23,061	23,162
Total Capital Employed	3,590,329	3,002,533	1,472,840
Revenue and Profit			
Revenue Earned	562,118	595,332	292,184
Net Profit After Tax	1,114,667	353,591	175,190
Ratios			
Market Price per Share as at 31st Dec (Restated at Tk.10/- face value)	174.10	189.95	87.62
Earnings per Share (EPS)- Taka (Restated at Tk.10/- face value)	11.53	4.02	3.50
Price/ Earning (P/E) Ratio- Times	15.10	47.12	25.00
Price/Equity Ratio- Times	4.70	5.60	3.13
Dividend per Share in %	75.00	30.00	30.00
Dividend Payout- %	65.06	74.58	85.62
Net Asset Value per Share- Taka (Restated at Tk.10/- face value)	37.00	34.00	28.00
Return on Shareholders' Equity- %	17.45	12.17	12.10
Current Ratio- Times	1.20	0.59	4.68



Annexure-iii

Shareholding Information

Categories of Shareholder	No. of Shareholder	No. of Shares Held
Sponsors:		
Alliance Holdings Limited	1	28,118,300
Summit Industrial & Mercantile Cor. (Pvt.) Ltd.	1	5,601,870
Cosmopoliton Traders (pvt.) Limited	1	5,601,870
Mr. Mohammad Aziz Khan	1	7,606,770
Mrs. Anzuman Aziz Khan	1	5,601,870
Ms. Ayesha Aziz Khan	1	3,981,920
Directors, CEO, Company Secretary, CFO, Head of Internal Audit & their spouses:		
Mr. Syed Ali Jowher Rizvi, Managing Director	1	5,165,430
Mrs. Sobera Ahmed Rizvi, Director	1	2,219,030
Mr. Syed Yasser Haider Rizvi, Dy. Managing Director	1	9,240
Mr. Syed Nasser Haider Rizvi, Dy. Managing Director	1	9,240
Ms. Adeeba Aziz Khan, Director	1	3,981,920
Ms. Azeza Aziz Khan, Alternate Director	1	3,981,920
Mr. Syed Fazlul Haque, Director & Company Secretary	1	750
Executive:	Nil	Nil
Shareholders Holding 10% or more voting rights:		
Alliance Holdings Limited,	1	28,118,300



Management Team



Mr. Syed Ali Jowher Rizvi
Managing Director



Mr. Syed Yasser Haider Rizvi
Deputy Managing Director



Mr. Syed Nasser Haider Rizvi
Deputy Managing Director



Mr. Faisal Karim Khan
Deputy Managing Director



Mr. Syed Fazlul Haque, FCA,
Director & Company Secretary



Captain Asif Mahmood
Director (Projects & Procurement)



Captain Kamrul Islam Mazumder
Director (Operations)



Mr. Mohammed Harun
Additional General Manager (Land & Tax)



Mr. Md. Tarikul Islam
Deputy General Manager (ICD)



Mr. Ratan Kumar Nath
Deputy General Manager & Head of Audit



Mr. Aman Ullah Al Kader
Asst. General Manager & Head of Operation

Introducing the Senior Executives



CAPTAIN KAMRUL ISLAM MAZUMDER

Director (Operations)

Capt. Kamrul Islam Mazumder (1957), had his early education at Faujdarhat Cadet College from 1969 to 1975. He passed his HSC in 1975 securing 8th position in the combined list of successful candidates from the Comilla Board. He then graduated from the Bangladesh Marine academy. He passed two professional examinations from Ireland and finally passed his Master Mariner examinations from Liverpool in England. Capt. Mazumder started his sea career as a cadet with the Bangladesh Shipping Corporation in 1977, later moving to a Hong Kong-based Company to serve in various sea-going capacities on board bulk carriers. He commanded bulk carriers from 1992 till 1997 when he left sea to start his shore based career.

Capt. Mazumder joined Maersk Bangladesh Limited as Manager, Chittagong in 1997. During his tenure with Maersk Bangladesh, Capt. Mazumder oversaw pan-country Operations and Security apart from general management of the Chittagong Branch. He last served Maersk Bangladesh Ltd. as General Manager Operations.

MR. MOHAMMED HARUN

Additional General Manager (Land & Tax)

Mr. Mohammed Harun (1966) obtained his Masters Degree in Accounting in 1992 from University of Chittagong. He joined Ocean Containers Limited in 1996 as head of Finance & Accounts of the Company. He has 19 years experience in Accounts & Finance. Presently he is holding the position General Manager (Land & Tax) of Summit Alliance Port Limited. Before joining this Company he served in renowned Saled Group from 1992 to 1995.

MR. MD. TARIKUL ISLAM

Deputy General Manager (ICD)

Mr. Md. Tarikul Islam (1958), son of Late Joyal Abedin Talukder and Mrs. Rahima Khatoon completed his MSS Degree in Economics from Dhaka University. Thereafter he worked near 15 years in Ocean Containers Limited as ICD in charge. From 2008 he is performing as Deputy General manager- ICD of Summit Alliance Port Limited.



MR. RATAN KUMAR NATH

Asst. General Manager & Head of Audit

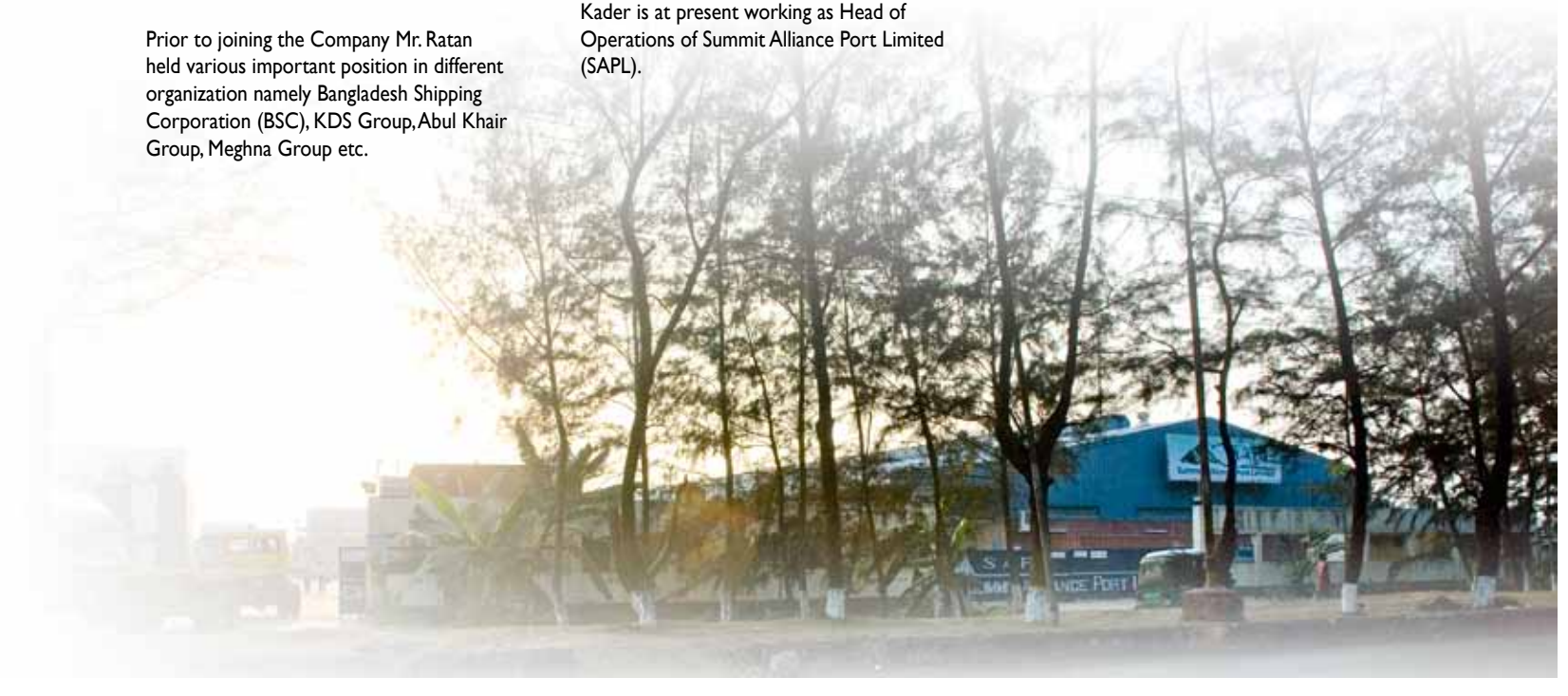
Mr. Ratan Kumar Nath (1957) joined the Company in January 2008 as head of Internal Audit of the Company. Mr. Ratan obtained his M.Com from University of Chittagong and subsequently qualified as Cost & Management Accountant from Institute of Cost and Management Accountants, Bangladesh (ICMAB). He has 16 years of professional experience.

Prior to joining the Company Mr. Ratan held various important position in different organization namely Bangladesh Shipping Corporation (BSC), KDS Group, Abul Khair Group, Meghna Group etc.

MR. AMAN ULLAH AL KADER

Asst. General Manager & Head of Operation

Mr. Aman Ullah Al Kader (1971) Son of Late Md. Mahamudul Haque and Mrs. Umma Kulshum, completed his B.Com (Hons.) degree from Chittagong University. Thereafter he involved himself in Shipping related works for 15 years working in Birds Bangladesh for 5 years and then in Kuehne Nagel for 5 years. In 2003 Mr. Kader joined in Ocean Containers Limited as Assistant General Manager, Mr. Kader is at present working as Head of Operations of Summit Alliance Port Limited (SAPL).



Financials



Independent Auditors' Report to Shareholders of

Summit Alliance Port Limited

Report on the Financial Statements:

We have audited the accompanying financial statements of Summit Alliance Port Limited (the company), namely, Statement of Financial Position as at December 31, 2010 and the related Statement of Comprehensive Income, Statement of Changes in Shareholders' Equity, Cash flow statement, and a summary of significant accounting policies and other explanatory information along with consolidated Financial Statements of its subsidiaries such as Ocean Containers Limited and Cemcor Limited.

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), and for such internal control a management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Scope:

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 judgment, including the assessment of the risk of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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 the accounting policies used and the reasonableness of accounting estimates made by management, 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.

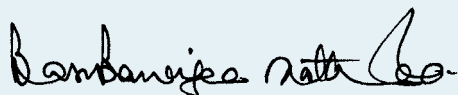
Opinion:

In our opinion, the financial statements of the company prepared in accordance with International Financial Reporting Standards, including Bangladesh Financial Reporting Standards (BFRS) give a true and fair view of the state of the Company's affairs as of 31, December, 2010, and the results of financial performance, its cash flow statement and statement of changes in Shareholders' Equity for the year then ended

Report on other legal and regulatory requirements:

In our opinion, the Financial Statements comply with the applicable sections of the Companies Act, 1994, the securities and exchange rules 1987 and other applicable laws and regulations.

- a) Our examination and checking of records, relevant books of accounts, registers, schedules and financial statements were sufficient to enable us to form an informed and assessed opinion on the authenticity and accuracy of the financial statements.
- b) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and made due verification thereof;
- c) 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;
- d) The company's statements of financial position, statement of comprehensive income dealt with by this report are in agreement from our examination of those books;
- e) The expenditure incurred was for the purposes of the business of the Company.



(Basu Banerjee Nath & Co.)
Chartered Accountants

Statement of Financial Position

as at 31 December, 2010

	Notes	2010 Taka	2009 Taka
ASSETS:			
Non-Current Assets :			
Property , Plant and Equipment	4	1,882,564,008	1,653,135,343
Long -Term Investment	5	395,408,543	452,989,800
		2,277,972,551	2,106,125,143
Current Assets :			
Accounts Receivables	6	40,844,912	37,068,938
Loans, Advances, Deposits & Prepayments	7	98,054,786	153,861,634
Inventories	8	1,149,566	2,698,858
Short -Term Investment	9	336,414,292	-
Intercompany Account with Cemcor Ltd.	10	56,955,791	10,102,876
Cash & Cash Equivalents	11	79,667,328	9,785,039
		613,086,675	213,517,345
		2,891,059,226	2,319,642,488
Total Assets :			
SHAREHOLDERS' EQUITY AND LIABILITIES:			
SHAREHOLDERS' EQUITY:			
Issued, Subscribed and Paid Up-Capital	12	966,916,000	879,014,600
Revaluation Surplus	13	709,070,126	713,779,253
Tax-Holiday Reserve	14	148,202,121	123,678,400
Retained Earnings	15	715,128,366	228,503,175
		2,539,316,613	1,944,975,428
LIABILITIES:			
Non-Current Liabilities:			
Long Term Borrowings	16	8,120,070	12,525,678
Deferred Liability for Gratuity	17	5,027,130	3,779,100
		13,147,200	16,304,778
Current Liabilities And Provisions:			
Short - Term Loan	18	-	13,607,161
Bank Overdraft	19	-	275,114,093
Advance from Client		-	13,476,907
Accounts Payable	20	30,797,848	26,587,376
Dividend Payable - cash		23,118,453	756,950
Intercompany Account	21	4,951,589	6,371,681
Provision for Income Tax	22	11,007,168	187,121
Other Payables	23	268,720,355	22,260,993
		338,595,413	358,362,282
		2,891,059,226	2,319,642,488
Total Shareholders' Equity And Liabilities			
Contingent Liabilities	36	2,067,382	2,067,382
		26	22

Note nos 1 to 38 are the integral part of the report.



Managing Director

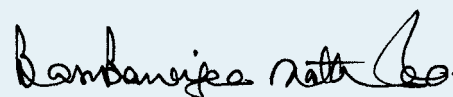
As per our report of the same date



Director



Chief Financial Officer



Auditor

Statement of Comprehensive Income

for the year ended 31 December 2010

	Notes	2010 Taka	2009 Taka
Revenue	24	283,647,206	255,938,130
Less: Operating Expenses	25	150,465,777	107,625,857
Administrative Expenses	26	45,981,489	30,705,596
Advertisement and Sales Promotion Expenses	27	20,519,252	6,705,539
Financial Expenses	28	5,371,386	3,083,778
		222,337,904	148,120,770
Net Operating Profit		61,309,302	107,817,360
Add: Capital Gain from Sale of Investment	29	928,509,027	159,684,400
Dividend on Investment	30	3,867,500	-
Other Income	31	28,336,778	2,266,417
Profit from Sale of short-term investment	32	54,244,752	-
Net Profit before Tax		1,076,267,359	269,768,177
Less: Provision for Income Tax	22a	11,339,327	623,265
Net Profit after Tax		1,064,928,032	269,144,912
Profit Attributable to Shareholders		1,064,928,032	269,144,912
Less: Tax Holiday Reserve (40%)		24,523,721	43,126,944
Net Profit after Tax Holiday Reserve		1,040,404,311	226,017,968
Earnings per share (EPS)		11.01	30.62
Restated EPS based on face value of Tk. 10 per share		11.01	3.06



Managing Director



Director



Chief Financial Officer

As per our report of the same date



Auditor

Statement of Changes in Equity
for the year ended 31 December 2010

	Share Capital	Revaluation Surplus	Tax-holiday Reserve	Retained Earnings	Total
Balance as on 01.01.2010	879,014,600	713,779,253	123,678,400	228,503,175	1,944,975,428
Net Profit for the year	-	-	-	1,040,404,311	1,040,404,311
Transferred to Tax Holiday Reserve	-	-	24,523,721	-	24,523,721
Cash Dividend Paid	-	-	-	(465,877,720)	(465,877,720)
Stock Dividend Paid	87,901,400	-	-	(87,901,400)	-
Depreciation on Revalued Amount	-	(4,709,127)	-	-	(4,709,127)
Balance as on 31.12.2010	966,916,000	709,070,126	148,202,121	715,128,366	2,539,316,613



Managing Director

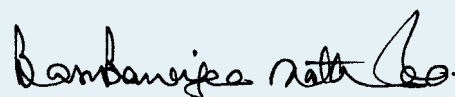


Director



Chief Financial Officer

As per our report of the same date



Auditor

Statement of Cash Flow

for the year ended 31 December, 2010

	Notes	2010 Taka	2009 Taka
Cash Flow from Operating Activities :			
Cash received from Customers and Others		362,452,762	254,371,160
Cash paid to Suppliers, Service Providers and Employees		20,126,366	(115,541,568)
Dividend on Investment		3,867,500	-
Cash Generation from Operation		386,446,628	138,829,592
Income Tax paid / Adjustment made		(519,280)	(4,858,154)
Financial Expenses		(5,371,386)	(3,083,778)
<i>Net Cash generated from Operation</i>		380,555,962	130,887,660
Cash Flow from Investing Activities:			
Acquisition of Property, Plant and Equipment		(260,457,921)	(359,644,954)
Loans, Advances, Deposits & Prepayments		8,953,933	(137,126,330)
Short-Term Investment		(336,414,292)	-
<i>Net Cash used in Investing Activities</i>		(587,918,280)	(496,771,284)
Cash Flow from Financing Activities:			
Payment of Long term Borrowings		(4,405,608)	(10,635,961)
Receipt from/(Payment of) Short Term Borrowings		(13,607,161)	12,818,106
Bank Overdraft		(275,114,093)	275,114,093
Cash Dividend Paid		(402,241,908)	(49,243,050)
Payment to Client against advance rental		(13,476,907)	13,476,907
Investment in Cemcor Ltd.		-	(188,386,850)
Sale proceeds of Investment		986,090,284	187,680,000
<i>Net Cash generated from Financing Activities</i>		277,244,607	240,823,245
Total Increase in Cash and Cash Equivalents		69,882,289	(125,060,379)
Cash and Cash Equivalents at the Beginning of the year		9,785,039	134,845,418
Cash and Cash Equivalents at the End of the year		79,667,328	9,785,039
Net Operating Cash Flow per share based on face value of Tk. 10 per share		3.94	1.49



Managing Director

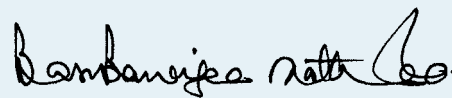


Director



Chief Financial Officer

As per our report of the same date

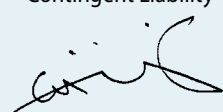


Auditor

Consolidated Statement of Financial Position

as at 31 December, 2010

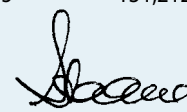
	Notes	Consolidated	
		2010 Taka	2009 Taka
ASSETS:			
Non-Current Assets:			
Property , Plant and Equipment	4.1	3,450,525,344	3,011,200,343
Long -Term Investment	5.1	-	188,386,850
Goodwil	14.2	999,975	-
		3,451,523,319	3,199,587,193
Current Assets:			
Accounts Receivable	6.1	80,328,171	80,163,357
Loans, Advances , Deposits & Prepayments	7.1	135,583,549	191,508,212
Inventories	8.1	3,814,182	4,585,447
Short-Term Investment	9.1	373,554,950	-
Inter-Company Receivable/Payable		-	-
Other Receivables		1,214,100	206,880
Cash & Cash Equivalent	11.1	98,235,691	14,562,084
		692,730,643	291,025,980
		4,144,255,962	3,490,613,173
Total Assets:			
SHAREHOLDERS' EQUITY AND LIABILITIES:			
SHAREHOLDERS' EQUITY:			
Issued, Subscribed and Paid Up-Capital	12	966,916,000	879,014,600
Revaluation Surplus	13	709,070,126	713,779,253
Tax-Holiday Reserve	14	148,202,121	123,678,400
Capital Reserve	14.1	623,784,363	916,314,909
Retained Earnings	15.1	773,267,626	278,701,216
		3,221,240,235	2,911,488,378
Minority Interest	14.3	348,696,476	67,983,592
		3,569,936,711	2,979,471,970
LIABILITIES:			
Non-Current Liabilities:			
Long Term Borrowings	16.1	8,458,551	13,848,713
Deferred Liability for Gratuity	17	11,933,180	9,212,800
		20,391,731	23,061,513
Current Liabilities And Provisions:			
Short Term Loan	18	-	13,607,161
Bank Overdraft	19.1	166,348,258	383,913,643
Advance from Client		-	13,476,907
Accounts Payable	20.1	46,714,622	38,425,062
Dividend Payable - cash		23,118,453	756,950
Provision for Income Tax	22.1	30,276,151	9,212,079
Other Payables	23.1	287,470,036	28,687,888
		553,927,520	488,079,690
		574,319,251	511,141,203
		4,144,255,962	3,490,613,173
Total Liabilities			
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES			
Net Asset Value Per share based on face value Tk. 10 per share			
Contingent Liability		37	34
		131,212,815	131,212,815



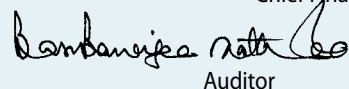
Managing Director
As per our report of the same date



Director



Chief Financial Officer



Auditor


Consolidated Statement of Comprehensive Income

for the year ended 31 December 2010

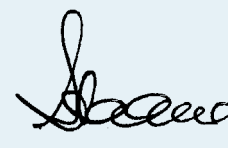
	Notes	Consolidated	
		2010 Taka	2009 Taka
Revenue	24.1	562,117,956	595,331,867
Less: Operating Expenses	25.1	302,533,805	268,266,211
Administrative Expenses	26.1	96,795,325	85,324,482
Advertisement and Sales Promotion Expenses	27.1	9,029,668	4,000,374
Financial Expenses	28.1	9,504,021	10,242,945
		417,862,819	367,834,012
Net Operating Profit		144,255,137	227,497,855
Add: Capital Gain from Sale of Investment	29	928,509,027	159,684,400
Dividend on Investment	30.1	4,472,500	-
Other Income	31.1	28,514,373	4,222,030
Profit from Sale of short-term investment	32.1	63,397,483	-
Net Profit before Tax		1,169,148,520	391,404,285
Less: Provision for Income Tax		35,577,206	34,282,435
Net Profit after Tax		1,133,571,313	357,121,850
Less: Minority Interest in Ocean Containers Ltd.		18,904,226	3,530,882
Profit Attributable to Shareholders		1,114,667,088	353,590,968
Less: Tax Holiday Reserve (40% of Summit Alliance Profit)		24,523,721	43,126,944
Net Profit after Tax & Tax Holiday Reserve		1,090,143,367	310,464,024
Restated EPS based on face value of Tk. 10 per share	34	11.53	4.02



Managing Director

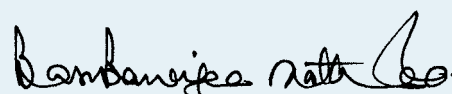


Director



Chief Financial Officer

As per our report of the same date



Auditor

Consolidated Statement of Changes in Equity

for the year ended 31 December 2010

	Share Capital	Investment Revaluation Surplus	Capital Reserve	Tax Holiday Reserve	Retained Earnings	Minority Interest	Total
	Taka	Taka	Taka	Taka	Taka	Taka	Taka
Company							
Balance as on January 01, 2010	879,014,600	713,779,253	-	123,678,400	228,503,175	-	1,944,975,428
Bonus Shares Issued against Stock Dividend	87,901,400	-	-	-	(87,901,400)	-	-
Cash Dividend Paid	-	-	-	-	(465,877,720)	-	(465,877,720)
Depreciation on Revaluation Amount	-	(4,709,127)	-	-	-	-	(4,709,127)
Net Profit after Tax for the year	-	-	-	-	1,040,404,311	-	1,040,404,311
Transfer to Tax Holiday Reserve	-	-	-	24,523,721	-	-	24,523,721
Balance as on December 31, 2010	966,916,000	709,070,126	-	148,202,121	715,128,366	-	2,539,316,613
Consolidated							
Balance as on December 31, 2010	966,916,000	709,070,126	-	148,202,121	715,128,366	-	2,539,316,612
Capital Reserve	-	-	623,784,363	-	-	-	623,784,363
Add: Post acquisition profit of OCL for the year 2010	-	-	-	-	51,360,521	18,904,226	70,264,747
Face Value of Shares	-	-	-	-	-	70,435,410	70,435,410
Retained Earnings-OCL as on 01-01-2010	-	-	-	-	9,161,079	3,371,911	12,532,990
Accumulated Loss of Cemcor Ltd. for 2009 & 2010	-	-	-	-	(2,382,340)	-	(2,382,340)
Minority Interest in Wahid Spinning Mills Ltd.	-	-	-	-	-	100	100
Minority Interest in Cemcor Ltd.	-	-	-	-	-	600	600
Revaluation Surplus	-	-	-	-	-	255,984,229	255,984,229
Balance as on December 31, 2010	966,916,000	709,070,126	623,784,363	148,202,121	773,267,626	348,696,476	3,569,936,711



Managing Director



Director



Chief Financial Officer

As per our report of the same date



Auditor

Consolidated Cash Flow Statement

for the year ended 31 December, 2010

	Consolidated	
	2010 Taka	2009 Taka
Cash Flow from Operating Activities :		
Cash received from Customers and Others	666,403,194	799,748,792
Cash paid to Suppliers and Employees	(168,942,329)	(322,287,314)
Dividend on Investment	4,472,500	
Cash generated from Operation	<u>501,933,365</u>	<u>477,461,478</u>
Income Tax paid	(44,342,220)	(126,234,433)
Financial Expenses	(10,713,347)	(10,242,945)
Net Cash generated from Operating Activities	<u>446,877,798</u>	<u>340,984,100</u>
Cash Flow from Investing Activities:		
Acquisition of Property, Plant and Equipment	(362,911,397)	(430,215,826)
Loans, Advances, Deposits & Prepayments	(965,288)	(114,963,624)
Short Term Investment	(373,554,950)	-
Net Cash used in Investing Activities	<u>(737,431,635)</u>	<u>(545,179,450)</u>
Cash Flow from Financing Activities:		
Payment of Long term Borrowings	(5,390,162)	(12,014,521)
Receipt from/(Payment of) Short Term Borrowings	(13,607,161)	12,818,106
Bank Overdraft	(217,565,385)	102,446,355
Inter-Company Transaction	48,298,927	(3,348,159)
Cash Dividend Paid	(410,122,152)	(49,243,050)
Payment to Client against advance rental	(13,476,907)	13,476,907
Investment in Cemcor Ltd.	-	(188,386,850)
Sale proceeds of Investment	986,090,284	187,680,000
Net Cash (used)/generated from Financing Activities	<u>374,227,444</u>	<u>63,428,788</u>
Increase/(Decrease) in Cash and Cash Equivalents	<u>83,673,607</u>	<u>(140,766,562)</u>
Cash and Cash Equivalent at the Beginning of the year	14,562,084	155,328,646
Cash and Cash Equivalent at the End of the year	<u>98,235,691</u>	<u>14,562,084</u>
Net Operating Cash Flow based on face value of Tk. 10 per share	5	2



Managing Director



Director



Chief Financial Officer

As per our report of the same date



Auditor

Notes to the Financial Statements

as at and for the year ended 31 December 2010

1. REPORTING ENTITY**1.1 Company Profile**

Summit Alliance Port Limited (hereinafter referred to as the "Company/ SAPL"), initially incorporated as a private company under the Companies Act, 1994 on December 06, 2003, was converted to a Public Company on March 06, 2008. The Company's Registered office is at Katghar, South Patenga, Chittagong-4000 with Corporate Office at Summit Centre, 18 Kawran Bazaar Commercial Area, Dhaka-1215. With the permission of Securities & Exchange Commission (SEC) vide its letter SEC/CI/IPO-101/08/343 dated July 01, 2008, the Company offered its shares to Public and after completing all the required formalities, the shares of the Company commenced its trading through both the bourses of the Country effective from October 16, 2008. The consolidated financial statements as at and for the year ended on 31st December 2010 comprise of the Company and its Subsidiaries. Profile of subsidiaries are as under:

Ocean Containers Limited (OCL), was incorporated in Bangladesh, initially as a Private Company on 26th April 1986 which was subsequently converted into Public Limited Company on 18th January 1992 in terms of section 154 of the Companies' Act 1913 with its registered office at Katghar, North Patenga, Chittagong-4204. OCL was listed under provisions of Dhaka/Chittagong Stock Exchange (Direct Listing) Regulations, 2006 and trading of Company's shares commenced on 4th March 2010 in both the bourses.

Cemcor Limited is a Public Limited incorporated in Bangladesh under the Companies Act 1994. The Company acquired 100% shares of Wahid Spinning Mills Limited (WSML) from its promoters on 19th September 1999. WSML was incorporated in Bangladesh as private limited company on 6th September 1999 under the Companies' Act 1994. Neither Cemcor nor its subsidiary is operating any business. The two companies together owns around 14 acres of Land on the bank of river Sitolakha in Mukterpur under Munshigonj district. SAPL acquired all but 6 shares of Cemcor's 1,758,300 shares on 24th August 2009 in order to build a riverine Port and the work of development of the required facilities is in progress.

The principal activity of the Company/Group is to provide Off-Dock services as Inland Container Depot (ICD) with facilities for Empty Container Storage & Container Freight Station (CFS) for handling both import and export cargo.

2. BASIS OF PREPARATION**2.1 Statement of Compliance**

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

The financial statements were authorized for issue by the Company's Board of Directors on 29.03.2011

The following Bangladesh Financial Reporting Standards, adopted recently, have been considered while preparing these financial statements:

Title of BFRS Effective Date

BAS 1: Presentation of Financial Statements (Revised on 1 January 2010)

BAS 23: Borrowing Costs (Revised on 1 January, 2010)

BAS 32: Financial Instruments: Presentation 1 January, 2010

BAS 39: Financial Instruments Recognition and Measurement 1 January, 2010

BFRS 7 Financial Instrument Disclosure 1 January, 2010

2.2 Basis of Measurement

The financial statements have been prepared on historical cost basis, except lands, buildings and other constructions and container handling equipment valued at current costs; and financial assets and financial liabilities stated at "fair value".

2.3 Use of estimates and judgments

The preparation of financial statements in conformity with BAS/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 recognized in the period in which the estimates are revised and in any future periods affected.

In particular, the use of estimates and judgments have most significant effect on the amounts recognized in Notes on Property, plant

Notes to the Financial Statements

as at and for the year ended 31 December 2010

and equipment, Prepayments, Revaluation surplus, Provision for gratuity and Provision for Income-tax.
The financial statements are presented in Bangladesh Taka which is the Company's functional and presentational currency.

2.4 Level of precision

All financial figures expressed in Taka have been rounded off to its nearest value/integer.

2.5 Reporting period

The financial period of the Company under this reporting covers the year from 1 January to 31 December 2010

3. SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Basis of Consolidation

Subsidiaries are entities controlled by the Parent Company and are fully consolidated.

The Accounting policies of Subsidiaries have been changed where necessary to align with the policies adopted by the Group. The financial statements of the subsidiaries have been consolidated with those of Summit Alliance Port Limited in accordance with BAS 27: Consolidated and Separate Financial Statements. Intra-group balances and transactions and any unrealized income and expenses arising from intra-group transactions are eliminated in preparing consolidated financial statements.

3.2 Property, Plant & Equipment

Items of Property, Plant and equipment (PPE) are initially measured at cost. After initial recognition, items of PPE are carried at cost less accumulated depreciation and impairment loss. Cost includes expenditures that are directly attributable to the acquisition of an item of PPE. Borrowing costs directly attributable to the construction of plants are included in the cost of those plants in compliance with BAS 23: Borrowing Costs. Subsequent cost of replacement of property, plant & equipment is recognized in the carrying amount of the item if it is measured reliably that future economic benefits embodied will flow to the Company/group. However the cost of day to servicing of the assets are recognized in the comprehensive income as and when incurred.

Depreciation is recognized in the profit and loss statement on the reducing balance method by the Company over the estimated useful life of each PPE. Rates of depreciation considering the useful lives of PPEs are as follows:-

Class of PPE	Rate of depreciation
Furniture & Fixture	15%
Building and Other Constructions	10%
Vehicle	20%
Prefabricated Steel Structures	10%
Office Equipment	20%
Container Handling Equipment	20%

3.3 Intangible Asset: Goodwill

Intangible Asset has been recognized in compliance with BAS 38: Intangible Asset. The intangible asset as booked is the excess of cost of investments over value of assets acquired.

3.4 Lease Assets

All the lease transactions have been classified based on the extent to which risks and rewards incident to ownership of the assets lie with the lessor or lessee. According to this classification, the lease transactions have been identified as finance lease as per the Bangladesh Accounting Standard No.17: Leases based on the substance of the transactions, not merely the legal form.

3.5 Inventories

Inventories are valued at the lower of cost and estimated net realizable value. The cost of inventories is valued at first-in-first-out (FIFO) method and includes expenditures for acquiring the inventories and bringing them to their existing location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and selling

Notes to the Financial Statements

as at and for the year ended 31 December 2010

expenses. When inventories are used, the carrying amount of those inventories is recognized in the period in which the related revenue is recognized.

3.6 Retirement benefits

The Company operates a contributory provident fund for all its permanent employees duly recognized by Commissioner of Taxes, Taxes Zone-2, Chittagong vide its memo A:S/5P-1/PF/Chitt-2/2008 dated December 12,2008 to which both the employees and the employer equally contribute 10% of the basic pay each, which is invested outside the Group.

The Company also operates an unfunded Gratuity Scheme for its permanent employees, provision for which is made on the basis of latest applicable basic and length of service with the Company as per the Gratuity Rule. Though no valuation was done to quantify actuarial liabilities as per the Bangladesh Accounting Standard 19: Employee Benefits, such valuation is not likely to yield a result significantly different from the current provision.

3.7 Revenue Recognition Policy

In compliance with the requirement of BAS 18: Revenue, revenue from customers against services is recognized when rendered. Revenue excludes VAT.

3.8 Taxation

Company has been enjoying Tax Holiday for four years from 20 February, 2007 and so, no provision has been for Income Tax on the Operating Income of the Company, instead provision has been made for Tax Holiday Reserve as per the requirement of Section 46A of the Income Tax Ordinance, 1984. However, necessary provision for Income Tax also exists for our Non-Operating Income not covered under Tax Holiday. Deferred Tax has not been considered for immateriality.

3.9 Provisions

A provision is recognized on the Balance Sheet Date, if as a result of past events. The Company has a present legal and constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefit will be required to settle the obligation.

3.10 Financial Income & Expenses

Finance Income comprises of interest income and dividend income on funds invested. Interest income is recognized on maturity.

Finance Expense comprises of interest expenses on loan, overdraft, finance lease and bank charges. All borrowing costs are recognized in the Profit & Loss statement using effective interest method except to the extent that are directly attributable to the construction of plants which is capitalized in accordance with BAS 23: Borrowing Cost

3.11 Financial Instruments

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

3.11.1 Financial Assets

Financial assets carried in the statement of financial position include cash and cash equivalent, trade and other receivable and deposits.

The group initially recognizes receivables and deposits on the date they are originated. All other financial assets are recognized initially on the date at which the group becomes a party to the contractual provisions of the transaction.

The group derecognizes a financial asset when the contractual rights or probabilities of receiving cash flows from the asset expires or it transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Notes to the Financial Statements

as at and for the year ended 31 December 2010

a. Cash and Cash Equivalent

This comprise of cash in hand and at bank which are available for use of the Company without any restriction. For the purpose of Cash Flow Statement, cash and cash equivalents comprise of cash in hand, deposits held at financial institutions and short term highly liquid investments. Bank overdrafts that are repayable on demand and form integral part of the group's/Company's cash management are included as a component of cash and cash equivalent for the purpose of Cash Flow Statement. Cash flows from operating activities have been presented under direct method.

b. Trade receivables

Trade receivable consists of unpaid bills by the receivers of off-dock services and are initially recognized at original invoice amount. However receivables are subsequently measured at the remaining amount less allowances for doubtful debts, discount, if any, at the year end.

c. Available -for-sale financial assets

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

3.11.2 Financial Liabilities

Other than debt securities and subordinated liabilities those are recognized on the date they originate, the Group recognizes all other financial liabilities initially on the transaction date at which the group becomes a party to the contractual provisions of the liability. The group derecognizes a financial liability when its contractual obligations are discharged, cancelled or expired.

Financial liabilities include, loans & borrowings, finance lease obligation, accounts payables and other payables

3.12 Earning per Share

Basic earning per share is calculated by dividing the net profit/loss for the period attributable to ordinary shareholders by the applicable number of ordinary shares outstanding during the period Diluted earnings per share is calculated by dividing the net profit/loss for the period attributable to ordinary shareholders by the applicable number of ordinary shares outstanding during the period after adjustment for the effects of all dilutive potential ordinary shares.

3.13 Events after the Reporting period

Events after the reporting period that provide additional material information about the Company's/group's position at the date of statement of financial position are reflected in the financial statements. The events after the reporting period that are not adjusting events are disclosed in the notes, if considered material.

3.14 Contingencies

Contingencies arising from claim, litigation assessment, fines, penalties and similar items are recorded when it is probable that a liability has been incurred and the amount can reasonably be measured. Details of contingencies as on Statement of Financial Position date are shown separately.

Notes to the Financial Statements

as at and for the year ended 31 December 2010

4. PROPERTY PLANT AND EQUIPMENT SCHEDULE AS ON DECEMBER 31.2010

	Lands Taka	Buildings and Other Constructions Taka	Electric Equipment Taka	Container Handling Equipment Taka	Furniture and Fixtures Taka	Office Equipment Taka	Motor Vehicles Taka	Other Assets Taka	Total Taka
Historical Cost:									
At 01.01.2010	403,129,014	405,790,030	16,448,247	153,566,672	4,763,215	6,120,055	8,201,993	-	998,019,226
Additions during the period	44,937,097	155,673,709	4,917,067	41,721,424	6,615,353	5,208,584	1,384,687	-	260,457,921
Addition due to revaluation	683,942,608	31,470,501	-	2,524,260	-	-	-	-	717,937,369
Historical Cost at 31.12.10	1,132,008,719	592,934,240	21,365,314	197,812,356	11,378,568	11,328,639	9,586,680	-	1,976,414,516
Accumulated Depreciation:									
At 01.01.2010	-	22,871,890	2,473,967	36,179,924	238,368	746,391	310,711	-	62,821,251
Charged during the period	-	10,026,350	2,804,510	14,866,681	678,727	1,074,733	1,578,256	-	31,029,258
Charged on HistoricalCost	-	6,738,413	2,804,510	13,445,490	678,727	1,074,733	1,578,256	-	26,320,130
Charged During the year on Revalued Amount		3,287,937	-	1,421,190	-	-	-	-	4,709,127
Depreciation at 31.12.10	-	32,898,240	5,278,477	51,046,605	917,095	1,821,124	1,888,967	-	93,850,509
Net Book Value	1,132,008,719	560,036,000	16,086,837	146,765,752	10,461,473	9,507,515	7,697,713	-	1,882,564,008
						Dec '31, 2010 Taka	Dec '31, 2009 Taka		
Depreciation Charged to Profit & Los account:									
Operating Expenses						24,566,670	24,537,601		
Administrative Expenses						1,753,460	504,546		
						26,320,130	25,042,147		
Charged to Revaluation Surplus						4,709,127	4,158,115		
						31,029,258	29,200,262		

Notes to the Financial Statements

as at and for the year ended 31 December 2010

4.1 CONSOLIDATED PROPERTY PLANT AND EQUIPMENT SCHEDULE AS ON DECEMBER 31, 2010

	Lands Taka	Buildings and Other Constructions Taka	Electric Equipment Taka	Container Handling Equipment Taka	Furniture and Fixtures Taka	Office Equipment Taka	Motor Vehicles Taka	Other Assets Taka	Total Taka
Historical Cost:									
At 01.01.2010	462,541,892	826,238,187	31,189,615	283,929,747	13,215,721	18,493,353	22,492,456	898,015	1,658,998,986
Additions during the period	44,937,097	245,449,667	9,591,106	45,924,362	7,365,983	7,056,517	4,431,066	81,035	364,836,833
Addition due to revaluation	1,493,877,110	178,832,367	379,743	36,424,273	-	844,000	-	1,710,357,493	
Historical Cost at 31.12.10	2,001,356,099	1,250,520,221	41,160,464	366,278,382	20,581,704	26,393,870	26,923,522	979,050	3,734,193,312
Accumulated Depreciation:									
At 01.01.2010	-	98,727,573	8,339,375	93,556,680	2,685,013	5,429,863	5,520,449	581,010	214,839,963
Charged during the period	-	27,469,443	3,730,080	29,574,387	1,289,432	3,313,461	3,394,401	56,801	68,828,006
Charged on Historical Cost	-	11,123,429	3,699,701	22,293,625	1,289,432	3,199,521	3,394,401	56,801	45,056,911
Charged During the period on Revalued Amount	-	16,346,014	30,379	7,280,761	-	113,940	-	-	23,771,094
Depreciation at 31.12.10	-	126,197,016	12,069,455	123,131,067	3,974,445	8,743,324	8,914,850	637,811	283,667,969
Net Book Value	2,001,356,099	1,124,323,205	29,091,009	243,147,316	16,607,259	17,650,546	18,008,672	341,239	3,450,525,344

5. LONG TERM INVESTMENT

	2010 Taka	2009 Taka
Investment in OCL	207,021,693	264,602,950
Investment in Cemcor Ltd.	188,386,850	188,386,850
	395,408,543	452,989,800

5.1 Long Term Investment

Investment in Cemcor Ltd.	188,386,850
	188,386,850

6. ACCOUNTS RECEIVABLES:

This amount represents dues from various clients against services rendered

Partywise break-up of the accounts receivables are as under:

APL Bangladesh Ltd.	6,350,024	12,687,774
APL Logistics	7,770,432	2,065,735
CMA CGM (BD) Shipping Ltd.	834,478	-
K-Line Bangladesh	905,643	681,656
Kuehne + Nagel Ltd.	6,513,347	8,723,363
Maersk Bangladesh Ltd.	3,876,071	1,444,202
M.H Global Logistics Ltd.	1,304,326	155,535
Shibali Enterprise	580,000	-
SAME-Landing Charges	5,467,524	-
Transmarine Logistics Ltd.	487,436	3,860,814
UPS SCS Bangladesh Ltd.	687,818	-
Others	6,067,813	7,449,862
	40,844,912	37,068,938

Receivables are unsecured but considered good.

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka
6.1 Consolidate Accounts Receivables:		
Balance of Summit Alliance Port Limited	40,844,912	37,068,938
Balance of Ocean Containers Limited	39,483,259	43,094,419
	80,328,171	80,163,357

7. LOANS, ADVANCES, DEPOSITS AND PREPAYMENTS:**Advances:**

Advance against Land Development	-	796,430
Advance Income Tax Deducted at Source	3,767,633	203,477
Advance against Prefabricated Steel Structure	-	73,838,678
Advance against Transformer	-	1,500,000
Advance against Land Purchase	52,946,531	61,129,784
Advance against Salary	176,059	61,609
Advance against Import	3,167,969	84,000
Receivable from Satcom	50,000	50,000
Motor Car Loan	1,153,125	1,490,625
Office Decoration	450,300	5,105,513
Other Advance	1,174,947	-
Advance against Expenses	1,027,944	1,047,944
	63,914,508	145,308,060

Deposits:

VAT Current Account-3456/VAT/2007	738,851	3,055,783
Security Deposit with CDBL	400,000	400,000
Security Deposit with T&T	144,000	144,000
IDLC Lease Deposit	265,010	265,010
PDB	355,200	355,200
Against Purchase of Shares of ICB Islamic Bank Ltd.	27,308,873	-
Margin against Bank Guarantee (FDR - 164813 - 101)	2,377,675	2,343,400
	31,589,609	6,563,393

Prepayments:

Pre-paid Insurance	336,559	628,431
Office Rent	1,246,560	1,335,600
Pre-paid Bond License	967,550	26,150
	2,550,669	1,990,181
	98,054,786	153,861,634

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka
7.1 Consolidated Loans, advances, deposits and prepayments:		
Advances:		
Advance against Land Development	-	796,430
Advance Income Tax Deducted at Source	3,833,021	2,424,583
Advance against Prefabricated Steel Structure	-	73,838,678
Advance against Transformer	-	1,500,000
Advance against Plastic and Wooden Pallet	-	394,900
Advance against Land Purchase	56,318,531	64,290,063
Advance against Salary	222,188	674,348
Advance against Import	3,167,969	84,000
Receivable from Satcom	50,000	50,000
Advance Against Software Development	1,190,000	919,250
Motor Car Loan	1,153,125	1,490,625
Advance Against Lease Rent	234,625	404,010
Payment against tender for Assets in Mukterpur Setu	-	10,102,876
Office Decoration	450,300	5,105,513
Advance to Shipwrights for Vessel Purchase	4,079,552	-
Advance for Detailed Area Plan- Kent Bush	6,754,250	-
Advance to Simco Refrigeration	40,000	-
Security Deposits for Ansar VDP	254,253	-
Advance Against CCTV Camera	70,400	234,600
Advance against Escorting Charges	43,600	-
Advance-VAT (Appeal and Tribunal)	9,728,990	9,728,990
Other Advance	9,815,391	4,462,865
Advance against Expenses	1,296,409	1,108,920
	98,702,604	177,610,651
Deposits:		
VAT Current Account	2,251,942	7,063,385
Security Deposit with CDBL	700,000	400,000
Security Deposit for Walkie Talkie	33,000	-
Chittagong Port Authority	12,000	-
Security Deposit with T&T	321,767	144,000
IDLC Lease Deposit	265,010	265,010
PDB	540,310	355,200
Security Monery Deposits	-	695,877
Against Purchase of Shares of ICB Islamic Bank Ltd.	27,308,873	-
Margin against Bank Guarantee (FDR - 164813 - 101)	2,377,675	2,343,400
	33,810,577	11,266,872
Prepayments:		
Pre-paid Insurance	620,908	1,033,589
Pre-paid Renewal of License	-	235,350
Office Rent	1,246,560	1,335,600
Pre-paid Bond Lincense	1,202,900	26,150
	3,070,368	2,630,689
	135,583,549	191,508,212
8. INVENTORIES:		
Stock of Fuel	187,177	234,349
Stock of Tyre & Spare Parts	962,389	2,464,509
	1,149,566	2,698,858

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka
8.1 Consolidated Inventories:		
Stock of Fuel	591,243	2,120,938
Stock of Tyre & Spare Parts	3,222,939	2,464,509
	3,814,182	4,585,447
9. SHORT-TERM INVESTMENT		
Fixed Deposits with Standard Bank Ltd.	1,319,690	
Investment in Share	185,094,602	
Fixed Deposits with ILFS	150,000,000	
	336,414,292	
9.1 Consolidated Short -Term Investment		
Fixed Deposits with Standard Bank Ltd.	1,319,690	
Investment in Share	222,235,260	
Fixed Deposits with ILFS	150,000,000	
	373,554,950	
10. INTERCOMPANY ACCOUNT WITH CEMCOR LTD.	56,955,791	10,102,876
<i>Amount is receivable from its subsidiary company, Cemcor Limited</i>		
11. CASH AND CASH EQUIVALENTS:		
Cash in hand	319,643	101,505
Cash at Bank:		
Standard Bank Limited	6,579,319	5,416,425
Trust Bank Limited	4,787,612	1,070,938
Jamuna Bank Limited	65,575,064	2,564,556
HSBC Bangladesh	1,565,072	611,615
Dutch Bangla Bank Limited	828,618	20,000
Islami Bank Limited	12,000	-
	79,667,328	9,785,039
11.1 Consolidated Cash and Cash Equivalents:		
Cash in hand	1,029,174	335,100
Cash at Bank:		
Standard Bank Limited	11,974,213	6,372,601
Trust Bank Limited	4,915,496	1,075,938
Jamuna Bank Limited	72,196,934	2,564,556
HSBC Bangladesh	3,667,083	1,783,318
Dutch Bangla Bank Limited	1,199,552	40,000
Southeast Bank Limited	25,444	1,514,029
Standard Chartered Bank Limited	322,056	404,847
Uttara Bank Limited	2,864,195	393,616
Islami Bank Limited	12,000	-
Bank Asia Limited	29,544	78,079
	98,235,691	14,562,084

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka
12. SHARE CAPITAL:		
Authorised Capital:		
200,000,000 Ordinary Shares of Tk.10 each	2,000,000,000	
100,000,000 Ordinary Shares of Tk.10 each		1,000,000,000
Issued, Subscribed and Paid-Capital:		
87,901,460 Ordinary Shares of Tk.10 each	879,014,600	879,014,600
8,790,140 Bonusshares of Tk.10 each issued in 2009	87,901,400	-
	966,916,000	879,014,600

Shareholding position was as follows:

Name of Shareholders	Percentage of shareholdings		Value of shares (Taka)	
	2010	2009	2010	2009
Mr. Muhammed Aziz Khan	7.8670	7.8670	76,067,700	69,152,500
Mrs. Anjuman Aziz Khan	5.7935	5.7935	56,018,700	50,926,100
Mr. Syed Ali Jowher Rizvi	5.3422	5.3422	51,654,300	46,958,500
Mrs. Sobera Ahmed Rizvi	2.2950	2.2950	22,190,300	20,173,000
Ms. Ayesha Aziz Khan	4.1182	4.1182	39,819,200	36,199,300
Ms. Adeeba Aziz Khan	4.1182	4.1182	39,819,200	36,199,300
Ms. Azeeba Aziz Khan	4.1182	4.1182	39,819,200	36,199,300
Mr. Syed Yasser Haider Rizvi	0.0096	0.0096	92,400	84,000
Mr. Syed Nasser Haider Rizvi	0.0096	0.0096	92,400	84,000
Alliance Holding Ltd.	29.0804	29.9459	281,183,000	263,229,100
Summit Industrial & Mercantile Cor. (Pvt.) Ltd.	5.7935	5.7935	56,018,700	50,926,100
Cosmopolitan Traders (Pvt.) Ltd.	5.7935	5.7935	56,018,700	50,926,100
Others	25.6611	24.7956	248,122,200	217,957,300
	100.00	100.00	966,916,000	879,014,600

Classification of shareholders by holding:

Holdings	2010		2009	
	Number of Shareholders	Number of Shares	Number of Shareholders	Number of Shares
Less than 500 shares	14,816	3,493,251	3,013	348,487
500 to 5,000 shares	6,316	8,774,448	331	474,380
5,001 to 10,000 shares	240	1,723,940	20	143,193
10,001 to 20,000 shares	113	1,594,970	12	152,443
20,001 to 30,000 shares	33	814,090	4	83,130
30,001 to 40,000 shares	19	660,271	1	31,200
40,001 to 50,000 shares	15	682,530	2	86,950
50,001 to 1,00,000 shares	15	1,198,970	5	368,740
100,001 to 1,000,000 shares	26	5,888,230	10	4,469,332
1,000,001 to above	10	71,860,900	1	2,632,291
	21,603	96,691,600	3,399	8,790,146

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka
13. REVALUATION SURPLUS:		
Opening Balance as on 01.01.2010	713,779,253	717,937,368
Less : Depreciation for the year	4,709,127	4,158,115
	<u>709,070,126</u>	<u>713,779,253</u>
14. TAX HOLIDAY RESERVE:		
Balance as on 01.01.2010	123,678,400	80,551,456
Add : For the year	24,523,721	43,126,944
	148,202,121	123,678,400
Less : Transferred to Proposed Dividend	-	-
Balance as on 31.12.2010	<u>148,202,121</u>	<u>123,678,400</u>
14.1 Capital Reserve		
Majority Interest (Note-14.2)	886,843,141	
Cost of Investment in OCL Shares	(207,021,693)	
Excess payment over face value of Cemcor Share (188,386,850-175,829,400)	(12,557,450)	
Accumulated Loss of Cemcor up to 2008 (Consolidated)	(43,479,635)	
	<u>623,784,363</u>	
14.2 Goodwill		
Cost of Investment in Wahid Spinning Mills Ltd.	4,999,875	
Less : Face value of Shares in Wahid Spinning Mills Ltd.	3,999,900	
	<u>999,975</u>	
14.3 Minority Interest		
	Minority Interest	Majority Interest
Interest of Ocean Containers Ltd.		
No of Shares hold on 31-12-2010	7,043,541	19,136,459
Face Value of Shares	70,435,410	191,364,590
Revaluation Surplus	255,984,229	695,478,551
Retained Earnings-OCL as on 01-01-2010	-	3,371,911
Profit for the year	18,904,226	-
Add: Minority Interest of Wahid Spinning Mills Ltd.	100	-
Add: Minority Interest of Cemcor Ltd.	600	-
	<u>348,696,476</u>	<u>886,843,141</u>
15. RETAINED EARNINGS		
Net Profit after Tax Holiday Reserve	1,040,404,311	226,017,968
Transferred from/to Tax Holiday Reserve	-	-
10% Stock Dividend for the year-2009	(87,901,400)	-
20% Cash Dividend for the year-2009	(175,802,920)	-
Interim Cash Dividend-2010	(290,074,800)	-
Balance transferred from last year's Account	228,503,175	2,485,207
Retained Earning Balance as on 31.12.2010	<u>715,128,366</u>	<u>228,503,175</u>

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka
15.1 Consolidated Retained Earnings		
Retained Earnings as on 31-12-2010	715,128,366	
Add: Retained Earning of OCL as on 01-01-10	9,161,079	
Add: Majority Share of OCL Profit for 2010	51,360,521	
Less: Accumulated Loss of Cemcor for 2009-10 (Consolidated)	(2,382,340)	
	773,267,626	
16. LONG TERM BORROWINGS		
IIDFCL	3,015,040	4,310,369
IDLC	5,105,030	8,215,310
	8,120,070	12,525,679
16.1 Consolidated Long Term Borrowing		
IIDFCL	3,015,040	4,310,369
IDLC	5,443,511	9,538,345
	8,458,551	13,848,714
17. DEFERRED LIABILITY FOR GRATUITY		
The Company , for its present eligible Local employees, operates a gratuity Scheme. This gratuity Scheme is not recognised by the National Board of Revenue.The entitlement is equal to one last basic salary per employee per year.		
18. SHORT TERM LOAN:		
Standard Bank Ltd.-LTR-787303184		4,203,142
Standard Bank Ltd.-LTR-787303232		9,404,019
		13,607,161
19. BANK OVERDRAFT		
This was taken from Jamuna Bank Ltd. Dhaka, with a limit of Tk. 30 crore, carrying an interest rate at 13 % per annum at quarterly rest , repayable within one year. This was secured by a charge over land of the Company.	NIL	275,114,093
19.1 Consolidated Bank Overdraft		
Jamuna Bank Limited,Dhaka	-	275,114,093
Standard Bank Limited Chittagong	166,348,258	108,799,550
Total Total:	166,348,258	383,913,643

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka
20. ACCOUNTS PAYABLES:		
Altaf Glass House	234,580	(500)
Bangladesh Power Development Board	523,945	280,196
Bismilla Autos	282,638	-
Dolphin Containers Transport	1,207,475	811,525
Falcon Security Limited	412,673	266,048
Hazrat Khoaz Khizir (A.) Enterprise-Labour	1,001,654	1,443,633
Hossain & Co.	1,180,000	16,400
Iqbal & Brothers	792,175	304,165
Ismail & Co.-Transport	430,200	383,100
Jamuna Mobil Suppliers	257,960	79,520
Janani Enterprise	449,855	559,720
Lokman Brothers	503,155	342,990
M.F. Enterprise	207,874	239,670
Maa Enterprise - Labour.	370,459	-
Maa Enterprise - Land Dev.	298,689	765,720
Monico Limited	266,500	-
Noor Jahan Oil & Shipping Co.	237,268	-
Patenga Builders Corporation-Labour	209,400	418,881
Priota Container Transport	1,066,305	1,252,470
Rony Enterprise	293,270	394,150
Rafique & Brothers	242,915	-
Sea Land Carrier Services	484,100	431,015
Sea View Container Transport	415,300	506,930
Shibali Enterprise	240,945	70,035
SM Container Carriers	359,440	-
Sohaim Enterprise	379,960	177,725
Professional Fees Payable	16,363,995	9,384,000
Shun Shing Building Materials Ltd.	471,719	-
Others	1,613,399	8,459,983
	30,797,848	26,587,376
20.1 Consolidated Accounts Payables		
Balance as on 31.12.2010	30,797,848	26,587,376
Add : balance of Subsidiary (OCL)	15,916,774	11,837,686
	46,714,622	38,425,062
21. INTER COMPANY ACCOUNT	4,951,589	6,371,681
Amount is payable to its subsidiary company, OceanContainers Limited		
22. PROVISION FOR INCOME TAX		
Opening balance	187,121	4,422,010
Add : Provision for the year - (Note-22a)	11,339,327	623,265
	11,526,448	5,045,275
Less : Paid during the year	519,280	4,858,154
Closing balance	11,007,168	187,121

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka
22.a Provision for the year		
Provision on Other Income	10,626,292	
Provision on Sale of temporary investment (10% for gain after 30-06-2010)	713,035	
	11,339,327	
22.1 Consolidated Provision for Income Tax		
Opening balance	9,248,182	101,164,075
Add : Provision for the year	35,577,206	34,282,437
	44,825,388	135,446,512
Add : Short Provision of Previous Years	29,787,983	-
Less : Paid during the year	44,337,220	126,234,433
Closing balance	30,276,151	9,212,079
23. OTHER PAYABLES		
Trustee A/C.	397,658	254,735
Expenses Payable-Ctg.	152,500	226,236
Directors' Remuneration Payable	-	270,000
Expenses Payable-Dhaka	890,117	1,728,880
AIT Deduction at Source-Staff	586,560	316,368
AIT Deduction at Source-Party	1,333,137	2,711,848
Performance Incentive Payable	185,000	185,000
Escorting Charges Payable	(462,350)	(71,000)
Salary and Allowance Payable	-	2,378,307
AIT on interim cash Dividend-2010	41,274,309	-
Unpaid Salary and Bonus	17,460	-
Holiday and Night Allowance Payable	387,709	341,093
Security Deposits Receipts	904,397	249,306
Miscellaneous Payable	42,639	10,549
Refund Payable-IPO	3,690,000	3,995,000
Nekan Engineering	67,178	-
Summit Industrial and Mercantile Corporation Ltd.	150,000,000	-
Ispahani Summit Alliance Terminals Limited	(364,866)	(312,468)
Alliance Holdings Limited	(145,365)	9,977,141
Provision for Claim	70,000,000	-
VAT Account	(235,728)	-
	268,720,355	22,260,995
23.1 Consolidated Other Payables		
Balance as on 31.12.2010	268,720,355	
Add : balance of Subsidiary (OCL)	18,487,681	
Add : CEMCOR Ltd.	262,000	
	287,470,036	

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka
24. REVENUE		
Import Income:		
Ground Rent-Import	12,844,577	27,853,343
Lift on off-Import	4,671,339	7,237,859
Cargo Handling-Import	35,142,277	31,399,079
Movement-Import	655,133	1,429,748
Without Movement-Import	24,740	92,047
Survey Charges	80,412	953,000
Transportation-Import	204,669	376,220
Hook Point Delivery-Income	680,046	922,750
Exit Entry Fee-Import	32,015	252,905
Weighment Bridge Charges	569,995	1,406,109
Licence Measurement Charges-Import	179,925	568,410
	55,085,128	72,491,470
Export Income:		
Laden Container Staffing & Transportation	78,340,209	54,648,446
Shut Out Charges	138,717	77,938
Labour Charges	36,335,943	23,380,020
Stand-by-Labour	28,388,714	19,273,404
Laden Holding Charges	3,482,820	2,691,570
Entry and Exit Charges	660,900	365,200
Laden Documentation		2,051,305
Packages Sorting Bills	8,558	321,834
Laden Lift on off	177,130	3,605,730
	147,532,991	106,415,447
ICD Income:		
Ground Rent-Empty Container	27,823,197	25,694,191
Documentation-Empty Container	8,706,737	7,068,315
Transportation-Empty Container	30,972,009	30,676,458
Lift on off-Empty	9,745,874	8,234,484
Entry and Exit Charges	36,400	176,300
Trailer Rent	2,408,000	2,655,750
Prime Mover Rent	1,336,870	2,525,715
	81,029,087	77,031,213
	283,647,206	255,938,130

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka
24.1 Consolidated Revenue		
Import Income:		
Ground Rent-Import	17,434,302	46,695,689
Lift on off-Import	5,967,167	11,000,119
Cargo Handling-Import	42,399,448	43,706,641
Movement-Import	812,418	2,637,851
Without Movement-Import	24,740	92,047
Survey Charges	127,212	1,285,850
Transportation-Import	506,338	1,077,518
Hook Point Delivery-Income	939,951	1,353,750
Exit Entry Fee-Import	32,015	252,905
Weighment Bridge Charges	924,690	1,488,315
Licence Measurement Charges-Import	324,833	1,303,660
	69,493,114	110,894,345
Export Income:		
Laden Container Staffing & Transportation	171,958,585	159,487,123
Shut Out Charges	365,944	300,796
Labour Charges	94,981,809	74,742,425
Stand-by-Labour	75,113,025	65,193,592
Laden Holding Charges	4,680,812	4,492,715
Paletize Cargo Charges	50,250	395,750
Entry and Exit Charges	804,300	365,200
Reefer Plug Electricity Charges	1,242,520	1,459,180
Laden Documentation	761,185	7,957,059
Package Sorting Bills	8,558	321,834
Laden Lift on off	865,520	6,084,713
	350,832,508	320,800,387
ICD Income:		
Ground Rent-Empty Container	48,098,640	55,324,068
Documentation-Empty Container	15,741,078	19,721,300
Transportation-Empty Container	56,041,464	60,464,623
Lift on off-Empty	18,129,882	22,666,284
Entry and Exit Charges	36,400	279,395
Trailer Rent	2,408,000	2,655,750
Prime Mover Rent	1,336,870	2,525,715
	141,792,334	163,637,135
	562,117,956	595,331,867

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka
25. OPERATING EXPENSES		
Salary and Allowances	22,687,836	19,304,366
Custom Documentation-Expenses	436,587	643,550
Employer's Contribution to P.F.	925,692	597,703
Holiday and Night Allowances	2,431,823	1,601,040
Festival Bonus	2,191,421	1,576,011
Electricity and Water Bill	5,001,177	1,673,046
Repair and Maintenance including Yard	2,911,383	2,549,412
Maintenance of Electricity Works	1,772,837	388,205
Performance Incentive	-	1,000
Container Transportation-Expenses	47,492,011	30,375,522
Insurance Premium	1,210,012	884,625
Demurrage charge	118,919	-
Renewal Fee	-	840,114
Depreciation	24,566,670	24,537,601
Container Entrance Fee	243,627	602,980
Security & Cleaning expenses	5,416,930	1,473,156
Vehicle Registration Fee	-	-
Labour Charges	17,993,207	8,989,512
Fuel Consumption	13,492,427	9,493,203
Uniform Expenses	3,100	55,368
Leave Allowance	237,048	142,368
Entertainment	-	538,425
Gratuity Expenses	1,329,570	1,354,890
Other Expenses	3,500	3,760
	150,465,777	107,625,857
25.1 Consolidated Operating Expenses		
Salary and Allowances	54,498,091	49,546,469
Custom Documentation-Expenses	1,081,627	1,277,115
Employer's Contribution to P.F.	2,366,642	1,937,318
Holiday and Night Allowances	6,029,886	6,168,024
Festival Bonus	5,124,996	4,045,182
Electricity and Water Bill	10,094,174	5,280,137
Repair and Maintenance including Yard	6,045,214	8,087,549
Maintenance of Electricity Works	2,949,478	1,517,952
Cleaning Labour Charges	773,150	-
Performance Incentive	-	1,000
Container Transportation-Expenses	101,629,736	85,825,296
Insurance Premium	1,863,890	1,119,624
Renewal Fee	118,919	840,114
Depreciation	38,695,012	39,842,933
Container Entrance Fee	1,030,951	2,689,220
Security Charges	8,724,642	5,417,375
Truck Parking Rent	1,904,450	1,856,647
Labour Charges	34,065,377	28,417,013
Fuel Consumption	21,770,538	18,890,065
Uniform Expenses	23,250	663,558
Leave Allowance	726,428	712,635
Entertainment	-	538,425
Gratuity Expenses	2,988,070	1,354,890
Claim and Damurrage	25,784	1,033,910
Other Expenses	3,500	-
General Expenses	-	1,203,760
	302,533,805	268,266,211

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka
26. ADMINISTRATIVE EXPENSES		
Salary and Allowances	12,136,773	6,706,592
Directors' Remuneration	7,108,000	8,177,500
Conveyance	200,244	224,684
Printing & Stationery	2,099,052	1,127,116
Travelling Expenses	1,399,196	580,615
Entertainment	1,654,126	1,830,016
Donation and Gift	693,467	256,500
Telephone & Cell Phone	944,174	349,415
Communication Expenses	160,709	64,667
Audit and Professional Fee	126,667	181,450
Training Expenses	14,000	28,500
Newspaper, Books and Periodicals	22,653	17,171
Postage	90,735	46,103
Medical Expenses	30,635	36,902
Bank Charges	-	457,320
Rent, Revenue Taxes & Renewal	2,759,120	975,167
CDBL / SEC , CSE Annual fee	2,152,719	769,490
Listing & other Fee	1,203,914	1,193,522
Holiday and Night Allowances	115,482	134,269
Employer's Contribution to PF	923,303	665,182
Festival Bonus	2,496,387	701,172
Leave Allowance	120,389	95,060
Customs Overhead	-	754,500
Meeting Expenses including AGM	1,991,535	1,668,621
Exchange Loss	-	108,432
Office Rent	1,113,833	700,464
Board Meeting attendance fees	370,000	525,000
Performance Incentive	-	260,000
Subscription to PICDA & Club	288,399	224,357
Vehicle Running Expenses	2,536,239	52,746
Depreciation	1,753,460	504,546
General Expenses	1,476,278	1,288,517
	45,981,489	30,705,596

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka
26.1 Consolidated Administrative Expenses		
Salary and Allowances	22,941,372	18,712,542
Directors' Remuneration	19,405,153	17,272,500
Conveyance	1,110,430	1,182,250
Printing & Stationery	4,199,868	4,065,116
Travelling Expenses	1,937,169	2,356,113
Entertainment	4,070,118	5,760,339
Donation and Gift	1,750,903	1,638,879
Telephone & Cello Phone	2,338,842	1,078,222
Communication Expenses	624,640	387,705
Audit and Professional Fee	766,940	955,000
Training Expenses	14,000	473,581
Newspaper, Books and Periodicals	96,530	83,211
Postage	299,821	133,901
Medical Expenses	73,986	140,109
Bank Charges	130,208	707,642
Rent, Revenue and Taxes	2,960,275	1,392,810
CDBL / SEC Service Charge	2,152,719	848,090
Listing & other Fee	3,316,147	1,819,022
Holiday and Night Allowances	436,055	397,806
Employer's Contribution to PF	1,041,836	750,402
Festival Bonus	3,622,283	3,071,305
Leave Allowance	166,509	121,111
Customs Overhead	1,177,000	1,722,500
Meeting Expenses including AGM	3,941,535	1,898,511
Exchange Loss	-	108,432
Office Rent	2,227,665	1,400,928
Board Meeting attendance fees	740,000	955,000
Performance Incentive	-	260,000
Subscription to PICDA & Club	558,030	476,857
Vehicle Running Expenses	4,906,970	4,374,678
Depreciation	5,359,797	2,151,463
Renewal Fee	85,069	406,145
Gratuity Expenses	-	2,143,200
Quality Certification (ISO)	30,000	50,000
HRD Cost	47,270	-
Credit Rating Fee	-	574,750
General Expenses	2,644,721	4,693,486
Balance of Cemcor Limited	1,621,464	-
	96,795,325	84,563,606
27. ADVERTISEMENT AND SALES PROMOTION EXPENSES		
Advertisement & Promotional Expenses	8,273,836	907,730
Marketing expenses-Empty Containers	12,245,416	5,797,809
	20,519,252	6,705,539
27.1 Consolidated Advertisement and Sales Promotion Expenses		
Advertisement	9,029,668	1,139,760
Marketing and Promotional Expenses	-	2,860,614
	9,029,668	4,000,374

Notes to the Financial Statements

as at and for the year ended 31 December 2010

	2010 Taka	2009 Taka	
28. FINANCIAL EXPENSES			
Interest on Bank Overdraft	5,371,386	3,083,778	
28.1 Consolidated Financial Expenses			
Interest on Bank Overdraft	9,504,021	10,242,945	
	9,504,021	10,242,945	
29. CAPITAL GAIN ON SALE OF INVESTMENT			
The amount represents Capital gain on sale of Ocean Containers Ltd. net of commission and other charges & provisions	928,509,027		
30. DIVIDEND ON INVESTMENT			
Summit Power Ltd.- Cash Dividend-2.5%	3,262,500		
Square Pharmaceuticals Ltd.-Cash Dividend-35%	140,000		
Peoples Leasing Ltd.-Cash Dividend-3%	465,000		
	3,867,500		
30.1 Consolidated Dividend on Investment			
Summit Power Ltd.- Cash Dividend-2.5%	3,262,500		
Square Pharmaceuticals Ltd.- Cash Dividend-35%	280,000		
Peoples Leasing Ltd.- Cash Dividend-3%	930,000		
	4,472,500		
31. OTHER INCOME			
Miscellaneous Received	486,274	173,103.00	
Interest on FDR	24,523,360	191,470	
Interest on STD	3,327,144	1,901,844	
	28,336,778	2,266,417	
31.1 Consolidated Other Income			
Miscellaneous Received	381,135	816,820	
Loss on Assets Discard	(247,313)	449,652	
Interest on FDR	24,640,135	698,735	
Interest on STD	3,740,416	2,256,823	
	28,514,373	4,222,030	
32. PROFIT FROM SALE OF SHORT-TERM INVESTMENT			
Name of Shares and Securities	Cost Price	Sales Price	Gain
Gain Before 30-06-2010			
BSRM Limited	126,163,222	173,277,620	47,114,398
Gain After 30-06-2010			
Square Pharmaceuticals Limited	10,783,010	13,409,837	2,626,827
MIDAS Finance Limited	8,705,033	11,584,117	2,879,084
United Insurance Limited	2,343,702	2,763,704	420,002
Titas Gas Limited	1,928,860	2,268,315	339,455
Power Grid Company Limited	6,820,260	7,205,329	385,069
Exim Bank Limited	1,026,247	1,259,344	233,097
United Leasing Ltd.	5,253,864	5,500,684	246,820
	36,860,976	43,991,330	7,130,354
	163,024,198	217,268,950	54,244,752

Notes to the Financial Statements

as at and for the year ended 31 December 2010

		2010 Taka	2009 Taka
32.1 Consolidated Profit from Sale of short-term investment			
Name of Shares and Securities	Cost Price	Sales Price	Gain
Gain Before 30-06-2010			
BSRM Limited	126,163,222	173,277,620	47,114,398
Gain After 30-06-2010			
Square Pharmaceuticals Limited	26,874,044	32,848,895	5,974,851
MIDAS Finance Limited	17,402,046	23,117,400	5,715,354
United Insurance Limited	4,319,892	5,125,049	805,157
Titas Gas Limited	3,862,105	4,535,194	673,089
IFIC Bank Limited	2,895,716	3,423,947	528,231
Bank Asia Limited	2,739,607	2,953,887	214,280
One Bank Limited	3,592,445	4,086,952	494,507
Trust Bank Limited	2,387,290	2,622,733	235,443
Power Grid Company Limited	13,646,391	14,393,873	747,482
Exim Bank Limited	2,053,447	2,518,056	464,609
United Leasing Ltd.	10,558,100	10,988,182	430,082
	90,331,083	106,614,168	16,283,085
	216,494,305	279,891,788	63,397,483

33. RELATED PARTY TRANSACTION:

There was no related party transaction during the year 2010 except proportionate allocation of Salary & Allowances to Ocean Containers Limited, a related Company, on account of employees involved in common services such as Finance, HR, IT, and Administration. During the year under review, such allocation amounted to Tk. 70,75,800

34. EARNING PER SHARE (EPS)

Basic earnings per share

The computation of EPS is given below:

a) Profit attributable to the ordinary shareholders	1,114,667,088	353,590,968
b) Number of shares outstanding	96,691,600	8,790,146
Earnings per share (EPS) (a/b)	11.53	40.2
Restated EPS based on face value of Tk. 10 per share	11.53	4.02

35. POST BALANCE SHEET EVENTS

No material events had occurred after the balance sheet date to the date of issue of these financial statements, which could affect the values stated in the financial statements.

36. CONTINGENT LIABILITY

Excess Duty and VAT amounting to Tk.2,067,382/-, imposed by the Chittagong Custom Authority on import of Pre-fabricated Steel Structure, remain disputed since April 25, 2006 .

37. CONTAINER HANDLING CAPACITY IN TUES

Empty Container	4,500	(at any given time)
Export Container	50,000	
Import Container	30,000	

38. GENERAL

38.1 All the 320 regular employees of the Company as on 31st December 2010 received annual salary in excess of Tk.36,000/-.

38.2 Previous year's phrases and figures have been re-arranged, where necessary to conform to current year's presentation.

38.3 Figures appearing in these financial statements have been rounded off to the nearest Taka.

SUMMIT ALLIANCE PORT LIMITED

Corporate Office: Summit Centre, 18 Kawran Bazar C/A. Dhaka- 1215

Registered Office: Katghar, North Patenga, Chittagong- 4204



PROXY FORM

I/We of being a member of Summit Alliance Port Limited hereby appoint Mr./Ms. of **another member of the company**, as my proxy to attend and vote for me on my behalf at the 7th Annual General Meeting of the Company to be held on Wednesday, the 25th day of May 2011, at 11.30 A.M at **Army Golf Club, "GOLF GARDEN"** on the VIP road, Opposite Radisson Water Garden, Dhaka Cantonment, Dhaka and at any adjournment thereof.

Signed this day of 2011.

..... Signature of the Shareholder (s)
..... Signature of the Proxy
BO ID NO. [grid]

BO ID NO. [grid]

Revenue Stamp
Tk. 10.00

Number of Shares held

Note : A member entitled to attend and vote at the General Meeting may appoint a proxy to attend and vote in his/her stead. The proxy form, duly stamped, must be deposited at the Registered Office of the Company not later than 48 hours before the time appointed for the meeting.

Signature Verified

.....
Authorised Signatory

SUMMIT ALLIANCE PORT LIMITED

Corporate Office: Summit Centre, 18 Kawran Bazar C/A. Dhaka- 1215

Registered Office: Katghar, North Patenga, Chittagong- 4204



SHAREHOLDERS' ATTENDANCE SLIP

I/We hereby record my attendance at the 7th Annual General Meeting of the Company to be held on Wednesday, the 25th day of May 2011, at 11.30 A.M at Army Golf Club, "GOLF GARDEN" on the VIP road, Opposite Radisson Water Garden, Dhaka Cantonment, Dhaka

Name of the member/Proxy (in Block Letter)														
BO ID No.	[grid]													
Mobile Number														
E-mail address (if any)														

Signature Verified by

.....
Signature of the Member/Proxy

.....
Authorised Signatory of the Company

NOTE :

1. Please note that AGM can only be attended by the honourable shareholder or properly constituted proxy. Therefore, any friend or children accompanying with honourable shareholder or proxy cannot be allowed into the meeting.
2. Please present this slip at the reception desk.



Head office & Off-Dock

Katghar, South Patenga
Chittagong - 4204
Phone : +880-31-2500703, 2500933-34
Fax : +880-31-2500935

Corporate Office

Summit Centre
18 Karwan Bazar C/A
Dhaka-1215, Bangladesh
Tel : 880 - 2 - 9130845-54
Fax : 880 - 2 - 8189235
E-mail : info@saplbd.com
web : www.saplbd.com