

# Tri-Star Mutual Fund Limited



**Half Yearly Report**  
For the period ended December 31, 2018 (Reviewed)



## Company Information

Board of Directors:	Ms. Marium Ahmad	Non Executive Chairman
	Mr. Jawed Ahmad Siddiqui	Non Executive Director
	Mr. Tanvir Hasan	Non Executive Director
	Mr. Mohammad Haroon Saeed	Non Executive Director
	Mr. Muhammad Zameer	Non Executive Director
	Mr. Habib Jamal	Independent Director
	Mr. Asad Ahmad	Chief Executive
Investment Adviser:	Tri-Star Investments Ltd. A/33, Central Commercial Area, Block 7/8 Main Shahrah-e-Faisal, KCHSU, Karachi -75350.	
Auditors:	Ghalib & Co. Chartered Accountants	
Audit Committee:	Mr. Habib Jamal	Chairman
	Mr. Muhammad Zameer	Member
	Mr. Mohammad Haroon Saeed	Member
Bankers:	Bank AL Habib Ltd. Habib Metropolitan Bank Ltd.	
Registrar & Certificate Transfer Office:	Hameed Majeed Associates (Pvt) Ltd. 4 <sup>th</sup> Floor, Karachi Chambers, Hasrat Mohani Road, Karachi.	
Registered Office:	A/33, Central Commercial Area, Block 7/8 Main Shahrah-e-Faisal, KCHSU, Karachi -75350.	



## **Directors' Report**

### **For the Half year ended December 31, 2018**

The Board of Directors of Tri-Star Mutual Fund Ltd., are pleased to present half year ended Accounts for the period ended December 31, 2018.

The Pakistan Stock Exchange 100 Share Price Index decreased by 4,843 points during the quarter from 41,910 points as on June 30, 2018 to 37,067 points as on December 31, 2018.

By order and on behalf of the Board

**ASAD AHMAD**  
Chief Executive

Karachi: February 28, 2019



## INDEPENDENT AUDITORS' REVIEW REPORT

### Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of **Tri-Star Mutual Fund Ltd** as at **31 December 2018** and the related condensed interim unconsolidated statement of profit or loss and other comprehensive income, condensed interim unconsolidated statement of cash flows, condensed interim unconsolidated financial statements for the six-months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures of the condensed interim unconsolidated statement of profit or loss account and other comprehensive income for the three months period ended 31 December 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the six-months period ended 31 December 2018.

### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of Interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the audit resulting in this independent auditors' report is Mr. M. Ghalib

Date: February 28, 2019

sd/-  
Ghalib & Co.  
Chartered Accountants



**CONDENSED INTERIM BALANCE SHEET (REVIEWED)**  
**As at December 31, 2018**

	December 2018 Rupees	June 2018 Rupees
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Long Term Deposits	12,500	12,500
<b>CURRENT ASSETS</b>		
Investments	72,937,504	76,943,445
Advance Income Tax	201,453	200,193
Other Receivables	8,267	10,953
Balances with Bank	62,370	41,774
	<u>73,209,594</u>	<u>77,196,365</u>
<b>TOTAL ASSETS</b>	<u>73,222,094</u>	<u>77,208,865</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Payable to Investments Adviser- an associated co	6,865,935	6,322,435
Accrued expenses	3,569,063	3,729,838
Unclaimed Dividend	426,082	426,082
	<u>10,861,080</u>	<u>10,478,355</u>
<b>NET ASSETS</b>	<u>62,361,014</u>	<u>66,730,510</u>
<b>AUTHORISED SHARE CAPITAL</b>		
20,000,000 Certificates of Rs. 10/- each	<u>200,000,000</u>	<u>200,000,000</u>
<b>CERTIFICATE CAPITAL AND RESERVES</b>		
Certificate Capital	50,000,000	50,000,000
Unrealized Profit/(Loss) due to Change in Fair value of Investment	(7,128,687)	(8,561,846)
Unappropriated Profit	19,489,701	25,292,356
<b>TOTAL CERTIFICATE HOLDERS' FUND</b>	<u>62,361,014</u>	<u>66,730,510</u>
<b>Net Assets value per certificate - Rupees</b>	<u>12.47</u>	<u>13.35</u>
<b>CONTINGENCIES &amp; COMMITMENTS</b>		

Asad Ahmad  
Chief Executive

Mohammad Zameer  
Chief Financial Officer

Marium Ahmad  
Director



**CONDENSED INTERIM PROFIT & LOSS ACCOUNT (REVIEWED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2018**

Quarter	Cummulative	Quarter	Cummulative
Oct-Dec	July-Dec	Oct-Dec	July-Dec
2018	2018	2017	2017
Rupees	Rupees	Rupees	Rupees

**INCOME****Income/(Loss) from Operation**

(7,795,671)	(5,413,477)	(10,693,334)	(13,524,783)
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**OPERATING EXPENSES**

Administrative

Financial Charges

8,478	388,978	67,575	80,250
110	200	863	863

**Profit/(Loss) before taxation**

Taxation

**Profit/(Loss) after taxation****Other comprehensive income/(Loss) for the year:****Total comprehensive Income/(Loss) for****the year****Earning/(Loss) per certificate (Rupees)**

8,588	389,178	68,438	81,113
(7,804,259)	(5,802,655)	(10,761,771)	(13,605,896)
-	-	-	-
(7,804,259)	(5,802,655)	(10,761,771)	(13,605,896)
3,270,827	1,433,159	883,174	(710,869)
(4,533,432)	(4,369,496)	(9,878,597)	(14,316,765)
(0.91)	(0.87)	(1.98)	(2.86)

Asad Ahmad  
Chief Executive

Mohammad Zameer  
Chief Financial Officer

Marium Ahmad  
Director



**CONDENSED INTERIM CASH FLOW STATEMENT (REVIEWED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2018**

	December 2018	December 2017
	Rupees	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
(Loss) before Taxation	(5,802,655)	(14,316,765)
<b>Adjustment for non-cash changes and other items:</b>		
Unrealized loss on 'Available for sale' Investments	-	13,377,753
Unrealized diminution on re-measurement of investments classified as 'Financial Assets at fair value through profit or loss' - net	5,439,100	710,869
	5,439,100	14,088,623
Operating cash (outflow)/inflow before working capital changes	(363,555)	(228,143)
<b>Decrease/(Increase) in assets</b>		
Other receivables	2,686	(2,997)
<b>(Decrease)/Increase in liabilities</b>		
Due to Investment Advisor	543,500	(747,821)
Accrued Expenses and other Liabilities	(160,775)	48,502
Net cash (outflow) from operating activities	21,856	(930,459)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale proceed of Investment	-	921,500
Net cash (outflow)/inflow from investing activities	21,856	(8,959)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Taxes Paid	(1,260)	-
Net cash used in financing activities	20,596	(8,959)
Net increase/(decrease) in Cash and Cash Equivalent	20,596	(8,959)
Cash and Cash Equivalent at the beginning of the year	41,775	40,809
Cash and Cash Equivalent at the end of the year	62,370	31,851

Asad Ahmad  
Chief Executive

Mohammad Zameer  
Chief Financial Officer

Marium Ahmad  
Director



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (REVIEWED)**  
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

Particulars	Certificate Capital	Unrealized Gain/(Loss) due to Change in the value of Investments	Accumulated (Loss)/ Unappropriated Profit	Total
	.....(Rupees) .....			
Balance as at June 30, 2017	50,000,000	(5,939,985)	35,224,445	79,284,460
Total Comprehensive income for the year	-	(2,621,861)	(9,932,089)	(12,553,950)
Balance as at June 30, 2018	50,000,000	(8,561,846)	25,292,356	66,730,510
Total Comprehensive (Loss) for the year		1,433,159	(5,802,655)	(4,369,496)
Balance as at December 31, 2018	50,000,000	(7,128,687)	19,489,701	62,361,014

Asad Ahmad  
Chief Executive

Mohammad Zameer  
Chief Financial Officer

Marium Ahmad  
Director



Available for sale - Quoted equity securities  
Shares/ Certificates of associated companies

Name of Company	Number of Shares as on June 30, 2018	Cost of Shares as on June 30, 2018	Market value of Shares as on June 30, 2018	Shares Purchased during the year	Bonus Shares Received during the year	Shares sold during the year	Balance as at December 31, 2018			Percentage in relation to	
										Investee Companies	
							Number of Shares	At Cost (Rupees)	At Market Value (Rupees)	Paid-up Capital	No. of shares
EQUITY INVESTMENTS											
INSTRUMENTS											
First Tri-Star Modaraba	670,067	9,698,250	5,353,835	-	-	-	670,067	9,698,250	7,035,704	4.58	3.17
ELECTRICITY											
Tri-Star Power Ltd.	119,000	4,964,750	747,320	-	-	-	119,000	4,964,750	498,610	3.31	0.79
		14,663,000	6,101,155					14,663,000	7,534,314		
		(8,561,845)						(7,128,686)			
Provision for Diminution in value of Investments		6,101,155						7,534,314			

Investments - financial assets at fair value through profit or loss - held for trading

Unless stated otherwise, the holdings are in ordinary shares / certificates of Rs.10/- each.

Name of Company	Number of Shares as on June 30, 2018	Cost of Shares as on June 30, 2018	Market value of Shares as on June 30, 2018	Shares received during the period	Bonus Shares Received during the period	Shares sold during the period	Balance as at December 31, 2018			Percentage in relation to	
							Number of Shares	At Cost (Rupees)	At Market Value (Rupees)	Investee Companies	
										Paid-up Capital	Number of Shares
COMMERCIAL BANKS,											
FINANCIAL SERVICES ETC.											
Askari Bank Ltd.	4,565	57,382	99,837	-	-	-	4,565	57,382	109,195	0.0009	0.0101
Bank Al-Habib Ltd.	104,619	50,255	8,247,116	-	-	-	104,619	50,255	7,196,741	0.0007	0.0143
JS Bank Ltd.	47,334	959,549	394,766	-	-	-	47,334	959,549	348,852	0.0157	0.0077
Foreign Exchange Bearer Certificates 6.1.1	36,000	3,933,000	3,636,000	-	-	-	36,000	3,933,000	3,636,000		
MCB Bank Ltd.	61,564	821,488	12,175,512	-	-	-	61,564	821,488	11,916,943	0.0108	0.0098
Sonari Bank Ltd.	8,655	27,994	112,255	-	-	-	8,655	27,994	109,659	0.0005	0.0021
Oric Leasing Pakistan Ltd Formerly Standard Chartered Leasing Ltd.	6,545	98,975	284,511	-	-	-	6,545	98,975	171,741	0.0101	0.0167
NONLIFE INSURANCE											
Adamjee Insurance Co. Ltd.	17,117	1,891,417	834,111	-	-	-	17,117	1,891,417	719,256	0.1529	0.0138
PERSONAL GOODS (TEXTILES)											
Faisal Spinning Mills Ltd.	74,000	2,206,265	22,200,000	-	-	-	74,000	2,206,265	22,542,620	2.2063	0.7400
Crescent Textile Mills Ltd.	383	14,119	9,652	-	-	-	383	14,119	10,877	0.0029	0.0008
Miran Textile Industries Ltd.	90,000	701,170	314,100	-	-	-	90,000	701,170	296,100	0.3172	0.4071
CONSTRUCTION AND MATERIALS											
Lucky Cement Ltd.	15,000	2,083,824	7,618,950	-	-	-	15,000	2,083,824	6,520,050	0.0644	0.0046
OIL & GAS											
Oil & Gas Development Co. Ltd.	15,000	2,012,403	2,334,300	-	-	-	15,000	2,012,403	1,920,000	0.0047	0.0003
Pakistan State Oil Ltd.	5,702	1,525,057	1,815,004	-	-	-	5,702	1,525,057	1,285,402	0.0889	0.0033
Shell Pakistan Ltd.	158	11,889	49,942	-	-	-	158	11,889	48,443	0.0017	0.0003
TELECOMMUNICATION											
Pakistan Telecommunication Co. Ltd.	50,000	2,280,683	572,000	-	-	-	50,000	2,280,683	480,500	0.0060	0.0013
MULTI UTILITIES											
Sui Northern Gas Co. Ltd.	36,748	566,649	3,682,885	-	-	-	36,748	566,649	2,832,168	0.0103	0.0067
Sui Southern Gas Ltd.	1,312	26,150	43,060	-	-	-	1,312	26,150	30,307	0.0004	0.0002
CHEMICAL											
Dewan Salman Fibre Ltd. 6.1.2.	33,639	1,750,708	29,602	-	-	-	33,639	1,750,708	29,602	0.0478	0.0092
Engro Corporation Ltd.	2,887	153,917	906,114	-	-	-	2,887	153,917	840,348	0.0047	0.0015
Engro Fertilizer	288		21,574	-	-	-	288		19,886		0.0001
Fauji Fert Bin Qasim Ltd.	50,000	1,980,593	1,930,000	-	-	-	50,000	1,980,593	1,863,500	0.0212	0.0054
PHARMA AND BIOTECH											
Sanofi-Aventis Ltd.	3,300	469,937	3,531,000	-	-	-	3,300	469,937	2,475,000	0.4872	0.0342
		23,623,424	70,842,290					23,623,424	65,403,190		
Reversal of provision for Diminution in value of Investments		47,218,866						41,779,766			
		70,842,290						65,403,190			