

Tri-Star Polyester Ltd.



HALF YEARLY REPORT
DECEMBER 31, 2018 (Reviewed)



Company Information

Board of Directors:	Mr. Jawed Dost Muhammad Mr. Asad Ahmad Ms. Uzma Ahmad Ms. Marium Ahmad Mr. Tahir Ahmad Mr. Mohammad Haroon Saeed Mr. Jawed Ahmed Siddiqui	Non Executive Chairman/Independent Director Chief Executive Executive Director Executive Director Non Executive Director Non Executive Director Non Executive Director
Auditors:	M/s. Ghalib & Co. Chartered Accountants	
Bankers:	Al Baraka Bank (Pakistan) Ltd. Bank Alfalah Ltd. Bank Al Habib Ltd. Habib Bank Ltd.	
Audit Committee:	Mr. Jawed Dost Muhammad Mr. Tahir Ahmad Mr. Mohammad Haroon Saeed	Chairman Member Member
Human Resource Committee:	Mr. Jawed Dost Muhammad Mr. Jawed Ahmed Siddiqui Ms. Uzma Ahmad	Chairman Member Member
Legal Counsel:	Abid S. Zuberi Bar-at-Law	
Registered Office:	F/538, S.I.T.E., Karachi-75700	
Shares Registrar / Transfer Agent:	Hameed Majeed Associates (Pvt) Ltd. 4 th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi.	
Plant:	F/538, S.I.T.E., Karachi-75700	



Directors' Report **For the half year ended December 31, 2018**

The un-audited accounts of Tri-Star Polyester Ltd., for the half year ended December 31, 2018 are presented herewith.

The period under review has been a volatile period as macro economic events such as major devaluation of Pak Rupee versus US Dollar and continuous pressure on country's balance of payment position has made markets nerves and uncertain about future economic policies of the government. The interest rates and inflation is on the rise and consumer spending is going down resulting in slow down of the economic activities. On top the war like situation with India has further dampened the overall sentiments.

We hope that required steps are taken by the government which may help in improving both balance of payment and balance of trade position of the country.

On behalf of the Board

ASAD AHMAD
Chief Executive

Place: Karachi.
Dated: February 28, 2019

INDEPENDENT AUDITORS' REVIEW REPORT

Introduction

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of **Tri-Star Polyester 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 Financial Position (Reviewed)
As at December 31, 2018

	Note	December 2018 Rupees	June 2018 Rupees
<u>EQUITY AND LIABILITIES</u>			
CAPITAL & RESERVES			
Authorised Capital 100,000,000 (2018: 100,000,000) Ordinary Shares of Rs. 10/- each		<u>1,000,000,000</u>	<u>1,000,000,000</u>
Issued, Subscribed and Paid-up Capital		568,792,010	450,780,390
Capital Reserve - (a Share Premium account)		39,386,665	39,386,665
Surplus on revaluation Property, Plant and Equipments		393,488,231	393,488,231
Unrealised Gain due to Change in Fair value of investment		122,069,226	146,447,376
Accumulated (Loss)		(41,726,304)	(80,271,826)
Shareholders Equity		1,082,009,828	949,830,836
<u>NON-CURRENT LIABILITIES</u>			
Long term Loan from Associated and related Parties		40,000,000	158,011,625
Diminishing Musharika Finance Facility		115,000,000	138,000,000
Deferred Taxation		62,575,831	62,575,831
Provision for Gratuity		205,124	334,458
		217,780,955	358,921,914
<u>CURRENT LIABILITIES</u>			
Trade and other Payables		57,427,926	69,819,821
Unclaimed Dividend		8,094,295	8,094,295
Current maturity of Diminishing Musharika Finance		23,000,000	-
Accrued Interest on Loan from Associates		7,128,098	15,714,054
Accrued Interest on Diminishing Musharika		1,085,117	1,549,607
Provision of Income Tax		5,876,453	4,025,547
		102,611,890	99,203,325
		<u>1,402,402,675</u>	<u>1,407,956,075</u>
<u>ASSETS</u>			
<u>NON-CURRENT ASSETS</u>			
<u>Tangible Fixed Assets</u>			
Property, Plant and Equipment		623,727,721	636,456,309
Long Term Deposits		4,215,995	4,215,995
Long Term Investment - at Cost		156,579,900	180,958,050
		784,523,616	821,630,354
<u>CURRENT ASSETS</u>			
Stores, Spares and Loose Tools		4,784,759	4,784,759
Stock-in-Trade		506,825,812	237,309,407
Trade Debtors - unsecured		70,719,451	318,485,912
Trade Deposits, Prepayments Considered good		11,814,570	12,187,638
Income Tax Refunds and Advances		6,012,910	5,363,064
Cash and Bank Balances		17,721,557	8,194,941
		617,879,059	586,325,721
		<u>1,402,402,675</u>	<u>1,407,956,075</u>

The annexed notes form an integral part of these accounts.
The even dated auditors' report hitherto is annexed.

Asad Ahmad
Chief Executive

Uzma Ahmad
Director

Condensed Interim Profit or Loss Account (Reviewed)
For the Half Year ended December 31, 2018

	Jul-2018 to Dec-2018	Jul-2017 to Dec-2017	Oct-2018 to Dec-2018	Oct-2017 to Dec-2017
	Rupees	Rupees	Rupees	Rupees
Sales - Net	148,072,511	149,673,565	60,128,100	73,686,838
Cost of Sales	60,787,371	48,841,872	18,551,072	3,515,116
Gross Profit	87,285,140	100,831,694	41,577,028	70,171,723
<u>Operating Expenses</u>				
Distribution and Selling Cost	(22,834,948)	(3,226,142)	(14,033,173)	(1,082,982)
Administrative and General Expenses	(25,505,149)	(25,699,910)	(16,870,250)	(23,652,429)
	(48,340,097)	(28,926,052)	(30,903,423)	(24,735,411)
Operating Profit	38,945,043	71,905,642	10,673,605	45,436,312
Other Income / (Loss)	8,585,956	(812,500)	8,585,956	(812,500)
Finance Cost	(7,134,570)	(7,852,670)	(3,623,698)	(3,923,542)
Profit before Taxation	40,396,429	63,240,472	15,635,863	40,700,270
<u>Taxation</u>	(1,850,906)	(1,496,736)	(751,601)	(736,869)
- Current				
Profit after Taxation	38,545,522	61,743,736	14,884,261	39,963,401
Earning per Share	0.82	1.31	0.32	0.85

The annexed notes form an integral part of these accounts.

Asad Ahmad
Chief Executive

Uzma Ahmad
Director

