

Tri-Star
Mutual Fund Limited



**UNAUDITED ACCOUNTS FOR
3RD QUARTER ENDED
MARCH 31, 2020**



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 th 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 Quarter ended March 31, 2020

The Board of Directors of Tri-Star Mutual Fund Ltd., are pleased to present Quarterly Accounts for the period ended March 31, 2020.

The Pakistan Stock Exchange 100 Share Price Index decreased by 4,670 points during the quarter from 33,901 points as June 30, 2019 to 29,231 points as on March 31, 2020.

By order and on behalf of the Board

ASAD AHMAD
Chief Executive

Karachi: April 30, 2020

**Condensed Interim Statement of Financial Position**

as at March 31, 2020

	(Un-audited) March 2020 Rupees	(Audited) June 2019 Rupees
ASSETS		
NON CURRENT ASSETS		
Long Term Deposits	12,500	12,500
CURRENT ASSETS		
Investments	57,006,718	63,053,655
Advance Income Tax	208,286	204,222
Other Receivables	5,422	8,267
Balances with Bank	24,471	92,221
	<u>57,244,897</u>	<u>63,358,365</u>
TOTAL ASSETS	57,257,397	63,370,865
LIABILITIES		
CURRENT LIABILITIES		
Payable to Investments Adviser- an associated co	8,412,849	8,264,469
Accrued expenses	4,095,400	4,320,353
Unclaimed Dividend	426,082	426,082
	<u>12,934,331</u>	<u>13,010,904</u>
NET ASSETS	44,323,066	50,359,961
AUTHORISED SHARE CAPITAL		
20,000,000 Certificates of Rs. 10/- each	<u>200,000,000</u>	<u>200,000,000</u>
CERTIFICATE CAPITAL AND RESERVES		
Certificate Capital	50,000,000	50,000,000
Unrealized gain/(loss) Financial assets at fair value through Other Comprehensive income	(9,022,816)	(8,658,032)
Unappropriated Profit	3,345,882	9,017,993
TOTAL CERTIFICATE HOLDERS' FUND	44,323,067	50,359,961
Net Assets value per certificate - Rupees	8.86	10.07
CONTINGENCIES & COMMITMENTS		

Asad Ahmad
Chief ExecutiveMariam Ahmad
DirectorMohammad Zameer
Chief Financial Officer

**Condensed Interim Statement of Profit or Loss (Un-audited)**

for the quarter ended March 31, 2020

	Quarter ended		Nine month ended	
	Jan-Mar	Jan-Mar	July-Mar	July-Mar
	2020	2019	2020	2019
	-----Rupees-----			
INCOME				
Income/(Loss) from Operation	(12,874,189)	(1,863,056)	(5,654,971)	(7,276,533)
OPERATING EXPENSES				
Administrative	-	-	17,045	388,978
Financial Charges	-	-	95	200
	-	-	17,140	389,178
Profit/(Loss) before taxation	(12,874,189)	(1,863,056)	(5,672,111)	(7,665,710)
Taxation	-	-	-	-
Profit/(Loss) after taxation	(12,874,189)	(1,863,056)	(5,672,111)	(7,665,710)
Other comprehensive income/(Loss) for the year:	(7,140)	(781,928)	(364,784)	651,231
Total comprehensive Income/(Loss) for the year	(12,881,329)	(2,644,983)	(6,036,894)	(7,014,479)
Earning/(Loss) per certificate (Rupees)	(2.58)	(0.53)	(1.21)	(1.40)

Asad Ahmad
Chief ExecutiveMariam Ahmad
DirectorMohammad Zameer
Chief Financial Officer

**Condensed Interim Statement of Cash Flows (Un-audited)**

for the quarter ended March 31, 2020

	March 2020	March 2019
	Rupees	
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) before Taxation	(5,672,111)	(7,014,479)
Adjustment for non-cash changes and other items:		
Unrealized loss on 'Available for sale' Investments	-	(651,231)
Unrealized diminution on re-measurement of investments classified as 'Financial Assets at fair value through profit or loss' - net	5,682,153	7,310,152
	<u>5,682,153</u>	<u>6,658,920</u>
Operating cash (outflow)/inflow before working capital changes	10,042	(355,559)
Decrease/(Increase) in assets		
Other receivables	2,845	2,686
(Decrease)/Increase in liabilities		
Due to Investment Advisor	148,380	543,500
Accrued Expenses and other Liabilities	<u>(224,953)</u>	<u>(160,775)</u>
Net cash (outflow) from operating activities	<u>(63,686)</u>	<u>29,852</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Sale proceed of Investment	-	-
Net cash (outflow)/inflow from investing activities	<u>(63,686)</u>	<u>29,852</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Taxes Paid	<u>(4,064)</u>	<u>(1,260)</u>
Net cash used in financing activities	<u>(67,750)</u>	<u>28,592</u>
Net increase/(decrease) in Cash and Cash Equivalent	(67,750)	28,592
Cash and Cash Equivalent at the beginning of the year	<u>92,221</u>	<u>41,775</u>
Cash and Cash Equivalent at the end of the year	<u><u>24,471</u></u>	<u><u>70,366</u></u>

Asad Ahmad
Chief ExecutiveMarium Ahmad
DirectorMohammad Zameer
Chief Financial Officer

**Condensed Interim Statement of Changes in Equity (Un-audited)**

For the quarter ended March 31, 2020

Particulars	Certificate Capital	Unrealized Gain/(Loss) Available for Sale Investment	Unrealized gain / (loss) due to change in fair value of investment through other Comprehensive Income	Accumulated (Loss)/ Unappropriated Profit	Total
			(Rupees)		
Balance as at June 30, 2017	50,000,000	(5,939,985)	-	35,224,446	79,284,461
Total Comprehensive (Loss) for the year	-	(2,621,861)	-	(9,932,089)	(12,553,950)
Balance as at June 30, 2018	50,000,000	(8,561,846)	-	25,292,357	66,730,511
Effect of Change in Accounting Policy of adoption of IFRS 9 - note 2.1.	-	8,561,846	(8,561,846)	-	-
Balance as at July 1, 2018 - restated	50,000,000	-	(8,561,846)	25,292,357	66,730,511
Total Comprehensive (Loss) for the year	-	-	(96,186)	(16,274,364)	(16,370,550)
Balance as at June 30, 2019	50,000,000	-	(8,658,032)	9,017,993	50,359,961
Total Comprehensive (Loss) for the year	-	-	(364,784)	(5,672,111)	(6,036,894)
Balance as at March 31, 2020	50,000,000	-	(9,022,816)	3,345,882	44,323,067

Asad Ahmad
Chief ExecutiveMariam Ahmad
DirectorMohammad Zameer
Chief Financial Officer



6 INVESTMENTS

"Financial assets at fair value through profit and loss" - held for trading
- Quoted equity securities - regular market trade

Note	March 2020	June 2019
	Rupees	
6.1	51,366,532	57,048,685

Available for sale

- Quoted equity securities - associated companies

6.2	5,640,186	6,004,970
	<u>57,006,718</u>	<u>63,053,655</u>

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, 2019	Cost of Shares as on June 30, 2019	Market value of Shares as on June 30, 2019	Shares received during the period	Bonus Shares Received during the period	Shares sold during the period	Balance as at March 31, 2020			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.												
Akai Bank Ltd.	4,565	57,382	86,324	-	-	-	4,565	57,382	63,956	0.0009	0.0101	
Bank Al-Habib Ltd.	104,619	50,255	8,200,037	-	-	-	104,619	50,255	5,635,826	0.0007	0.0143	
JS Bank Ltd.	47,334	959,549	259,390	-	-	-	47,334	959,549	190,283	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	10,739,940	-	-	-	61,564	821,488	9,190,274	0.0108	0.0098	
Sonari Bank Ltd.	8,655	27,994	88,714	-	-	-	8,655	27,994	76,683	0.0005	0.0021	
Orin Leasing Pakistan Ltd Formerly Standard Chartered Leasing Ltd.	6,545	98,975	161,072	-	-	-	6,545	98,975	137,845	0.0101	0.0167	
NONLIFE INSURANCE												
Adamiyar Insurance Co. Ltd.	17,117	1,891,417	599,951	-	-	-	17,117	1,891,417	455,826	0.1529	0.0138	
PERSONAL GOODS (TEXTILES)												
Faisal Spinning Mills Ltd.	74,000	2,206,265	17,575,000	-	-	-	74,000	2,206,265	18,481,500	2.2963	0.7400	
Crescent Textile Mills Ltd.	383	14,119	8,334	-	-	-	383	14,119	7,147	0.0029	0.0008	
Mian Textile Industries Ltd.	90,000	701,170	301,500	-	-	-	90,000	701,170	629,100	0.3172	0.4071	
CONSTRUCTION AND MATERIALS												
Lucky Cement Ltd.	15,000	2,083,824	5,707,050	-	-	-	15,000	2,083,824	5,560,500	0.0644	0.0046	
OIL & GAS												
Oil & Gas Development Co. Ltd.	15,000	2,012,403	1,972,350	-	-	-	15,000	2,012,403	1,154,850	0.0047	0.0003	
Pakistan State Oil Ltd.	5,702	1,525,057	967,230	-	-	-	5,702	1,525,057	692,793	0.0089	0.0033	
Shell Pakistan Ltd.	158	11,889	28,829	-	-	-	158	11,889	18,416	0.0017	0.0003	
TELECOMMUNICATION												
Pakistan Telecommunication Co. Ltd.	50,000	2,280,683	413,500	-	-	-	50,000	2,280,683	387,500	0.0060	0.0013	
MULTI UTILITIES												
Sui Northern Gas Co. Ltd.	36,748	566,649	2,553,619	-	-	-	36,748	566,649	1,356,001	0.0103	0.0067	
Sui Southern Gas Ltd.	1,312	26,150	27,132	-	-	-	1,312	26,150	15,219	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	766,787	-	-	-	2,887	153,917	770,540	0.0047	0.0015	
Engro Fertilizer	288	-	18,423	-	-	-	288	-	16,606	-	0.0001	
Fauji Fertilizer Co. Ltd.	50,000	1,980,593	911,500	-	-	-	50,000	1,980,593	662,500	0.0212	0.0054	
PHARMA AND BIOTECH												
Sandoz-Awards Ltd.	3,300	469,937	1,996,500	-	-	-	3,300	469,937	2,197,965	0.4872	0.0342	
							23,623,424	57,048,685	23,623,424	51,366,532		
Reversal of provision for Diminution in value of investments							33,425,261		27,743,108			
							57,048,685		51,366,532			



6.1.1 In September 1996, the Income Tax Authorities raided the Company's premises and took away by force, all the records, documents, and valuable securities, including FEBC's/Bearer NIT units of all the Group companies, which included the FEBC's of the Fund; without lawful authority and without making any inventory. This raid caused a serious disruption in the company's business. The company filed a suit against the Income Tax Authorities in the Honorable High Court of Sind, challenging the said act as being illegal. The Honorable High Court of Sind, vide its Order dated July 31, 1998, held that the presence of irregularities and malafides in the act of the Income Tax Department cannot be ruled out. Further, the remaining two ingredients namely balance of convenience and causing irreparable loss and injury, also exists in favour of the company. Further, the Income Tax Department was directed to submit their report keeping in view the provisions of Section 146(C) of The Income Tax Ordinance, 1979, declaring how much more time they would need to return the impounded documents and records. In spite of the orders of the Hon'able High Court of Sindh, the Income Tax Department has neither returned the records nor any of the FEBC's/valuables. The Fund has filed a contempt application against the Department and the matter is now in evidence stage.

6.1.2. Dewan Salman Fibre Limited's aggregate market value of investment based on last available quoted price as of February, 19 2018 sfater the same same date the transactions of the same company has been suspended till reporting date.

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

Name of Company	Number of Shares as on June 30, 2019	Cost of Shares as on June 30, 2019	Market value of Shares as on June 30, 2019	Shares Purchased during the year	Bonus Shares Received during the year	Shares sold during the year	Balance as at March 31, 2020			Percentage in relation to			
							Investee Companies					Paid-up Capital	No. of shares
							Number of Shares	At Cost (Rupees)	At Market Value (Rupees)				

EQUITY INVESTMENTS

INSTRUMENTS

First Tri-Star Modaraba	670,067	9,698,250	5,695,570	-	-	-	670,067	9,698,250	5,360,536	4.58	3.17
ELECTRICITY											
Tri-Star Power Ltd.	119,000	4,964,750	309,400	-	-	-	119,000	4,964,750	279,650	3.31	0.79
		14,663,000	6,004,970					14,663,000	5,640,186		
Provision for Diminution in value of Investments		(8,658,031)						(9,022,814)			
		<u>6,004,970</u>						<u>5,640,186</u>			