Annual Report
2019

Tri-Star
Polyester Ltd.

Company Information

Board of Directors:	Mr. Jawed Ahmed Siddiqui	Non Executive Chairman/Independent Director
	Mr. Asad Ahmad	Chief Executive
	Ms. Uzma Ahmad	Executive Director
	Mr. M. Zameer	Non Executive Director
	Mr. Abdul Quddus	Non Executive Director
	Mr. Mohammad Haroon Saeed	Non Executive Director
	Mr. Syed Imran	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 Ahmed Siddiqui	Chairman
	Mr. Abdul Quddus	Member
	Mr. Mohammad Haroon Saeed	Member
Human Resource Committee:	Mr. Jawed Ahmed Siddiqui	Chairman
	Ms. Uzma Ahmad	Member
	Mr. M. Zameer	Member
Legal Counsel:	Abid S. Zuberi Bar-at-Law	
Liaison Office:	A/33, Central Commercial Area, Block 7/8, Main Shahrah-e-Faisal, Karachi-75350	
Registered Office:	F/538, S.I.T.E., Karachi-75700	
Shares Registrar / Transfer Agent:	Hameed Majeed Associates (Pvt) Ltd. 4th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi.	
Plant:	F/538, S.I.T.E., Karachi-75700	

NOTICE OF MEETING

Notice is hereby given that the Twenty Ninth Annual General Meeting of Tri-Star Polyester Ltd., will be held on Monday, October 28, 2019 at 9.00 am at F/538, S.I.T.E., Karachi to transact the following business:

1. Recitation from the HOLY QURAN.

2. To receive and adopt the audited accounts for the period ended June 30, 2019 together with the Directors' and Auditors' report thereon.

3. To appoint Auditors of the Company and fix their remuneration.

4. To transact any other business with the permission of the Chair.

By Order of the Board

Company Secretary

Karachi: October 4, 2019

NOTES:

1. The Share Transfer books of the Company will remain closed from 21.10.2019 to 28.10.2019 (both days Inclusive).
2. A member entitled to attend Annual General Meeting is entitled to appoint a proxy and vote in his place at the meeting. Proxies in order to be effective must be received at the registered office of the Company at F/538, S.I.T.E, Karachi duly stamped, signed and witnessed, not later than 48 hours before the meeting.
3. CDC Shareholders or their Proxies are required to bring with them their Original Computerized National Identity Card (CNIC) or Passport alongwith the Participant's I.D. number and their account number at the time of attending Annual General Meeting in order to authenticate their identity. In case of corporate entity, a certified BOD resolution/valid power of attorney with specimen signature of the nominee be produced at the time of meeting.
4. Proxy form must be submitted with the Company within the stipulated time, duly witnessed by two persons whose names, addresses and CNIC number must be mentioned on the form, along with attested copies of the CNIC or passport of the beneficial owner and the proxy.
5. In case of corporate entity, the Board of Directors' resolution/power of attorney with the specimen signature of the proxy holder shall be submitted (unless it has been provided earlier) along with proxy form to the Company.
6. Members are requested to notify any change in their addresses immediately to our Shares Registrar M/s. Hameed Majeed Associates (Pvt) Ltd., Karachi Chamber, Hasrat Mohani Road, Karachi.

Directors' Report

The audited accounts of the Company for the year ended June 30, 2019 are presented herewith.

FINANCIAL RESULTS

The Financial Results of the Company are summarized as follows:

	Rupees 2019	Rupees 2018
Sales - Net	386,812,277	322,043,764
Cost of Sales	188,102,444	138,918,091
Gross Profit `	198,709,833	183,125,673
Operating Expenses		
Distribution and Selling Cost	(67,830,002)	(26,804,525)
Administrative and General Expenses	(56,441,968)	(54,780,471)
	(124,271,970)	(81,584,996)
Operating Profit	74,437,863	101,,540,677
Other Income/(Loss)	11,757,889	(812,500)
Finance Cost	24,110,796	17,868,556
	62,084,956	82,529,621
Other Charges	3,104,248	4,142,981
Profit before Taxation	58,980,708	78,716,640
Taxation		
- Current	(4,835,153)	(4,025,547)
- Prior	-	200,771
- Deferred	(1,473,701)	2,908,145
	(6,308,854)	(916,631)
Profit after Taxation	52,671,854	77,800,009
Earning per Share - Basic	1.02	1.50

2. BUSINESS

As reported during last annual report, Alhamdulillah the growth in sales is geometrical and the same trend continued during the last period under discussion. We expect the trend to continue and hope to increase online sales, which is expected to improve the profitability of the Company and we would be able to achieve better results in future.

DIVIDEND

The Board of Directors have not recommended a cash dividend for the year ended 30.6.2019.

BOARD OF DIRECTORS

The present Board of Directors assumed their office with effect from 21st December, 2018 for a period of three years.

AUDITORS

The present Auditors M/s. Ghalib & Co., Chartered Accountants are retiring. Under the terms of the code of Corporate Governance, M/s. Feroz Sharif Tariq & Co., Chartered Accountants have been recommended by the audit committee for appointment as auditors until the conclusion of the next annual general meeting.

PATTERN OF SHARE HOLDING

A statement showing pattern of share holding in the Company as on June 30, 2019 appear on Page No. 45.

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAME WORK

a. The financial statements, prepared by the management of the Company, present fairly its state of affairs, the results of its operations' cash flows and change in equity.

b. Proper books of accounts of the Company have been maintained.

c. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.

d. International Accounting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and departure therefrom has been adequately disclosed.

e. Despite the fact and because of the prevailing conditions that there are no employees at the payroll of the company as disclosed in notes to the financial statements, the normal work of the company is performed by the employees of the group company. The management is of opinion that the company has sound system of internal control.

f. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.

g. The trading in shares of Company was done by Chief Executive as follows:

Name	Designation	No. of shares purchased
Mr. Asad Ahmad	Chief Executive	233,500

h. None of the Directors other than Chief Executive, Executives, and their spouses and minors children have traded in the shares of the company during the year.

i. Key operating and financial data for the last six years in summarized form is annexed.

j. During the year four (04) meetings of the Board of Directors were held, attendance by each Director is as follows:-

Name of Director	No. of Meetings attended
Mr. Asad Ahmad	04
Ms. Uzma Ahmad	04
Mr. Jawed Ahmed Siddiqui	04
Mr. M. Zameer	02
Mr. Abdul Quddus	02
Mr. Syed Imran	02
Mr. Mohammad Haroon Saeed	04

k. The pattern of certificate holdings is annexed.

On behalf of the Board

Asad Ahmad
Chief Executive

Place: Karachi, October 04, 2019.

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2017

Year ended: June 30, 2019

The Company has applied the principles contained in the Code in the following manner.

1. The total number of directors are 7 as per the following:

   a. Male: 6
   b. Female: 1

2. The composition of board is as follows:

Independent Director	Mr. Jawed Ahmed Siddiqui
Executive Director	Mr. Asad Ahmad (CEO) Ms. Uzma Ahmad
Other Non - Executive Director	Mr. Mohammad Haroon Saeed Mr. Mohammad Zameer Mr. Syed Imran Mr. Abdul Quddus

3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this Company.

4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.

5. The board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by board / shareholders as empowered by the relevant provisions of the Act and these Regulations.

7. The meetings of the board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.

8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

9. During the year, no directors training program has been held.

10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. CFO and CEO duly endorsed the financial statements before approval of the board.

12. The board has formed committees comprising of members given below:

    a) Audit Committee — Mr. Jawed Ahmed Siddiqui (Chairman)
Mr. Abdul Quddus
Mr. Mohammad Haroon Saeed

b)	HR and Remuneration Committee	Mr. Jawed Ahmed Siddiqui (Chairman) Mr. Mohammad Zameer Ms. Uzma Ahmad

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings of the committee were as per following:

a)	Audit Committee	Quarterly
b)	HR and Remuneration Committee	Annually

15. The board has set up an effective internal audit function and its members are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all other requirements of the Regulations have been complied with.

Place: Karachi
Dated: October 4, 2019

Asad Ahmad
Chief Executive

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF TRI STAR POLYESTER LIMITED

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2017

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2017 (the Regulations) prepared by the Board of Directors of Tri-Star Polyester Limited for the year ended June 30, 2019 in accordance with the requirements of regulation 40 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions and also ensure compliance with the requirements of section 208 of the Companies Act, 2017. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

Following instances of Non-compliances with the requirements of the Code were observed which are not stated in the Statement of Compliance.

a) The composition of board has includes one independent director Mr. Jawed Ahmed Siddiqui, whereas in our opinion he does not meet the criteria of independence due to his cross director ship in other group companies.

b) The chairman of Audit committee shall be an independent director, whereas in our view Mr. Jawed Ahmed Siddiqui does not meet the criteria of independence due to the reason reflect in para (a) above.

c) The chairman of Human Resource and Remuneration Committee shall be an independent director whereas in our view Mr. Jawed Ahmed Siddiqui does not meet the criteria of independence due to the reason reflected in para (a) above.

Based on our review, except for the above instances of non compliance, above, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2019.

Sd/-
Ghalib & Co.
Chartered Accountants

Karachi
Dated: October 4, 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRI STAR POLYESTER LIMITED

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the annexed financial statements of Tri-Star Polyester Limited (the Company), which comprise the statement of financial position as at June 30, 2019, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2019 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Qualified Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code.. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

a) We have not been able to verify the investment made in units of National Investment Trust (NIT) amounting to 132,250,850 (2018: 180,958,050)- as disclosed in note 17 and 17.1 to the financial statements. Further, No provision has been made in the accounts for the NIT investments the recovery and realization of which are doubtful, the same has been explained in Note No. 17.1 to the financial statements. Had the provision for doubtful investment been made in the accounts, the losses of the Company would have been increased by Rs. 32,250,850 (2017: 180,958,050) and the Shareholder's Equity would have been decreased by the same amount.

b) The Company has not maintained a separate bank account for unclaimed dividend.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information in the annual report including in particulars, the Chairman's Review, Directors Report, Financial and business highlights, but does not include the financial statements and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to the key audit matters to be communicated in our report

Following are the Key Audit Matters:

S. No.	Key Audit Matters	How the matter was addressed in our audit
1	**First time adoption of IFRS 9 – Financial Instruments**	
	As referred to in note 5.14 to the financial statements, the Company has adopted IFRS 9 with effect from 1 July 2018. The new standard requires the Company to make provision for financial assets (trade debts) using Expected Credit Loss (ECL) approach as against the Incurred Loss Model previously applied by the Company. Determination of ECL provision for trade debts requires significant judgement and assumptions including consideration of factors such as historical credit loss experience and forward-looking macro-economic information. We have considered the first time application of IFRS 9 requirements as a key audit matter due to significance of the change in accounting methodology and involvement of estimates and judgments in this regard.	Our key procedures to review the application of IFRS 9 included, amongst others, review of the methodology developed and applied by the Company to estimate the ECL in relation to trade debts. We also considered and evaluated the assumptions used in applying the ECL methodology based on historical information and qualitative factors as relevant for such estimates. Further, we assessed the integrity and quality of the data used for ECL computation based on the accounting records and information system of the Company as well as the related external sources as used for this purpose. We checked the mathematical accuracy of the ECL model by performing recalculation on test basis. In addition to above, we assessed the adequacy of disclosures in the unconsolidated financial statements of the Company regarding application of IFRS 9 as per the requirements of the above standard.
2.	**Valuation of Trade Debts**	
	Refer to note 20 to the financial Statements and accounting Policy in note 5.10 to the financial statements	Our audit Procedure to assess the valuation of trade debts amongst others, include the following:

	The company has Significant balance of trade debts. Provision against doubt trade debts is based on management judgment to determine the appreciate level of Provision against balances which may not ultimately be recovered. We identified recoverability of trade debts as a key audit matter as it involves significant management judgment in determining the recoverable amount of trade debts.	Obtaining an understanding of the managements basis for the determination of the provision required at the year end and the receivables collection process; For a sample trade debts, tasted and adequacy of the provision for the doubtful debts recorded against the trade debts why taking into account the aging of receivable at year end and cash receivable after year end as well as assessing the judgment made by the management in relation to the credit worthiness of the debtors. Testing the accuracy of the data on assemble basis extract from the company accounting systems which is used the calculate the aging of trade receivable; and Assessing the historical accuracy of provisions for doubtful debts recorded by examining the utilization or release of previously recorded provisions.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and Reporting standards as applicable in Pakistan and the Requirements of companies Act, 2017 (XIX of 2017), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit except for the matter discussed in basis for qualified opinion section, we further report that in our opinion:

(a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

(b) the statement of financial position, the statement of profit or loss and other comprehensive loss, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

(c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

(d) No Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Mohammad Ghalib.

Chartered Accountants
Ghalib & Co.
Engagement Partner: Mohammad Ghalib

Karachi
Dated: October 4, 2019

Vision Statement

Tri-Star Polyester Limited is committed to strive for excellence in all areas of its activity.

Mission Statement

We view our business objective of providing quality product that promote commerce and industry within the context of our overall objective of contributing to the nation's prosperity.

Core Value

1. Striving for continuous improvement and innovation with commitment and responsibility;
2. Treating stakeholders with respect, courtesy and competence;
3. Practicing highest personal and professional integrity;
4. Maintaining teamwork, trust and support, with open and candid communication;
5. Ensuring cost consciousness in all decisions and operations.

Statement of Ethics and Business Practices

The articulation of this statement is based on following points:

1. Questionable and improper payments or use of the Company's assets.
2. Political contributions.
3. Conflict of interest.
4. Books and records of the Company.
5. Payment of amounts due to customers, agents or distributors.
6. Reporting violations.
7. Means as important as the end.
8. Integrity and scrupulous dealings.
9. Strict observance of the laws of the country.
10. Giving and receiving gifts.

Balance Sheet as at

	Notes	Rupees 2019	Rupees 2018
EQUITY AND LIABILITIES			
CAPITAL & RESERVES			
Authorised Capital			
100,000,000 (2018: 100,000,000) Ordinary Shares of Rs.10/- each		1,000,000,000	1,000,000,000
Issued, Subscribed and Paid-up Capital	6	568,792,010	450,780,390
Capital Reserve			
Capital Reserve - (a Share Premium account)		39,386,665	39,386,665
Surplus on revaluation Property, plant and Equipments	7	381,626,014	393,488,231
Unrealised Gain due to Change in Fair value of investments	17	-	146,447,375
Unrealized Gain/(Loss) due to change in fair value of Investment through other Comprehensive Income		97,740,175	-
Revenue Reserve			
Accumulated (Loss)		(57,868,398)	(80,271,826)
Shareholders' Equity		1,029,676,466	949,830,835
NON-CURRENT LIABILITIES			
Long term Loan from Associated and related parties	8	40,000,000	158,011,625
Diminishing Musharaka Finance Facility	9	92,000,000	138,000,000
Deferred taxation	10	61,102,130	62,575,831
Provision for Gratuity	11	854,137	334,458
CURRENT LIABILITIES			
Trade and Other Payables	12	105,954,969	69,819,821
Unclaimed Dividend		23,690,536	8,094,295
Accrued Interest on Loan from Associates		8,756,165	15,714,054
Accrued Interest on Financial Institutions		2,419,348	1,549,607
Current maturity of non current Liabilities		46,000,000	-
Provision for taxation	13	4,835,153	4,025,547
		191,656,171	99,203,325
Contingencies and Commitments	14	-	-
		1,415,288,905	1,407,956,074

Note: The annexed notes form an integral part of these accounts.

KARACHI: October 04, 2019

June 30, 2019

	Notes	Rupees 2019	Rupees 2018
ASSETS			
NON-CURRENT ASSETS			
Tangible Fixed Assets			
Property, Plant and Equipments	15	614,012,274	636,456,309
Long Term Deposits	16	4,215,995	4,215,995
Long Term Investments	17	132,250,850	180,958,050
CURRENT ASSETS			
Stores, Spares and Loose Tools	17	3,626,918	4,784,759
Stock-in-Trade		552,343,275	237,309,407
Trade Debts - Unsecured	18	77,937,226	318,485,912
Trade Deposits and Prepayments - considered good	19	396,754	12,187,638
Income Tax Refunds and Advances		2,567,360	5,363,063
Cash and Bank Balances	20	27,938,253	8,194,941
		664,809,786	**586,325,720**
		1,415,288,905	**1,407,956,074**

Chief Executive **Director** **Chief Financial Officer**

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2019

	Notes	2019	2018
		(Rupees)	
SALES - Net	23	386,812,277	322,043,764
COST OF SALES	24	188,102,444	138,918,091
GROSS PROFIT		198,709,833	183,125,673
Operating Expenses			
Distribution and Selling Cost	25	67,830,002	26,804,525
Administrative and General Expenses	26	56,441,968	54,780,471
		124,271,970	81,584,996
OPERATING PROFIT		74,437,863	101,540,677
Other Income/Loss	27	11,757,889	(812,500)
		86,195,752	100,728,177
Finance Cost	28	24,110,796	17,868,556
		62,084,956	82,859,621
Other Charges		3,104,248	4,142,981
PROFIT BEFORE TAXATION		58,980,708	78,716,640
Taxation			
- Current	13	(4,835,153)	(4,025,547)
Prior		--	200,771
Deferred	10	(1,473,701)	2,908,145
		(6,308,854)	(916,631)
PROFIT AFTER TAXATION		52,671,854	77,800,009
Earning Per Share - Basic	29	1.02	1.50

The annexed notes form an integral part of these accounts.

Karachi: October 04, 2019

Chief Executive | Director | Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019

	June 30, 2019	June 30, 2018
	(Rupees)	
Profit for the Year	52,671,854	77,800,009
Other comprehensive Income:		
Unrealized Gain/(Loss) Available for Sale Investment	-	(29,951,000)
Unrealized gain / (loss) due to change in fair value of investment through other Comprehanssive Income	(48,707,200)	
Items that will not reclassify to profit or loss		
Surplus on revaluation of property, plant and equipment	-	231,341,754
Related deferred tax	-	(36,402,526)
	-	194,939,228
Effect of change in tax rates on balance of revaluation on property, plant and equipment	2,947,396	969,380
Total comprehensive Income for the period	6,912,050	243,757,617

The annexed notes form an integral part of this condensed interim financial information.

Chief Executive Director Chief Financial Officer

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2019

	Note	2019	2018
		(Rupees)	
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(Loss) before Taxation		58,980,708	78,716,640
Adjustment for Non-Cash and Other Items:			
Depreciation		39,823,963	28,957,645
Loss on Sales of assets		--	812,500
Liabilities Written Back		(11,757,889)	
Provision for Gratuity - net of Payments		519,679	334,458
Financial Expenses		24,110,796	17,868,556
		52,696,549	47,973,159
		111,677,258	126,689,799
Working Capital Changes			
(Increase) / Decrease in Current Assets			
Stock in Trade		(315,033,868)	(204,046,832)
Stores and Spares		1,157,841	775,743
Trade debtors		240,548,686	(209,383,329)
Trade deposits, Prepayments & Statutory balances		11,790,884	(10,729,267)
Increase / (Decrease) in Current Liabilities			
Trade and Other Payables		36,135,148	37,439,460
Un Claimed Dividends		15,596,241	
Due to Associated Undertaking		-	(4,861,558)
		(9,805,068)	(390,805,783)
Taxes Paid		(1,229,844)	(292,582)
Financial charges Paid/Write back		(34,037,308)	(648,186)
		(35,267,152)	(940,768)
Net Cash Inflow/ (Outflow) from Operating Activities		66,605,037	(265,056,751)
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of Fixed Assets		(17,379,928)	(81,217,592)
Sales Proceeds from Fixed Assets		--	5,000,000
Net Cash Inflow/ (Outflow) from Investing Activities		(17,379,928)	(76,217,592)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term Deposits		--	(3,432,000)
Further Capital Issued agianst loan		118,011,620	
Diminishing Musharka Finance Facility		--	138,000,000
Issuance of Right shares		--	214,657,330
Dividend Paid		(29,481,798)	
Long term Loan from Associated and Related Parties		(118,011,620)	--
Net Cash Inflow/ (Outflow) from Financing Activities		(29,481,798)	349,225,330
Net Increase in Cash and Cash Equivalents		19,743,311	7,950,986
Cash and Cash Equivalents at the Beginning		8,194,942	243,956
Cash and Cash Equivalents at the End	30	27,938,253	8,194,942

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

Karachi: October 04, 2019

Chief Executive | Director | Chief Financial Officer

STATEMENT OF CHANGE IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2019

		Capital Reserve		Revenue Reserve			
	Share Capital	Capital Reserve	Surplus on Revaluation of Property, Plant and Equipment	Unrealized Gain/(Loss) Available for Sale Investment	Unrealized gain / (loss) due to change in fair value of investment through other Comprehanssive Income	Unappropriated Profit/Accumulated (Loss)	Total
Balance as on June 30, 2017	214,657,330	39,386,665	204,365,296	176,398,375	--	(143,391,777)	491,415,888
Issuance of Right shares 100%	214,657,330						214,657,330
Issuance of Bonus Shares 10%	21,465,730					(21,465,730)	
Net Profit for the year ended June 2018	--	--		--	--	77,800,009	77,800,009
Other Comprehanssive income			194,939,227	(29,951,000)	--		164,988,227
Total Comprehanssive income	--	--	194,939,227	(29,951,000)	--	77,800,009	242,788,236
Transfer to Profit and Loss account of incremental depreciation (net of tax)			(6,785,672)	--	--	6,785,672	-
Effect of Change in tax Rate			969,380	--	--		969,380
Balance as on June 30, 2018	450,780,390	39,386,665	393,488,231	146,447,375	--	(80,271,826)	949,830,834
Balance as on June 30, 2018	450,780,390	39,386,665	393,488,231	146,447,375	--	(80,271,826)	949,830,835
Effect of Change in Accounting Policy ofn adpoption of IFRS 9 - note 2.1.				(146,447,375)	146,447,375	-	-
Balance as at July 1, 2018 - restated	450,780,390	39,386,665	393,488,231	--	146,447,375	(80,271,826)	949,830,835
Issuance of Right shares	118,011,620						118,011,620
Issuance of Bonus Shares 10%	--					-	
Final Cash Dividend 10 in 2018						(45,078,039)	(45,078,039.00)
Net Profit for the year ended June 2019	--	--		--		52,671,854	52,671,854
Other Comprehanssive income			2,947,396	--	(48,707,200)		(45,759,804)
Total Comprehanssive income	--	--	2,947,396	--	(48,707,200)	52,671,854	6,912,050
Transfer to Profit and Loss account of incremental depreciation (net of tax)			(14,809,613)	--		14,809,613	-
Balance as on June 30, 2019	568,792,010	39,386,665	381,626,014	-	97,740,175	(57,868,398)	1,029,676,466

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

Karachi: October 04, 2019

Chief Executive Director Chief Financial Officer

Last Six Years Results At A Glance

Particulars	2019	2018	2017	2016	2015	2014
Financial Position						
Paid -up Capital (Rs.)	568,792,010	450,780,390	214,657,330	214,657,330	214,657,330	214,657,330
Reserves (Rs.)	460,884,456	499,050,445	276,758,558	245,502,875	159,221,840	(90,497,619)
Fixed Assets - WDV (Rs.)	614,012,274	636,456,309	358,667,108	379,133,073	395,465,850	41,342,796
Investment at Cost (Rs.)	132,250,850	180,958,050	210,909,050	158,617,550	154,345,850	34,510,675
Current Assets (Rs.)	664,809,786	586,325,720	156,700,288	40,168,571	14,725,609	14,623,206
Current Liabilities (Rs.)	191,656,171	99,203,325	47,582,096	22,022,557	15,561,469	15,357,918
Income						
Sales	386,812,277	322,043,764	200,181,917	20,077,138	-	-
Net Profit/(Loss) for the year	52,671,854	77,800,009	77,847,285	(204,575)	(19,429,930)	(18,190,317)
Accumulated Profit/(Loss)	(57,868,398)	(80,271,826)	(143,391,777)	(129,787,885)	(140,404,945)	(129,884,284)
Statistics & Ratios						
Operating Profit/(Loss) Ratio(%)	19.24	31.53	37.03	5.54	-	-
Net Profit/(Loss) Ratio (%)	13.62	24.16	38.89	(1.02)	-	-
Current Ratio	3.47:1	5.91:1	3.29 :1	1.82:1	0.95 : 1	0.95 : 1
Paid-up Value Per Share (Rs.)	10	10	10	10	10	10
Earning/(Loss) Per Share (Rs.)	1.02	2.34	2.34	(0.01)	(0.91)	(0.85)
Break value Per Share (Rs.)	18.1	21.07	22.89	11.57	10.93	5.78
Net Assets (Rs. in Million)	1029.68	949.83	491.41	248.36	234.67	124.16
Cash Dividend (%)	-	10%	-	-	-	-
Bonus Dividend (%)	-	-	10%	-	-	-

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED JUNE 30, 2019

1 CORPORATE INFORMATION

Tri-Star Polyester Limited (the Company) was incorporated in Pakistan, as a public limited company on November 14, 1990, under the Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) and its shares are listed in the Pakistan Stock Exchange in Pakistan. The Principal activity of the Company is manufacturing and sale of polyester filament yarn and embroided Fabric.

The Operations of the Polyester filment yarn remain discontinued during the year .

The geographical Location and address of the company's business units, including mill/plant are as under:

The registered office of the company and manufacturing facilities is located at F/538, S.I.T.E., Karachi - 75700, Pakistan.

1.2 Summary of significant events and transactions in the current reporting period

The Company's financial position and performance was particularly affected by the following events and transactions during the reporting period:

The Company' main unit to produce polyester filment yarn remain not in operation and the company is to manufacture during the year value added embroided fabric as disclosed in note 1.

The company has issued ordinary further Shares other then right u/s 83 of Companies Act 2017 during the year (Refer note 6)

Further , for a detailed discussion about the Company's performance, refer to the Directors' Report.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

International Financial Reporting Standard issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and Provisions of and directives issued under the Companies Act, 2017.
Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017 have been followed.

3 BASIS OF PREPARATION/MEASUREMENT

The financial statements have primarily been prepared under the historical cost convention without any adjustments for the effect of inflation or current values, except for the certain fixed assets which are stated on revalued amounts, financial assets and liabilities which are carried at their fair values, Further, accrual basis of accounting is followed except for cash flow information.

4 APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Board of Directors and authorized for issue on October 04, 2019.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except application of new amendments and interpretations in the International Accounting Standards as described below

5.1 **New standards, amendments and improvements effective during the year**

The Company has adopted the following standards, amendments and improvements of International Financial Reporting Standards (IFRSs) which became effective for the current year:

IFRS 2: Share-based Payments: Classification and Measurement of Share Based Payments Transactions (Amendments)

IFRS 9: Financial Instruments

IFRS 15: Revenue from Contracts with Customers

IAS 40: Investment Property: Transfers of Investment Property (Amendments)

IFRIC 22: Foreign Currency Transactions and Advance Consideration

Improvements to IFRSs Issued by IASB in December 2016

IAS 28 — Investment in Associates and Joint Ventures: Clarification that measuring investees at fair value through profit or loss in an investment-by-investment choice.

The adoption of the above standards, amendments and improvements to IFRSs did not have any effect on these financial statements, except for IFRS 9 as explained below:

5.1.1. **IFRS 9 Financial Instruments**

The Company has applied IFRS 9 using modified retrospective approach with initial application date of 1 July 2019 as notified by the SECP. IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. The adoption of IFRS 9 has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL)approach.

The management of the Company has assessed and concluded that the Company is in compliance with the requirements of IFRS 9.

The new accounting policy in respect of financial instruments along with the impact on the classification of financial assets and impairment of financial assets is stated in note 5.14 to these financial statements.

Effective from July1, 2018, the Company's has adopted IFRS 9 " Financial Instruments" which has replaced IFRS-39 Financial Instruments Financial Recognition and measurements". IFRS 9 addresses recognition, Classification, measurements and derecognisyion of financial assets and financial liabilities . IFRS 9 has also introduced a new impairment modlefor all equity investments are required to be measured in the " statement of assets and Liabilities" at fairvalue with gain and losses recognized in the "Income Statements, except where an irrevocable Election has been made at the time of initial recognition to measure the investment " at fair value through other comprehensive income" (FVOCI) excluding securities which are kept for trading purposes.

Prior to the adoption of IFRS 9, the Company had Classified its investments in equity instruments as i.e. " available for sales " or " Financial Assets at fair value through profit or loss". The business model of the Company is to invest in securities where their is opportunity of gain and benefits of the Company based on long term prospective. The Historical redemption pattern of the Company also reflects that the unit holder have largely taken long term position . Accordingly, the investment Portfolio of the Company which was previously classified as : available for Sale" was primly focused on long term growth. Consequently, on adoption of IFRS 9 the Company has Chosen as irrecoverable option of Classifying investment in equity instruments, Which were Previously Classified as "Available for Sales" with the Exception of put able instruments, as " at FVOCI", where as the equity instruments Kept under trading portfolio and which were previously classified as " FVTPL" , are Continued to be classified as " at FVTPL" . The put able instruments have been classified as FVTPL as required under IFRS 9.

As per the requirements of IFRs 9 any surplus /(deficit) arising as a result of subsequent movement in fair value of equity securities classified as FVOCI (including on Disposal) is not recycled to income statements. Consequently, impairment loss previously recognized on Available for Sale securities on account of significant or prolong decline are no longer required to be recognized in the income statement in respect of subsequent decline in the value of investments with effect from July 1, 2018.

The Company has adopted modified retrospective restatement approach for adopting IFRS 9 and accordingly , all changes arising on adoption of IFRS 9 have been adjusted at the binging of the Current year.

The effect of change in accounting policy effect only made the change of Classification of previously reported as available for sales investment to Investment at fair value through other comprehensive income as of July 1, 2018.

The new accounting policy in respect of financial instruments has no impact on the income statement, statement of comprehensive income and Cash flow statement

There are no other standards, amendments to the standards or interpretations that are effective for annual periods beginning on July 01, 2018 that have a material effect on the financial statements of the Company.

5.1.2. **IFRS 15 Revenue from Contracts with Customers**

The Company has applied IFRS 15 using modified retrospective approach with initial application date of 1 July 2019 as notified by the Securities and Exchange Commission of Pakistan (SECP). The first-time application of IFRS 15 has not had any significant effects with regard to the amount of revenue recognized and when it is recognized. Hence, no cumulative adjustment amounts have been recognized to adjust the opening retained earnings as at 1 July 2019. Accordingly, the information presented for prior years has not been restated, as previously reported, under IAS 18 and related interpretations.

The management of the Company has assessed and concluded that the Company is in compliance with the requirements of IFRS 15.

5.1.3. **Standards, amendments and improvements to approved accounting standards that are not yet effective**

The following standards, amendments and improvements with respect to the IFRSs as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)
IFRS 3 -- Definition of a Business (Amendments)	1-Jan-20
IFRS 3 -- Business Combinations: Previously held interests in a joint operation	1-Jan-19
IFRS 9 -- Prepayment Features with Negative Compensation (Amendments)	1-Jan-19
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalized
IFRS 11 -- Joint Arrangements: Previously held interests in a joint operation	1-Jan-19
IFRS 16 -- Leases	1-Jan-19
IAS 1 / IAS 8 -- Definition of Material (Amendments)	1-Jan-19
IAS 12 -- Income Taxes: Income tax consequences of payments on financial instruments classifiedasequity	1-Jan-19
IAS 19 -- Plan Amendment, Curtailment or Settlement (Amendments)	1-Jan-19
IAS 23 -- Borrowing Costs - Borrowing costs eligible for capitalization	1-Jan-19
IAS 28 -- Long-term Interests in Associates and Joint Ventures (Amendments)	1-Jan-19
IFRIC 23 -- Uncertainty over Income Tax Treatments	1-Jan-19

The above standards and amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

In addition to the above standards and amendments, improvements to various IFRSs have also been issued by the IASB in December 2018. Such improvements are generally effective for accounting periods beginning on or after 01 January 2019. The Company expects that such improvements to the standards will not have any material impact on the Company's financial statements in the period of initial application.

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2019 which is effective for annual periods beginning on or after 1 January 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan. The management of the Company expects that below new standards will not have any material impact on the Company's financial statements in the period of initial application.

Standards	Effective date (annual periods beginning on or after)
IFRS 1 -- First time adoption of IFRSs	1/1/2004
IFRS 14 -- Regulatory Deferral Accounts	1/1/2016
IFRS 17 -- Insurance Contracts	1/1/2021

5.2 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In the process of applying the Company's accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

In the process of applying the accounting policies, management has made the following estimates and judgments which are significant to the financial statements:

5.2.1 Property, plant and equipment

Estimates with respect to residual values and depreciable lives and pattern of flow of economic benefits are based on the recommendation of technical team of the Company. Further, the Company reviews the value of the assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of tangible fixed assets with a corresponding affect on the depreciation charge and impairment.

5.2.2 Taxation

In making the estimates for income taxes payable by the Company, the management considers applicable tax laws and the decisions of appellate authorities on certain cases issued in past. Deferred tax assets are recognized for all unused tax losses and credits to the extent that it is probable that taxable profit will be available against which such losses and credits can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

5.2.3. Stock-in-trade

The Company reviews the Net Realizable Value (NRV) of stock-in-trade to assess any diminution in the respective carrying values.

5.2.4 Provision for doubtful receivables

A provision for impairment of trade and other receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. These estimates and underlying assumptions are reviewed on an ongoing basis.

5.2.5 Contingencies

The assessment of the contingencies inherently involves the exercise of significant judgment as the out come of the future events cannot be predicted with certainty. The company, based on the availability of the latest information, estimates at the value of contingent assets and liabilities which may differ on the occurrence/non occurrence of the uncertain future events.

5.3 Taxation

Current Year

Provision for current taxation is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or minimum tax on turnover or Alternate Corporate Tax whichever is higher and tax paid on final tax regime basis. Alternate Corporate Tax is calculated in accordance with the provisions of Section 113C of Income Tax Ordinance.

Deferred

Deferred tax is provided Proportionate to local sales using the liability method on all temporary differences at the balance sheet date, between the tax bases of assets and liabilities and their carrying amount for financial statements reporting purposes. Deferred tax liabilities are generally recognized for all temporary taxable differences.

Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply when the assets is realized or the liability is settled, based on the tax rates that have been enacted or substantially enacted at the balance sheet date.

5.4 Property, Plant and Equipment

Initial recognition

All items of property, plant and equipment are initially recorded at cost.

Subsequent measurement

Property, Plant and Equipment are stated at cost or revalued/adjusted amounts less accumulated depreciation and impairment losses, if any; except for lease hold land and capital works in progress which are stated at cost/revalued amounts accumulated up to the balance sheet date.

Land, buildings and leasehold improvements are measured at the revalued amount less accumulated depreciation and impairment loss (if any).

Revaluation

Any revaluation increase arising on the revaluation of land, buildings and leasehold improvements is recognised in other comprehensive income and presented as a separate component of equity as "Revaluation surplus on property, plant and equipment", except to the extent that it reverses a revaluation decrease for the same asset previously recognised in profit or loss, in which case the increase is credited to profit or loss to the extent of the decrease previously charged. Any decrease in carrying amount arising on the revaluation of land, buildings and leasehold improvements is charged to profit or loss to the extent that it exceeds the balance, if any, held in the revaluation surplus on property, plant and equipment relating to a previous revaluation of that asset. The revaluation reserve is not available for distribution to the Company's shareholders. The surplus on revaluation buildings and leasehold improvements to the extent of incremental depreciation charged (net of deferred tax) is transferred to unappropriated profit.

Depreciation

Full Years Depreciation is charged on acquisition or transfer of assets from capital work in progress, while no depreciation is charged on assets disposed off during the year. Depreciation is charged to income using reducing balance method, at the rates specified in the annexed schedule in note no. 8 to the financial statements , whereby the cost/revalued amounts of asset is written off over its estimated useful life , reflecting the approximate value of the consumption of the respective assets economic benefits. The depreciation method and useful lives of the items of property, plant and equipment are reviewed periodically and altered if circumstances or expectations have changed significantly

The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

Disposal

The gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amounts of the asset and is recognised as other income in the statement of profit or loss. In case of the sale or retirement of a revalued items, the attributable revaluation surplus remaining in the surplus on revaluation of such item is transferred directly to the unappropriated profit.

Judgment and estimates

The useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any changes in estimate is accounted for on a prospective basis.

- ***Repairs, renewals and maintenance***

Major repairs and renewals are capitalized . Normal repairs and maintenance are charged as expense when incurred. Gains or losses on disposal or retirement of assets are determined as the difference between the sale proceeds and the carrying amounts of these assets, and are included in the income currently.

5.5 Impairment of non-financial assets other than inventories

The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is recognized if the carrying amount of an asset exceeds its estimated recoverable amount. The impairment loss is recognised in the statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Company recognises the reversal immediately in the statement of profit or loss, unless the asset is carried at a revalued amount in accordance with the revaluation model. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

5.6 Finance Leases

Finance leases, which transfer to the company, substantially all the risks and benefits incidental to ownership, are capitalized at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and reduction of lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

5.7 Investment

Inestemnet at fair value of investment through other comprehanssive income are initially recognized at cost being the fair value of the consideration given including acquisition charges associated with. After initial recognition of investment are premeasured at fair value. Unrealized gains and losses on investment are recognized in other comprehassive income as required by IFRS 9 as the change in accounting policy fully disclosed in note 5.1.1 to the financial Satemnets till the investment is sold or otherwise disposed off, or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in income. Measurement made as per IFRS 9 and disclosed the fair value as Price Quoted in Pakistan stock exchange

5.8 Stores, Spares and Loose Tools

These are stated at the lower of cost and net realizable value (NRV). The cost of inventory is based on the FIFO basis. Items in transit are stated at cost accumulated up to the date of the balance sheet.

Stores, spares and loose tools are regularly reviewed by the management and any obsolete items are brought down to their NRV.

5.9 Stock-in-Trade

These are valued as follows:

Raw Material	:	At lower of weighted average cost or net realizable value. Cost of raw material and components represents invoice value plus other charges paid thereon.
Finished Goods	:	At lower of weighted average cost or net realizable value. Cost of finished goods comprises of prime cost and an appropriate portion of production overheads.

Work-in-Process : At weighted average cost. This comprises the direct cost of raw materials, wages, and appropriate manufacturing overheads.

Stock-in-Transit : At cost accumulated upto the balance sheet date.

Packing Material : At lower of weighted average cost or net realizable value.

Net Realizable Value signifies the estimated selling price in the ordinary course of business less cost necessary to be incurred in order to make the sale.

Stock in trades are regularly reviewed by the management and any obsolete items are brought down to their NRV.

5.10 Trade Debts and other Receivables

Trade debts and other receivables are stated at original invoice amount less provision for doubtful debts, if any. Provision for doubtful debts / other receivables is based on the management's assessment of customers' outstanding balances and creditworthiness. Bad debts are written-off when identified.

5.11 Foreign Currency Translation

Transactions in foreign currencies are initially recorded using the rates of exchange ruling at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into Rupees at the exchange rates prevailing on the balance sheet date. In order to hedge its exposure to foreign exchange risks, the company enters into forward exchange contracts. Such transactions are translated at contracted rates. All exchange differences are included in the Profit and Loss Account.

5.12 Revenue Recognition

- Revenue from sales is recognized on dispatch of goods to customers.
- Dividend income is recognized on the basis of declaration by the investee company.
- Other Income/Scrap Sales is recognized on accrual Basis.
- Gain on Sale of Fixed Assets is recorded when the title is transferred in favor of transferor.
- Unrealized gains/(losses) arising on revaluation of securities classified as "financial assets at fair value through other comprehensive income in the income statement in the period in which they arise.

5.13 Provisions

Provision is recognized in the balance sheet when the company has a legal or constructive obligation, and, as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and that a reliable estimate can be made for the amount of this obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

5.14 Financial Instruments

Financial assets

The financial assets of the Company mainly include long term deposits , Long term Investments, Stores and spares, Stock in trade, Trade debtors, prepayments and cash and bank balances.

Under IFRS 9, on initial recognition, a financial asset is classified as measured at: amortised cost; Fair Value through Other Comprehensive Income (FVOCI) – debt investment; FVOCI – equity investment; or Fair Value through Profit or Loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Financial liabilities

There are no changes in classification and measurement for the Company's financial liabilities on the adoption of IFRS 9.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

5.15 Impairment of financial assets

IFRS9 replaces the 'incurred loss 'model in IAS39 with an 'expected credit loss'(ECL)model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Financial assets written off when there is no reasonable expectation of recovering the contractual cash flows. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the out standing contractual amounts in full before taking into accountancy credit enhancements held by the Company.

At each date of statement of financial position, the Company assesses whether financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measure data mortised cost are deducted from the gross carrying amount of the respective asset.

The Company uses the standards simplified approach and calculates ECL based on lifetime ECL on its financial assets. The Company has established a provision matrix that is based on the Company's historical credit loss experience, adjusted for forward-looking factors specific to the financial assets and the economic environment.

5.16 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

5.17 Impairment of non-financial assets

The carrying amounts of non-financial assets other than inventories and deferred tax assets are assessed at date of statement of financial position to ascertain whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated to determine the extent of impairment loss, if any. An impairment loss is recognised, as an expense in the unconsolidated statement of profit or loss. The recoverable amount is the higher of an asset's fair value less cost to disposal and value in use. Value in use is ascertained through discounting of the estimated future cash flows using a discount rate that reflects current market assessments of the time value of money and the risk specific to the assets.

5.18 Related Party Transaction

All transactions with related parties are carried out by the company at mark to market basis with the exception of loan taken from related parties which are interest/mark up free. Prices for these transactions are determined on the basis of admissible valuation methods.

5.19 Loan, Advances and other Receivables

Loans, advances and other receivables are recognized initially at cost, and subsequently at their amortized/ residual cost.

5.20 Short Term and Long Term Loans

Loans, advances and other receivables are recognized initially at cost, and subsequently at their amortized/residual cost.

5.21 Dividends and Appropriation to Reserve

Dividend and appropriation to reserve and recognized in the financial statements in the period in which these are approved.

5.22 Contingent Liability

A contingent liability is disclosed in the financial statements unless the possibility of an out flow of resources embodying economic benefits is remote.

5.23 Contingent Assets

A contingent asset is disclosed where in inflow of economic benefits is probable.

5.24 Post Employment Benefits – Defined Benefit Plan

The Company operates an unfunded gratuity scheme for its staff.

5.25 Trade and Other Payables

Trade and other payables are stated at their cost.

5.26 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

5.27 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprise of cash in hand, bank balances

5.28 Dividend and Appropriation to reserves

Dividend and appropriation to reserve are recognised in the financial statements in the period in which these are approved.

6 Issued, Subscribed and Paid-up Capital

No. of Ordinary Shares of Rs. 10/- each

2019	2018		2019	2018
			Rupees	
19,693,333	**19,693,333**	Fully Paid in cash	**196,933,330**	**196,933,330**
3,918,973	**3,918,973**	Issued as fully paid bonus shares	**39,189,730**	**39,189,730**
21,465,733	**21,465,733**	Right Shares issued	**214,657,330**	**214,657,330**
		further share issued other the right issue		
11,801,162	-	Loan converted into shares	**118,011,620**	--
56,879,201	45,078,039		568,792,010	450,780,390

4,254,874 (2018: 2,258,494) ordinary shares held by Related Companies.

6.1 Reconciliation of number of shares outstanding

Ordinary shares	**Numbers**	**Numbers**
Number of shares outstanding at the beginning of the year	45,078,039	21,465,733
Right Shares Issued for cash (against loan)	11,801,162	21,465,733
Bonus Share issued during the year	-	2,146,573
Number of shares outstanding at the end of the year	56,879,201	45,078,039

7 Surplus on Revaluation of Property, Plant and Equipment

Opening Balance	393,488,231	204,365,295
Surplus arising due to Revaluation - net of tax	--	194,939,228
Transfer to Profit and Loss account of incremental depreciation (net of tax)		
Related Deferred tax Liability	(14,809,613)	(6,785,672)
- Rate difference adjustments and Other	2,947,396	969,380
	381,626,014	393,488,231

7.1 The following fixed assets of the Company were revalued on June 29, 2018. The revaluation was carried out by independent valuer M/s. Sadruddin Associates (Private) Limited (Fire, Marine, Motor & Machinery Errection & Breakdown, Surveyor, Loss Adjustors, Plant and Machinery Valuers, Industrial Property & Real Estate Appraisers.). Basis of revaluation are as follows:

Land

Valuation of land is determined by obtaining key market data from property brokers, dealers and estate agents to ascertain the Present market value considering its location and market potential.

Building

Revalued amount of building has been determined is simple. After taking into account the re-statement value have been computed after applying present market rate of construction.

Plant and Machinery

Revalued amount of plant and machinery has been determined by Physically inspected the Plant and Machinery. The age, make, origin condition etc. has been taken into account, to arrive at the present market value. At the time of our survey/ inspection, we observed that plant/machinery were in operational Condition. the Present value has been computed after application of suitable appreciation/depreciation factors, Rate of inflation and devaluation has been considered for optimum and closest approximate result of the valuation of entire machinery for obtaining the nearest value have taken 5% to 10% installation charges and add other levies to start and Complete the machinery.

The revaluation has resulted in increase in surplus and corresponding carrying amounts of Land, Building and Plant & Machinery Rs. 231.342 million.

	WDV as June 30, 2018	Revalued Amounts as per revaluation Report	Revaluation Surplus
	Rupees		
Lease hold land	150,000,000	260,000,000	110,000,000
Factory building on lease hold land	88,736,050	193,485,434	104,749,384
Plant & machinery	90,206,730	106,799,100	16,592,370
Surplus on Revaluation	328,942,780	560,284,534	231,341,754

year	Revaluers name	Surplius Aries (Net)
2013	M/s. Sadruddin Associates (Pvt) Ltd.,	190,020,694
2018	M/s. Sadruddin Associates (Pvt) Ltd.,	231,341,754

The revaluation surplus on property, plant and equipment is a capital reserve, and is not available for distribution to the shareholders in accordance with section 241 of the Companies Act, 2017.

		2019	2018
		Rupees	
8 Long term Loan from Associated and related Parties.			
Loan from Associated Undertaking - unsecured - interest free	8.1	**40,000,000**	109,395,800
Director Loan - Unsecured - interest free	8.1	-	24,003,106
Loan from Sponsors - unsecured , Interest free	8.1	-	24,612,719
		40,000,000	158,011,625

8.1 As per the Agreement dated June 30, 2017 the above loans are unsecured and interest bearing @ 12% (2018: 10%) per annum. The above loans has been acquired from Related Parties to meet the working Capital requirements of the Company. During the year the company has issued shares against the said loan from related Party except one related party.

		2019	2018
		Rupees	
9 Diminishing Musharka Finance Facility			
Opening Balance	9.1	138,000,000	138,000,000
Less: Current Maturity during the year		46,000,000	--
		92,000,000	138,000,000

9.1 Diminishing Musharika Finance Facility has been obtained from Al Baraka Bank (Pakistan) Limited. After one years and three months Grace Period Musharika is payable in four years starting from August 16, 2019 and the last installment will be on May 16, 2022 inclusive of one year grace period, payable in twelve equal quarterly installments of principal amount Rs 11.500 million each exclusive of profit share. It carries profit ranging from Rs. 3,099,215 to Rs. 249,846 quarterly i.e. (Profit @ 3 month KIBOR+250bps) and secured against 1st equitable charge over all present and future assets of the company (Including Land, Building, Plant and Machinery) of the Company.

10 Deferred taxation

Liability / (asset) balances arising in respect of:			
Accelerated tax depreciation		30,469,060	34,792,314
Finance lease transactions		--	--
Provisions and others		(247,700)	(106,682)
Accumulated tax losses and available tax credits		(23,560,203)	(34,919,427)
Deferred tax (asset)		6,661,157	(233,795)
Deferred tax asset not recognized		--	230,795
		6,661,157	--
Deferred tax liability in respect of:			
- Revaluation net of related depreciation		54,440,973	62,575,831
		61,102,130	62,575,831

11 Provision for Gratuity

Balance at the beginning of the year		334,458	-
Provision made during the year	11.1	730,124	349,958
		1,064,582	349,958
Payment/ Adjusted during the year		210,445	15,500
		854,137	334,458

11.1 The Company has started and provided Gratuity during the Current year therefore the actuarial valuation of the same not done by the company it will be done in next financial year.

12 Trade and Other Payables

Trade Creditors		53,456,882	34,031,503
Accrued Expenses		38,345,604	30,481,914
Zakat Payable		2,661,256	172,955
Others		11,491,227	5,133,449
		105,954,969	69,819,821

12.1 Others

With holding tax payable		8,138,748	784,388
Workers Profit Participation fund	12.1.1	3,104,248	4,142,981
Others		248,231	206,080
		11,491,227	5,133,449

	2019	2018
	Rupees	
12.1.1 Workers Profit Participation fund		
Opening Balance	4,142,981	--
Provided during the year	3,104,248	4,142,981
	7,247,229	4,142,981
Distributed during the year	(4,142,981)	--
	3,104,248	4,142,981

13 Provision for Taxation

Balance at the beginning	4,025,547	2,202,591
Less: Adjustments	(4,025,547)	(2,202,591)
	-	--
Add: Provisions for Taxation		
Current year	4,835,153	4,025,547
	4,835,153	4,025,547

The income tax returns of the company has been filed up to tax year 2018 to income tax department and the assessments of the company have been finalized up to and including the tax year 2018. However, the commissioner of income tax may at any time during a period of five years from the date of filling of return may select the deemed assessment for audit.

The numerical reconciliation between the average tax rate and applicable tax rate has not been presented in these financial statements as the total income of the Company attracts minimum tax under section 113 of the Income Tax Ordinance, 2001 and its export sales fall under final tax regime.

Management had a practice of recording tax expense based on the generally accepted interpretation of tax laws and accordingly sufficient provision in respect of taxation for last three years has been provided in these financial statements.

13.1 Subsequent to the amendment of section 5(A) of the Income tax Ordinance, 2001, tax at the applicable rate shall be imposed on every public company which derives profit for the year. However, this tax shall not apply in case of a company which distributes at least specified percentage of after tax profits within six months of the end of the tax year in the form of cash dividend. Liability in respect of such tax, if any, is recognized when the prescribed time period for distribution of dividend expires.

Adequate provision for tax has been provided in these consolidated financial statements for the current year in accordance with requirements laid under Income Tax Ordinance, 2001 (ITO 2001). The provision made by the Company for tax years 2016, 2017 and 2018 amount to Rs. 200,771, Rs. 2.002 million and Rs. 4,025,547, respectively. The provision for current year tax represents taxable income on turn over basis at the rate of 1.25% (2017: 1%). The Company fled returns of income on due dates as prescribed in accordance with the requirements laid under Income Tax Ordinance, 2001. Accordingly, tax expense as per the assessment for tax years 2016, 2017 and 2018 amount to Rs.nil. Rs. 2.008 million Rs. 4.025 million.

14 Contingencies and Commitments

Guarantees issued by banks	nil million	nil million
Letters of Credit in respect of committed capital expenditures	nil million	nil million
Letters of Credit for other than capital expenditures	nil million	nil million

14.1 Contingent assets as disclosed in note 17.1.

	2019	2018
	Rupees	
15 Tangible Fixed Assets		
Property, Plant and Equipment	614,012,274	636,456,309
	614,012,274	636,456,309

Property, Plant and Equipment - At cost less accumulated depreciation

Particulars	Cost/Revaluation As at July 01, 2018	Additions / Transfers/ (Deletion)	Revaluation	As at June 30, 2019	Rate %	Depreciation As at July 01, 2018	Transfer/ (Deletion)	For the year	As at June 30, 2019	Written Down Value As At June 30, 2019
		Rupees						Rupees		
Owned										
Assets Polyester Filment Yarn										
Lease hold land	260,000,000	--	--	260,000,000	--	-	--	--	--	260,000,000
Factory Building on lease hold land	282,184,216	4,451,301	--	286,635,517	10	88,698,782	--	19,793,674	108,492,455	178,143,062
Plant and Machinery	499,302,895	3,096,664	--	502,399,559	10	352,851,145	--	14,954,841	367,805,987	134,593,573
Polyester Filament Yarn Unit including value added Embroidered Fabric Machinery 15.1										
Electrical Installations	7,276,200	803,184	--	8,079,384	10	6,095,220	--	198,416	6,293,636	1,785,748
Furniture and Fixture	4,283,908	6,632,463	--	10,916,371	10	1,454,203	--	946,217	2,400,420	8,515,951
Office Equipments	976,737	273,600	--	1,250,337	10	624,809	--	62,553	687,362	562,975
Air Conditioner and Refrig.	14,229,022	779,400	--	15,008,422	10	1,808,906	--	1,319,952	3,128,858	11,879,564
Vehicles	6,826,755	--	--	6,826,755	20	2,425,503	--	880,250	3,305,754	3,521,001
Fork Lifter	630,735	--	--	630,735	20	628,590	--	429	629,019	1,716
Computers	1,361,880	870,816	--	2,232,696	10	322,149	--	191,055	513,204	1,719,492
Studio Equipments	540,070	311,100		851,170	10	97,438		75,373	172,811	678,359
Generators	6,535,345	--		6,535,345	10	748,919		578,643	1,327,562	5,207,783
Elevator	8,547,000	--		8,547,000	10	854,700		769,230	1,623,930	6,923,070
Fire Fighting Equipments	79,112	161,400	--	240,512	10	73,433	--	16,708	90,141	150,371
Gas Installations	883,124	--	--	883,124	10	516,892	--	36,623	553,515	329,609
2019	1,093,656,999	17,379,928	--	1,111,036,927		457,200,690	--	39,823,963	497,024,653	614,012,274
		--	--				--			
2018	807,957,635	81,217,592	231,341,754	1,093,656,999		449,290,527	--	28,957,645	457,200,690	636,456,309
		(26,859,982)	--				(21,047,482)			

15.1. Its includes Plant and Machinery and other assets at cost of Value added Embroidered Fabric of Rs. 98.598 million

15.2.Allocation of Depreciation	Polyester Filament Yarn 2019	Polyester Filament Yarn 2018	Value added Embroidered Fabric 2019	Value added Embroidered Fabric 2018
	Rupees		Rupees	
Depreciation for the period has been allocated as follows:				
Cost of Sales	30,714,719	20,150,995	5,633,416	4,959,152
Administrative and General Expense	122,064	135,269	3,353,764	3,712,228
	30,836,783	20,286,265	8,987,180	8,671,380

15.3 Leasehold land and buildings are subject to a first charge against the loan of Rs. 138 million obtained from AlBaraka Bank (Pakistan) Limited (note 9). This charge will remain till May 16, 2022.

15.4 Particulars of immovable properties (i.e freehold land and building on freehold land) in the name of Company are as follows:

Location	Use of Immovable Location Property	Total Area
F-538, SITE , Karachi, Sindh	Manufacturing Facility	2 acres

15.5 Register of fixed assets of the company was illegally removed by the officials of the Income tax department at the time of conducting raid at the company's premises which has not yet been returned. Consequently the same remain not to be updated and could also not made available to the auditors.

15.6 Lease hold Land, Factory Building on lease hold land and Plant and Machinery were revalued on 29.06.2018 by M/s. Sadruddin Associates (Pvt) Ltd., a PBA approved valuer. The surplus on revaluation works out to Land , Building and Plant and Machinery by Rs. 231.342 million.

15.7 Had there been no revaluation the related figures of land, building and plant & machinery at June 30, 2018 would have been as follows:

2019

	Cost	Accumulated Depreciation	Depreciation Charge during the	Written Down Value
			Rupees	
Lease hold land	7,440,950	-		7,440,950
Factory building on lease hol	30,979,497	28,723,857	225,564	2,030,076
Plant & machinery	565,415,437	396,903,602	16,851,183	151,660,651
Electrical Equipment	5,982,461	5,565,421	41,704	375,336
	609,818,345	431,192,880	17,118,451	161,507,013

2018

	Cost	Accumulated Depreciation	Depreciation Charge during the	Written Down Value
			Rupees	
Lease hold land	7,440,950	-		7,440,950
Factory building on lease hol	30,979,497	28,473,231	250,627	2,255,640
Plant & machinery	565,415,437	378,180,065	18,723,537	168,511,835
Electrical Equipment	5,982,461	5,519,083	46,338	417,040
	609,818,345	412,172,379	19,020,502	178,625,465

15.8 The forced sale value of revalued assets is Rs. 448,227,000.

OPERATING FIXED ASSETS - At Cost Less Accumulated Depreciation

Particulars	Cost/Revaluation				Rate	Depreciation				Written Down
	As at July 01, 2017	Additions / Transfers/ (Deletion)	Revaluation	As at June 30, 2018	%	As at July 01, 2017	Transfer/ (Deletion)	For the year	As at June 30, 2018	Value As At June 30, 2018
		Rupees						Rupees		
Owned										
Assets Polyester Filment Yarn										
Lease hold land	150,000,000	--	110,000,000	260,000,000	--	-	--	--	--	260,000,000
Factory Building on lease hold land	177,434,832	--	104,749,384	282,184,216	10	78,839,220	--	9,859,561	88,698,782	193,485,434
Plant and Machinery	465,512,007	44,058,500	16,592,370	499,302,895	10	359,469,807	(21,047,482)	14,428,820	352,851,145	146,451,750
Polyester Filament Yarn Unit including value added Embroidered Fabric Machinery 15.1		(26,859,982)		--	10	-		--	--	--
Electrical Installations	7,276,200	--	--	7,276,200	10	5,964,000	--	131,220	6,095,220	1,180,980
Furniture and Fixture	1,237,067	3,046,841	--	4,283,908	10	1,139,791	--	314,412	1,454,203	2,829,705
Office Equipments	661,737	315,000	--	976,737	10	585,706	--	39,103	624,809	351,928
Air Conditioner and Refrig.	764,522	13,464,500	--	14,229,022	10	428,893	--	1,380,013	1,808,906	12,420,116
Vehicles	1,330,550	5,496,205	--	6,826,755	20	1,325,190	--	1,100,313	2,425,503	4,401,252
Fork Lifter	630,735	--	--	630,735	20	628,054	--	536	628,590	2,145
Computers	605,350	756,530	--	1,361,880	10	206,624	--	115,526	322,149	1,039,731
Studio Equipments	482,570	57,500		540,070	10	48,257		49,181	97,438	442,632
Generators	1,059,829	5,475,516		6,535,345	10	105,983		642,936	748,919	5,786,426
Elevator		8,547,000		8,547,000	10	-		854,700	854,700	7,692,300
Fire Fighting Equipments	79,112	--	--	79,112	10	72,802	--	631	73,433	5,679
Gas Installations	883,124	--	--	883,124	10	476,199	--	40,692	516,892	366,232
2018	807,957,635	81,217,592	231,341,754	1,093,656,999		449,290,527	--	28,957,645	457,200,690	636,456,309
		(26,859,982)	--				(21,047,482)			
2017	805,237,249	2,720,386	--	807,957,635		426,104,176	--	23,186,351	449,290,527	358,667,108
			--							

16 Long term Deposits

	2019	2018
	Rupees	
K-Electric Ltd.	14,975	14,975
Pakistan Telecommunication Co. Ltd.	3,200	3,200
Linde Pakistan Ltd.	14,000	14,000
Sui Southern Gas Company Ltd.	750,820	750,820
Others	1,000	1,000
Al-Feroze (Pvt) Ltd	1,755,000	1,755,000
Dolmen Real Estate Management (Pvt) Ltd	1,677,000	1,677,000
	4,215,995	4,215,995

	2019	2018
	Rupees	

17 Long Term Investment

	2019	2018
2,455,000 (2018: 2,455,000) N.I.T units	34,510,675	34,510,675
(Average cost price Rs. 14.0573)		
Market value as at June 30, are as under		
June 30 (2018: June 30) @ Rs. 53.87 . (Rs.73.71) per unit	97,740,175	146,447,375
	132,250,850	180,958,050

17.1 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 bearer NIT units of the company; without lawful authority and without making any inventory. This raid caused a serious disruption in the company's business. The company has 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 favor 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. The matter is now in evidence stage.

17.2 The above investment of the company was illegally removed by the officials of the Income tax department at the time of conducting raid at the company's premises which has not yet been returned. Consequently the same remain to be updated and could also not be made available to the auditors for physical verification. However, Excel Sheets duly signed by Company's officials were provided for verification purposes.

18 Stores, Spares & Loose Tools

	2019	2018
Stores and Spares	1,775,182	2,993,241
Packing Material	470,278	410,060
Cops	1,207,948	1,207,948
Fuel, Oil and Lubricants	173,510	173,510
	3,626,918	4,784,759

19 Stock-in-Trade

	2019	2018
Raw Materials	214,723,392	157,618,000
Work in Process	21,189,901	1,129,072
Finished Goods	316,429,982	78,562,335
	552,343,275	237,309,407

20 Trade Debts - Considered Good

	2019	2018
Local Receivables - Considered Good (A Associated Party)	**77,937,226**	318,485,912
Considered Doubtful	--	--
	77,937,226	318,485,912
Provision for Doubtful debts	--	--
	77,937,226	318,485,912

20.1 The aging of debtors (Related Party) at the reporting date was:

	2019	2018
Up to one month	**46,762,336**	18,464,152
1 to 6 months	**19,484,307**	120,403,060
More than 6 months	**11,690,584**	70,516,116
More then one year	--	109,102,583
	77,937,226	318,485,911

20.2 Maximum amount due at any month during the year with Related Party amounting to Rs. 77.937 Million (2018: Rs.318.49 Million)

21 Trade Deposits, Prepayments and Statutory Balances - Considered good

Advance imports and others		224,926	
Deposits		71,500	435,445
Sales Tax Refundable		100,328	11,752,193
		396,754	12,187,638

		2019	2018
		Rupees	

22 Cash and Bank Balances

Cash in Hand		25,702,856	8,072,487
Cash at Banks - Current Accounts	22.1	2,235,397	122,454
		27,938,253	8,194,941

22.1 The Company has conventional banking relationships with all the banks except one which is an Islamic bank.

23 Sales

	Polyester Filament Yarn		Value added Embroidered Fabric		Total	
	2019	2018	**2019**	2018	**2019**	2018
				(Rupees)		
Gross Sales						
Local	-	-	410,735,015	322,043,764	410,735,015	322,043,764
	-	-	410,735,015	322,043,764	410,735,015	322,043,764
Less:						
Sales Tax/Special Excise Duty	-	-	23,922,738	-	23,922,738	-
Sales Return			-		-	
Net Sales	-	-	386,812,277	322,043,764	386,812,277	322,043,764

24 Cost of Sales

	Note	Polyester Filament Yarn 2019	Polyester Filament Yarn 2018	Value added Embroidered Fabric 2019	Value added Embroidered Fabric 2018	Total 2019	Total 2018
					(Rupees)		
Raw material - opening stock		-	-	158,028,061	3,477,595	158,028,061	3,477,595
Purchases / Acquired		-	-	169,478,029	227,045,470	169,478,029	227,045,470
Raw material - closing stock		-	-	327,506,090	230,523,065	327,506,090	230,523,065
Raw material consumed		-	-	(215,193,670)	(158,028,061)	655,012,180	461,046,130
				112,312,420	72,495,004	112,312,420	72,495,004
Fuel and Power, Oil and Lubricant		--	--	37,680,332	58,482,286	37,680,332	58,482,286
Water		--	--	910,414	298,058	910,414	298,058
Salaries, Wages and Other Benefits	24.1	--	--	54,706,061	25,809,513	54,706,061	25,809,513
EOBI Contribution		--	--	1,071,182	272,718	1,071,182	272,718
SESSI Contribution		--	--	671,227	296,506	671,227	296,506
Store consumed		--	--	618,441	367,587	618,441	367,587
Conveyance Expenses		--	--	1,727,221	143,819	1,727,221	143,819
Freight Inward		--	--	89,290	101,663	89,290	101,663
Oil and Greece		--	--	9,030	18,488	9,030	18,488
Security Expenses		--	--	573,436	552,000	573,436	552,000
Repairs and Maintenance		--	--	3,569,944	4,756,379	3,569,944	4,756,379
Depreciation	15.2	30,714,719	20,150,995	5,633,416	4,959,152	36,348,135	25,110,147
		30,714,719	20,150,995	219,572,414	168,553,173	250,287,133	188,704,168
Work-in-Process - Opening		--	--	1,129,072	1,062,615	1,129,072	1,062,615
Work-in-Process - Closing		--	--	(21,189,901)	(1,129,072)	(21,189,901)	(1,129,072)
Cost of Goods Manufactured		30,714,719	20,150,995	199,511,585	168,486,716	230,226,304	188,637,711
Finished Goods - Opening		--	--	78,562,335	28,842,715	78,562,335	28,842,715
Finished goods Acquired				195,743,787		195,743,787	
Finished Goods - Closing		--	--	(316,429,982)	(78,562,335)	(316,429,982)	(78,562,335)
		30,714,719	20,150,995	157,387,725	118,767,096	188,102,444	138,918,091

24.1 Salaries, wages and other benefits include Rs.123,333(2018: Rs. 123,333)nil million relating to staff retirement benefits.

25 Selling and Distribution Expenses

Distribution and Selling Expenses	Polyester Filament Yarn 2019	Polyester Filament Yarn 2018	Value added Embroidered Fabric 2019	Value added Embroidered Fabric 2018	Total 2019	Total 2018
				(Rupees)		
Advertisement Expenses	-	-	6,826,280	8,407,060	6,826,280	8,407,060
Dispatching Expenses	-	-	4,070,831	1,018,495	4,070,831	1,018,495
Conveyance Expenses	-	-	24,169	1,300	24,169	1,300
Sales Promotion	-	-	2,567,270	3,429,317	2,567,270	3,429,317
Salaries	-	-	9,780,268	3,696,235	9,780,268	3,696,235
Rent Expenses	-	-	34,194,605	7,741,500	34,194,605	7,741,500
Travelling Expenses	-	-	31,625	718,358	31,625	718,358
Electric Expenses	-	-	1,490,509	98,457	1,490,509	98,457
Telephone Expenses	-	-	120,174	3,539	120,174	3,539
Utility Expenses	-	-	8,724,271	1,690,264	8,724,271	1,690,264
	-	-			-	-
	-	-	67,830,002	26,804,525	67,830,002	26,804,525

25.1 Salaries, wages and other benefits include Rs.nil million relating to staff retirement benefits.

26 Administrative and General Expenses

	Note	Polyester Filment yarn 2019	Polyester Filment yarn 2018	Value added Embroidered Fabric 2019	Value added Embroidered Fabric 2018	Total 2019	Total 2018
					(Rupees)		
Vehicle up Keep		-	-	700,150	1,119,837	**700,150**	1,119,837
Postage, Telephone and Telex		-	-	1,095,073	485,724	**1,095,073**	485,724
Printing and Stationery		-	-	647,538	665,039	**647,538**	665,039
Salaries and Benefits	26.1.	-	-	25,143,496	18,031,636	**25,143,496**	18,031,636
Fees and Subscription		-	-	1,686,310	4,656,510	**1,686,310**	4,656,510
Depreciation		**122,064**	**135,269**	3,353,764	3,712,228	**3,475,828**	3,847,498
General Expenses		-	-	165,603	137,070	**165,603**	137,070
Computer Expenses		-	-	368,524	282,740	**368,524**	282,740
Entertainments Expenses		-	-	550,210	177,832	**550,210**	177,832
Travelling Expenses		-	-	3,690,153	4,690,059	**3,690,153**	4,690,059
Conveyance Expenses		-	-	1,097,474	608,578	**1,097,474**	608,578
Legal Fee & Expenses		-	-	1,795,000	3,242,274	**1,795,000**	3,242,274
Gratuity Expenses		-	-	730,124	349,958	**730,124**	349,958
Medical Expenses		-	-	35,353	2,146	**35,353**	2,146
Professional Fee		-	-	843,510	32,400	**843,510**	32,400
Registrar Services		-	-	193,925	258,241	**193,925**	258,241
Computer software		-	-	1,016,775	805,000	**1,016,775**	805,000
Security Expenses		-	-	455,507	1,149,025	**455,507**	1,149,025
Insurances		-	-	1,349,906	573,122	**1,349,906**	573,122
Trade Mark Maintenance		-	-	95,000	4,000	**95,000**	4,000
Rent Expenses		-	-	9,000,000	9,000,000	**9,000,000**	9,000,000
Periodical and Journals		-	-	22,235	18,154	**22,235**	18,154
Donation	26.2.	-	-	1,055,000	1,000,000	**1,055,000**	1,000,000
Underwriting Commission		-	-	--	3,368,628	-	3,368,628
Site Maintenances		-	-	576,127	50,000	**576,127**	50,000
House Keeping Expenses				113,502		**113,502**	
Fire Fighting Expenses				314,645		**314,645**	
Auditors Remuneration	**26.3.**	-	-	225,000	225,000	**225,000**	225,000
						-	-
						-	-
		122,064	**135,269**	**56,319,904**	54,645,201	**56,441,968**	54,780,471

26.1 Salaries, wages and other benefits include Rs.271.825 (2018: Rs. 129,490) million relating to staff retirement benefits.

26.2 Donations

26.1.1 Donation of Rs. 300,000 was given to Friends of Pink Ribbon.
26.1.2 Donation of Rs. 25,000 was given to Generation School.
26.1.3 Donation of Rs. 30,000 was given to Kidney Centre Post Graduate Training Institute.
26.1.4 Donation of Rs. 100,000 was given to Inner Wheel Club Karachi.
26.1.5 Donation of Rs. 500,000 was given to Patients Aid Foundation.
26.1.6 Donation of Rs. 100,000 was given to Care for Health.

26.3 Auditors Remuneration

Audit Fee	225,000	225,000
	225,000	225,000

27 Other Income

Loss on Sales of fixed assets	--	(812,500)
Liabilities Written Back	11,757,889	--
	11,757,889	(812,500)

28 Finance Cost

Bank Charges and Commission	3,193,930	648,186
Interest on Loan from Associates and Directors	4,800,000	15,670,763
Mark-up on Diminishing Musharka Finance Facility	16,116,866	1,549,607
	24,110,796	17,868,556

29 Earnings Per Share - Basic and diluted

Profit after Taxation		52,671,854	77,800,009
Weighted Average Number of Ordinary Shares at year end		51,835,417	51,835,417
Earning Per Share - Basic and diluted	Rupees	1.02	1.50

30 Remuneration of Chief Executive, Director and Executives

Particulars	2019			2018		
	Chief Executive	Directors	Executives	Chief Executive	Directors	Executives
			(Rupees)		(Rupees)	
Managerial Remuneration	4,000,000	4,000,000	4,635,495	4,000,000	4,000,000	--
House rent allowance	1,600,000	1,600,000	2,085,973	1,600,000	1,600,000	--
Utilities allowance	400,000	400,000	521,494	400,000	400,000	--
Total	6,000,000	6,000,000	7,242,961	6,000,000	6,000,000	-
Number of persons	1	2	2	1	2	--

31 Related Party Transactions

Related parties comprise subsidiary, associated companies, companies where directors also hold directorship, retirement benefits fund and key management personnel. Significant transactions with related parties during the year are as under:

Name of the related party	Relationship and percentage shareholding	Transactions during the year and year end balances	2019 (Rupees)	2018
Tri-Star Power Ltd	Associated company by virtue of common directorship Shareholding : NIL	Markup accrued	4,800,000	3,945,205
		Loan repaid	-	4,861,558
		Electricity Purchased	29,574,846	49,362,536
		Loan Payable at the year end	40,000,000	40,000,000
Mr Asad Ahmad	Chief Executive Shareholding	Loan repaid	38,909,106	231,000
		Loan received	17,781,000	231,000
		Markup accrued	-	2,091,019
		Loan Payable at the year end	-	21,128,106
		Shares issued to director against loan	21,128,100	
Ms Uzma Ahmad	Director Shareholding	Loan repaid	460,000	800,000
		Loan received	460,000	800,000
		Markup accrued	-	120,822
		Loan Payable at the year end	-	425,000
		Shares issued to director against loan	425,000	
Prestige Enterprises (Pvt) Ltd	Associated company by virtue of common directorship	Markup accrued	-	3,057,534
		Loan Payable at the year end	-	31,000,000
		Shares issued to the Co. against loan	31,000,000	
Tri-Star Industries (Pvt) Ltd	Associated company by virtue of common directorship	Purchase of Raw Material	--	158,120,095
		Purchase of Assets	--	72,952,130
		Markup accrued	-	55,036
		Loan Payable at the year end	-	558,000
		Shares issued to director against loan	558,000	
Tri-Star Investment Ltd	Associated company by virtue of common directorship	Markup accrued	-	50,578
		Loan Payable at the year end	-	512,800
		Shares issued to director against loan	512,800	
Image Embroidered Fabric	Associated undertaking by virtue of sales arrangement	Sale of goods	58,526,514	320,000,841
		Amount recoverd/adjusted against sales	13,876,560	112,660,435
		Shares issued to director against loan	37,325,000	
		Finished goods acquired under agreement	195,743,787	
Habib Jamal	Partnership common control	Purchase	1,357,370	34,942,910
		Purchase of Assets	-	1,434,053
Loan Paid to sponsors/Directors			-	-
First Tri-Star Modaraba Ltd	Associated company by virtue of common directorship	Rent Accrued	9,000,000	9,000,000

The outstanding balance with related parties as at the year-end have been disclosed in the respective notes to the financial statements.

All transactions were carried out on commercial terms and conditions and were valued at arm's length price. Reimbursement of expenses were on actual basis. Remuneration and benefits to key management personnel under the terms of their employment are given in Note 30 above.

			2019	2018
			Rupees	
32	**Cash and Cash Equivalents**			
	Cash and Bank Balances		27,938,253	8,194,941
	Short term Running Finances utilized under mark-up arrangements		--	--
			27,938,253	8,194,941

			2019	2018
			Rupees	
33	**Plant Capacity and Production**		M.Tons	M.Tons
	Actual production on Annual Basis	33.1	4,000	4,000
	Actual production		nil	nil

33.1 Reason for Filament yarn Unit not in Production

No production activity was done in Polyester Filment Yarn unit during the year due to high production cost and low market demand .

33.2 The company has started production to made value added fabric (as textile unit) with the Brand name 'Image' for stitched and unstitched suits. The capacity of the Company cannot be determined as this depends upon designs, number of stitches, pattern, styling etc.

34 OPERATING SEGMENT

These financial statements have been prepared on the basis of two reportable segment one Segment of Polyester Filament yarn unit which Idle Since long and Remain during the year the Other Segment is Value added Fabric Embroided Unit which is in Operations Since Last year.

	Polyester Filament Yarn		Value added Embroidered Fabric		Total	
	2019	2018	2019	2018	2019	2018
Net Sales (Note 23)	-	-	386,812,277	322,043,764	386,812,277	322,043,764
Cost of Sales (Note 24)	30,714,719	20,150,995	157,387,725	118,767,096	188,102,444	138,918,091
Gross Profit/(Loss)	(30,714,719)	(20,150,995)	229,424,552	203,276,668	198,709,833	183,125,673
Selling & Distribution costs (Note 25)	-	-	67,830,002	26,804,525	67,830,002	26,804,525
Administrative Expenses (Note 26)	122,064	135,269	56,319,904	54,645,201	56,441,968	54,780,471
	122,064	135,269	124,149,907	81,449,726	124,271,970	81,584,996
Segment Results	(30,836,783)	(20,286,265)	105,274,645	121,826,942	74,437,864	101,540,678
Capital Expenditure - Excluding revaluation	-	-	17,379,928	81,217,582	17,379,928	81,217,582
Depreciation	30,836,783	20,286,265	8,987,180	8,671,380	39,823,963	28,957,645

All non current assets of the Company as at June 30, 2019 are located in Pakistan.

100% (2018: 100%) of sales are value added fabric as local sales.

35 Financial Instruments

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

Credit Risk

Liquidity Risk

Market Risk

The Board of Directors has overall responsibility for the establishment and oversight of Company's risk management framework. The Board is also responsible for developing and monitoring the Company's risk management policies.

35.1 Credit Risk

Credit risk is the risk that one party to the financial instruments will fail to discharge an obligation and cause the other party to incur a financial loss. The Company believes that it is not exposed to major concentration of credit risk. However, to reduce exposure to credit risk, if any, the management monitors the credit exposure towards the customers and makes provisions against those balances considered doubtful of recovery.

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

	2019	2018
Long Term Investment	132,250,850	210,909,050
Long Term Deposits	4,215,995	783,995
Trade Deposits and Prepayments	396,754	1,458,371
Cash with Banks in Current Accounts	27,938,253	243,956
	164,801,852	213,395,372

35.2 Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure as far as possible to always have sufficient liquidity to meet its liability when due.

The company is exposed to liquidity risk in respect of non current interest bearing liabilities, short term borrowings, trade and other payable and mark up accrued.

Particulars	2019 Carrying Amount	Contractual Cash Flows	Six moths or Less	Six to twelve months	One to two year
	Rupees				
Financial Liabilities					
Long term Loan from Associated and related Parties. Interest free	40,000,000	46,200,000	-	-	46,200,000
Diminishing Musharika Finance	138,000,000	170,348,060	23,862,500	23,337,040	123,148,520
Trade and other payables	105,954,969	105,954,969	105,954,969	-	-
Accured interest on Loans	11,175,513	11,175,513	11,175,513		
Unclaimed Dividend	23,690,536	23,690,536	23,690,536		
	318,821,018	357,369,078	164,683,518	23,337,040	169,348,520

Particulars	2018 Carrying Amount	Contractual Cash Flows	Six moths or Less	Six to twelve months	One to two year
	Rupees				
Financial Liabilities					
Long term Loan from Associated and related Parties. Interest free	158,011,625	158,011,625	-	-	158,011,625
Diminishing Musharika Finance	138,000,000				170,348,060
Trade and other payables	69,819,821	69,819,821	69,819,821	-	-
Accured interest on Loans	17,263,661	17,263,661	-	17,263,661	-
Unclaimed Dividend	8,094,295	8,094,295	8,094,295		
	391,189,402	253,189,402	77,914,116	17,263,661	328,359,685

33.3 Market Risk

Market risk is the risk that the value of a financial instrument will fluctuate resulting in as a result of changes in market prices or the market price due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activates, supply and demand of securities and liquidity in the market.

35.3 Currency Risk

Foreign currency risk arises mainly due to conversion of foreign currency assets and liabilities into local currency. The Company is not materially exposed to foreign currency risk on foreign currency assets and liabilities.

35.4 Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates, majority of the interest rate exposure arises from short and long term borrowings from bank and term deposits and deposits in profit and loss sharing accounts with banks. At the balance sheet date there no interest rate profile of the Company.

35.5 Risk Management Policies

Risk management is carried out by the management under policies approved by board of directors. The board provides principles for overall risk management, as well as policies covering specific areas like foreign exchange risk, interest rate risk and investing excessive liquidity.

35.6 Capital Risk Management

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure the Company may adjust the amount of dividends paid to shareholders, issue new shares and take other measures commensuration to the circumstances.

Consistent with others in the industry, the Company manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investment requirements and expectation of the shareholder. Debt is calculated as total borrowings ('long term loan' and 'short term borrowings' as shown in the balance sheet). Total capital comprises share holders' equity as shown in the balance sheet under 'share capital and reserves'.

	2019	2018
	Rupees	
Total Borrowings	178,000,000	296,011,625
Less: Cash and Bank Balances	27,938,253	8,194,941
Net Debt	150,061,747	287,816,684
Total Equity	1,029,676,466	949,830,835
Total Capital	1,179,738,213	1,237,647,519
Gearing Ratio	**0.13**	**0.23**

35.7 Fair Value of Financial Instruments

Fair value is an amount for which an assets could be exchanged, or a liability settled, between knowledgeable willing parties in arm's length transaction. Consequently, differences may arise between the carrying value and the fair value estimates.

As at the reporting date the fair value of all financial assets and liabilities are estimated to approximate their carrying values.

36 Number of Employees

Number of persons employed contractual and Permanent as at year end were 357 (2018: 269) and the average number of persons employed during the year were 297 (2018: 185).

Number of persons employed at factory contractual and Permanent as at year end were 287 (2018: 229) and the average number of persons employed during the year were 254 (2018: 205).

37 General

a. Figures have been rounded off to the nearest rupee.

b. Functional and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the company operates. The financial Statements are presented in Pakistani rupees, which is the Company's functional and Presentational currency.

c. Corresponding figures

Corresponding figures have been rearranged and reclassified, whenever necessary, for the purposes of comparison. During the year there were no major reclassifications to report excpt Classification of Available for Sales investment to fair value through other comprehanssive Income as required by IFRS 9 which replaces the IAS 39 as disclosed in note 5.1.1 to the financial statemnets..

Chief Executive — Chief Financial Officer — Director

Pattern of Shareholding

As At June 30, 2019

Number of Shareholders	Share Holdings From		To	Total Shares Held
605	1	-	100	32,998
1,062	101	-	500	359,297
1,533	501	-	1,000	1,260,696
1,062	1,001	-	5,000	2,463,077
218	5,001	-	10,000	1,672,556
86	10,001	-	15,000	1,068,008
46	15,001	-	20,000	830,767
32	20,001	-	25,000	746,153
26	25,001	-	30,000	745,424
15	30,001	-	35,000	496,515
7	35,001	-	40,000	270,857
5	40,001	-	45,000	218,000
8	45,001	-	50,000	395,775
4	50,001	-	55,000	205,923
5	55,001	-	60,000	288,775
3	60,001	-	65,000	188,703
4	65,001	-	70,000	276,000
3	70,001	-	75,000	219,000
4	75,001	-	80,000	309,920
4	80,001	-	85,000	338,625
3	85,001	-	90,000	265,500
4	85,001	-	95,000	368,738
7	95,001	-	100,000	685,500
2	105,001	-	110,000	218,000
2	110,001	-	115,000	227,500
2	115,001	-	120,000	235,500
2	120,001	-	125,000	245,500
2	135,001	-	140,000	276,500
6	145,001	-	150,000	899,042
1	155,001	-	160,000	156,499
1	160,001	-	165,000	164,500

1	175,001	-	185,000	182,500
4	185,001	-	190,000	752,500
4	195,001	-	200,000	800,000
1	200,001	-	205,000	205,000
1	205,001	-	210,000	209,500
1	225,001	-	230,000	230,000
1	230,001	-	235,000	232,000
1	235,001	-	240,000	236,500
1	245,001	-	250,000	247,250
1	255,001	-	260,000	260,000
1	295,001	-	300,000	300,000
1	305,001	-	310,000	305,129
1	325,001	-	330,000	328,500
1	430,001	-	435,000	434,622
3	495,001	-	500,000	1,500,000
1	545,001	-	550,000	550,000
1	595,001	-	600,000	595,779
1	610,001	-	615,000	612,787
1	660,001	-	665,000	661,280
1	795,001	-	800,000	796,400
1	870,001	-	875,000	875,000
1	890,001	-	895,000	893,225
1	1,085,001	-	1,090,000	1,090,000
2	1,120,001	-	1,125,000	2,247,492
1	1,390,001	-	1,395,000	1,396,096
1	1,455,001	-	1,460,000	1,456,463
1	1,795,001	-	1,800,000	1,800,000
1	3,100,001	-	3,105,000	3,100,321
1	3,115,001	-	3,120,000	3,115,750
1	3,175,001	-	3,180,000	3,175,759
1	3,320,001	-	3,325,000	3,322,000
1	3,730,001	-	3,735,000	3,732,500
1	5,100,001	-	5,105,000	5,105,000
4,806				**56,879,201**

Categories of Shareholders	No. of Shares Held	Percentage
Directors, Chief Executive Officer and their spouses and Minor Children	11,992,259	21.08
Associated Companies, Undertakings and Related Parties	4,254,874	7.48
NIT & ICP	35,702	0.06
Banks, Financial Institutions, Non Banking Financial Institutions	1,294,406	2.28
Modarabas & Mutual Funds	135,472	0.24
Insurance & Leasing Companies	336,115	0.59
Investment Companies	45,459	0.08
General Public (Local)	37,420,548	65.79
Other Companies	659,858	1.16
Joint Stock Companies	704,508	1.24
Total	56,879,201	100.00

Proxy Form

I, ____

of ______________________________________ being a member

of Tri-Star Polyester Ltd., Karachi and holder of __________________ Shares as per

R.F. No. ___________ and/or CDC Participant I.D. No. _____________ and Sub

Account No. ___________ hereby appoint ________________ of

__________ or failing him ______________________ of

____________________ as my proxy to attend and vote for me and on my behalf at the Annual General Meeting of the Company to be held on October 28, 2019 at F/538, S.I.T.E., Karachi and at any adjournment thereof.

As witness my hand this ___________ day of __________, 2019.

Signed by the said ___________

Please affix Rs. 5/- Revenue Stamp

To be singed over Revenue Stamp

IMPORTANT:

a) This form of proxy duly completed must be received at the office of the Company at F/538, S.I.T.E., Karachi, not later than 48 hours before the time of holding the meeting.

b) CDC Shareholders and their Proxies must each attach an attested photocopy of their National Identity Card or Passport with their proxy form.

c) A proxy should also be a share holder of the Company.