



DIAMOND INDUSTRIES LIMITED

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DIAMOND INDUSTRIES LIMITED

CORPORATE PROFILE

BOARD OF DIRECTORS

1. Mr. Iftikhar Shaffi	Chief Executive	(Executive)
2. Mr. Qaiser Saleem Khan	Director	(Independent)
3. Mr. Imran Kabir	Director	(Independent)
4. Mr. Abdul Shakoor	Director	(Non-Executive)
5. Mr. Muhammad Sameer	Director	(Non-Executive)
6. Mr. Hashim Aslam Butt	Director	(Non-Executive)
7. Mr. Mohib Hussain	Director	(Non-Executive)

COMPANY SECRETARY

- Mr. Zahoor Ahmad

CHIEF FINANCIAL OFFICER

- Mr. Munawar Hussain

AUDIT COMMITTEE

1. Mr. Imran Kabir	Chairman	(Independent Director)
2. Mr. Muhammad Sameer	Member	(Non-Executive Director)
3. Mr. Hashim Aslam Butt	Member	(Non-Executive Director)

HUMAN RESOURCE & REMUNERATION COMMITTEE

1. Mr. Imran Kabir	Chairman	(Independent Director)
2. Mr. Muhammad Sameer	Member	(Non-Executive Director)
3. Mr. Hashim Aslam Butt	Member	(Non-Executive Director)

LEGAL ADVISOR

- A.K. Minhas Law Associates

AUDITORS

SARWARS Chartered Accountants
Office # 12-14, 2nd Floor, Lahore Centre, 77-D, Main Boulevard, Gulberg-III, Lahore

BANKERS

- Allied Bank Limited
- Askari Commercial Bank Limited
- Bank Alfalah Limited
- Habib Metropolitan Bank Limited
- Silk Bank Limited
- Standard Chartered Bank Pakistan Limited

REGISTERED OFFICE

- Plot No. 25, Gadoon Amazai, Industrial Estate, Swabi, Khyber Pakhtoonkhwa
Tel: 0938-270597, 270297

FACTORY

- Plot No. 25, Gadoon Amazai, Industrial Estate, Swabi, Khyber Pakhtoonkhwa
Tel: 0938-270597, 270297

PRINCIPLE OFFICE

- 23-Km, Multan Road, Mohlanwal, Lahore
Tel: 042-37540336-7
Fax: 042-37540335, 35300010
E.mail: info@diamondfoam.com

SHARE REGISTRAR

- M/s Corplink (Pvt) Limited
Wings Arcade, I-K Commercial, Model Town, Lahore
Tel: 042-35839182, 35887262
Fax: 042-35869037



DIAMOND INDUSTRIES LIMITED

DIRECTORS' REPORT

Dear Shareholders,

On behalf of the Board of Directors of **Diamond Industries Ltd.**, I feel pleasure to present before you half yearly un-audited accounts for the period July 2018 to December-2018 along with the Limited Scope Review of company's auditors.

Financial Highlights----2018

(Rs. in millions)

- Sales (Net)	-
- Gross Profit/(Loss)	-
- Operating Expenses	(16.187)
- Other Operating Income	9.000
- Profit /(Loss) from Operations	(7.186)
- Financial Cost	(0.002)
- Share of Profit/(Loss) of Associated Cos.	1.138
- Profit/(Loss) before taxation	(6.050)
- Taxation Current =	-
Deferred Tax =	(16.996)
- Profit/(Loss) after taxation	(23.046)

BRIEF REVIEW OF OPERATIONS:

As already reported in the Annual Report for the year ending June 2018 the Directors had negotiated an amicable settlement with Allied Bank Ltd. and had paid the entire settlement amount in one go to the Bank. During the period the Company successfully got released / redeemed all bank charge and mortgage of all its properties and assets. All the funds required for the settlement and other expenses were raised with cooperation and assistance of the directors and related companies in form of interest free loan from the sponsors to the company.

The directors thereafter and now are in process of securing fresh financial facilities from other banks so that it may be in position to import required raw materials and restart its business operations which is expected to take some time and the directors expect all finance facilities to be in place before June 2019. It is consequently expected that the Company will resume its manufacturing operations early in the next financial year and meanwhile continue the temporary rental arrangement with its related company.

The management is of the view that at present the company is not in position to continue as a going concern, therefore, the financials have been prepared on the basis of estimated realizable/settlement values of liabilities and assets. As there is no industrial activity of the company, resulting no sale and Gross Profit thereon. During the period under review, beside other operating income of Rs. 9.000 million and share in profit & loss of associated companies for Rs. 1.138 million, company has incurred certain non-operating expenses resulting in net operating loss of Rs. (6.050) million as compared to Rs. (5.937) million of the preceding quarter ended December, 31, 2017.



DIAMOND INDUSTRIES LIMITED

As regards disputed matters under litigation with Customs Authorities, FBR, SECP, Stock Exchanges & others, reported in annual financial statements of our company under the head of “Contingencies & Commitments”, are being contested vigorously at its proper forums and there is no change in the status of these matters.

FUTURE OUTLOOK:

The management is continuously monitoring the macroeconomic environment of the country and will resume its core activities upon clearance of eCIB, availability of financing facilities and stability of economic situation. Directors are applying their untiring efforts to fully exploit the available opportunities in the market and best utilization of all available resources to continue as going concern.

EARNING PER SHARE:

The earnings per share of the company for the period under review are Rs. (2.56) as compared to Rs. (0.17) in the last corresponding half year ended December 31, 2017.

QUALIFICATION OF AUDITORS' REVIEW REPORT:

The company has made financials for the period under review on the basis non going concern due to significant uncertainty regarding company's resumption of operation caused adverse opinion of the auditors. Secondly the net realize able value of assets and liabilities are based on the management's best judgment as per assessment of historical events and no need to be revised. As the longstanding litigation with ABL has been settled but still banks see the company with distrust resultantly no financial facilities are being under consideration by financial institutions. Meanwhile the management is elaborating all possible means to improve the situation enabling the company to continue as going concern. However the management is considering the option of revaluation of fixed assets before the end of this financial year.

ACKNOWLEDGEMENT:

The Board of Directors deeply expresses its appreciation to the staff, workers and all other stakeholders for their continued support in achieving the reported level of performance.

Lahore.

Dated:- 25th February, 2019

For and on behalf of Board

IFTIKHAR SHAFFI
CHIEF EXECUTIVE



DIAMOND INDUSTRIES LIMITED

ڈائریکٹرز کی رپورٹ

پیرے سینر بولڈرز،

ڈائمنڈ انڈسٹری لمیٹڈ کے بورڈ آف ڈائریکٹرز کی طرف سے، میں آپ کو کمپنی کے آڈیٹروں کی محدود گنجائش کا جائزہ لینے کے ساتھ ساتھ جولائی ۲۰۱۸ سے دسمبر ۲۰۱۸ تک نصف سالانہ غیر آڈٹ شدہ اکاؤنٹس پیش کرنے کی خوشی محسوس کرتا ہوں۔

مالیاتی نمائش ---- 2018	(لاکھوں روپے)
سپلز (نیٹ)	-
مجموعی منافع / (نقصان)	-
اپریٹنگ اخراجات	(16.187)
- دیگر اپریٹنگ انکم	9.000
- منافع / (نقصان) اپریٹنگ سے	(7.186)
مالیاتی قیمت	(0.002)
ایسوسی ایٹ کونس کے منافع / (نقصان) کا حصہ	1.138
ٹیکس دینے سے پہلے - منافع / (نقصان)	(6.050)
ٹیکس موجودہ =	-
حوالہ ٹیکس =	-
منافع / (نقصان) ٹیکس کے بعد	(16.996)
	(23.046)

اپریٹنگ کا جائزہ لیں:

جیسا کہ پہلے سے ہی ۲۰۱۸ء تک ختم ہونے والی سالانہ رپورٹ میں ڈائریکٹروں نے الائیڈ بینک لمیٹڈ کے ساتھ ایک قابل تعطیل مکالمہ پر بات چیت کی تھی اور بینک کو ایک ہی قسط میں پوری تصفیہ رقم کی ادائیگی کی تھی اس مدت کے دوران کمپنی نے اپنی تمام جائیداد اور اثاثوں کے تمام بینک چارجز اور ربن کو کامیابی سے ختم کیا۔ معاہدے اور دیگر اخراجات کے لئے ضروری تمام فٹڈ ڈائریکٹرز اور متعلقہ کمپنیوں کے تعاون اور مدد کے ساتھ اسپانسرز سے سونے مفت قرض کے طور پر کمپنی نے وصول کیے۔

اس کے بعد ڈائریکٹرز دیگر بینکوں سے تازہ مالیاتی سہولیات کو محفوظ بنانے کے عمل میں ہیں تاکہ یہ ضروری خام مال درآمد کریں اور اپنے کاروباری عملوں کو دوبارہ شروع کریں۔ جس میں کچھ وقت لگے گا اور ڈائریکٹرز تمام فنانس سہولیات کے ہونے کی توقع رکھتے ہیں۔ جون ۲۰۱۹ء سے پہلے اس کے نتیجے میں توقع ہے کہ کمپنی اگلے مالی سال میں اپنے مینوفیکچررز کو دوبارہ شروع کرے گی اور اس کے بعد اس سے متعلق کمپنی کے ساتھ عارضی کرایہ پر انتظام جاری رکھے گی۔

انتظامیہ کا خیال ہے کہ فی الحال کمپنی مستقبل میں چلنے والی نہیں ہے، لہذا، مالیاتی ذمہ داریاں / اثاثوں کی متوقع قابل / قابل اقدار کی بنیاد پر تیار کی گئی ہیں۔ جیسا کہ کمپنی کی کوئی صنعتی سرگرمی نہیں ہے، اس کے نتیجے میں کوئی فروخت اور مجموعی منافع نہیں۔ جائیداد کے تحت مدت کے دوران، دوسرے اپریٹنگ آمدنی ۹,۰۰۰ ملین اور روابط کے لئے منسلک کمپنیوں کے منافع اور نقصان میں حصہ لیں۔ ۱,۱۳۸ ملین روپے ہے، کے سوا کمپنی نے بعض غیر عارضی اخراجات کو خرچ کیا ہے۔ (۶,۰۵۰ ملین) کے مقابلے میں۔ (۵,۹۳۴ ملین) دسمبر، ۲۰۱۴ء کو ختم ہونے والی پہلے سہ ماہی میں تھی۔

ہماری کمپنی کے سالانہ مالیاتی بیانات میں رپورٹ کے طور پر، کسٹمز حکام، ایف بی آر، ایس سی پی، اسٹاک ایکسچینجز اور دوسروں کے ساتھ مقدمے کی سماعت کے بارے میں معاملات کے بارے میں تنازعات کے بارے میں متفق ہیں، اور اس میں مناسب فورموں میں سختی سے مقابلہ کیا جا رہا ہے۔

مستقبل کی آواز:

انتظامیہ مسلسل ملک کے بڑے اقتصادی ماحول کی نگرانی کر رہا ہے اور اس کی بنیادی سرگرمیوں کو ای سی آئی کی منظوری، فنانس سہولیات کی دستیابی اور اقتصادی صورتحال کی استحکام پر دوبارہ شروع کرے گا۔ ڈائریکٹرز مارکیٹ میں دستیاب مواقع کو مکمل طور پر استعمال کرنے اور تمام دستیاب وسائل کے بہترین استعمال کو تشویش کے طور پر جاری رکھنے کے لئے ان کی غیر معمولی کوششوں کا اطلاق کر رہے ہیں۔

فی حصص آمدنی:

جائزے کے تحت مدت کے لئے کمپنی کی آمدنی کا حصول روپے (۲,۵۶) روپے ہے اور (۰,۱۴) ۳۱ دسمبر، ۲۰۱۴ء کو ختم ہونے والی آخری نصف سال میں۔

آڈیٹروں کے جائزہ لینے کی رپورٹ کی وضاحت:

کمپنی نے اس کی جائیداد پر مبنی مدت کے لئے مالیات بنا دیا ہے جس میں غیر یقینی طور پر غیر یقینی صورتحال کی وجہ سے آپریشن کی بحالی کے سلسلے میں آڈیٹروں کے منفی رائے کی وجہ سے تشویش کا باعث بن گیا ہے۔ دوسرا نیٹ اثاثہ اور ذمہ داریوں کے قابل قدر کا احساس ہے کہ تاریخی واقعات کی تشخیص کے مطابق مینجمنٹ کے بہترین فیصلے پر کے ساتھ طویل مدتی مقدمہ طے کیا گیا ہے لیکن اب بھی بینکوں کو اس کمپنی کو ناقابل اعتماد کے ساتھ ملتا ہے جس ABL مبنی ہیں اور نظر ثانی کی کوئی ضرورت نہیں ہے۔ جس کے نتیجے میں کوئی مالیاتی سہولیات مالیاتی اداروں کے زیر غور نہیں ہیں۔ اس دوران انتظامیہ صورتحال کو بہتر بنانے کے لئے تمام ممکنہ وسائل کی وضاحت کر رہا ہے۔ تاہم انتظامیہ اس مالی سال کے اختتام سے پہلے فکسڈ اثاثوں کی نظر ثانی کے اختیار پر غور کر رہا ہے۔

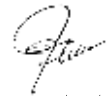
اعتراف:

ڈائریکٹرز بورڈ نے اسٹاف، کارکنوں اور دیگر تمام حصول داروں کو ان کی کارکردگی کی تعریف کی اور ان کی مسلسل حمایت کا اعلان کرتے ہیں۔

بورڈ کی طرف سے

لاہور

تاریخ: ۲۵ فروری، ۲۰۱۹



افتخار شفیع
چیف ایگزیکٹو



DIAMOND INDUSTRIES LIMITED

AUDITOR'S REPORT TO THE MEMBERS ON REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim financial position of “Diamond Industries Limited” (“the Company”) as at December 31, 2018 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity together with notes forming part thereof (here-in-after referred to as the “interim financial information”) for the half year then ended. Management is responsible for the preparation and presentation of interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Basis for Adverse Conclusion

Refer to the note no. 5 in the notes to the condensed interim financial statements, the company has leased out its manufacturing facility along with allied machinery to its associated undertaking M/s Diamond Tyres Limited. The lease period has been extended for further period with mutual consent. The management is of the view that the company is no longer a going concern, therefore, these financial statements have been prepared on the basis of estimated realisable / settlement value of liabilities and assets, other than fixed assets. The management has estimated the realisable / settlement values equivalent to historical cost.

We are of the opinion that the management's estimates may need revision as changes occur in the circumstances on which the estimates are based or as a result of new information. Hence, the values declared at which assets will be realised and liabilities will be settled may be different from those carried in these financial statements.



DIAMOND INDUSTRIES LIMITED

Adverse Conclusion

Based on our review, because of the significance of the matters discussed in Basis for Adverse Conclusion paragraph, the accompanying condensed interim financial statements do not present fairly, in all material respects, the financial position of the company as at December 31, 2018, and of its financial performance and its comprehensive loss, its cash flow for the six months periods then ended in accordance with approved accounting standards as applicable in Pakistan relating to interim financial reporting.

This may be read with the auditor's report dated October 04, 2018 to the financial statements as at June 30, 2018.

SARWARS
CHARTERED ACCOUNTANTS

Engagement Partner: Mr. Rashid Sarwar (FCA)

Dated: February 25, 2019

Place: Lahore



DIAMOND INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2018

	Note	DECEMBER 2018		JUNE 2018	
		Book value	Estimated Realisable/ settlement value	Book value	Estimated Realisable/ settlement value
ASSETS					
Cash and bank balances		1,544,485	1,544,485	4,006,996	4,006,996
Trade Debts		17,752,692	17,752,692	17,774,569	17,774,569
Loan and Advances		57,824,426	57,824,426	56,115,285	56,115,285
Other Receivables		1,969,309	1,969,309	1,969,309	1,969,309
Stock in trade	10	8,415,704	8,415,704	8,415,705	8,415,705
Long Term Deposits		330,885	330,885	330,885	330,885
Investments Under equity Method	9	67,076,116	67,076,116	65,942,665	65,942,665
Investments available for sale		84,384,791	84,384,791	82,648,866	82,648,866
Property, Plant and Equipment	8	180,330,442	180,330,442	186,822,186	186,822,186
TOTAL ASSETS		419,628,850	419,628,850	424,026,466	424,026,466
LIABILITIES					
Trade and other payables		28,335,291	28,335,291	37,707,191	37,707,191
Unclaimed Dividend		432,544	432,544	432,544	432,544
Due to related parties and others		148,271,670	148,271,670	138,978,187	138,978,187
Deferred liabilities		43,130,469	43,130,469	26,134,218	26,134,218
Provision for taxation		990,701	990,701	990,701	990,701
TOTAL LIABILITIES		221,160,675	221,160,675	204,242,841	204,242,841
NET ASSETS		198,468,176	198,468,176	219,783,625	219,783,625
REPRESENTED BY:-					
Authorized share capital					
12,000,000 Ordinary shares of Rs. 10/- each		120,000,000	120,000,000	120,000,000	120,000,000
Issued, subscribed and Paid Up Capital	6	90,000,000	90,000,000	90,000,000	90,000,000
Surplus on revaluation of fixed assets		142,594,853	142,594,853	146,268,076	146,268,076
Reserves		(34,126,677)	(34,126,677)	(16,484,451)	(16,484,451)
		-	-	-	-
Share Holders' Equity		198,468,176	198,468,176	219,783,625	219,783,625
Contingencies & Commitments	7	-	-	-	-
		198,468,176	198,468,176	219,783,625	219,783,625


Chief Executive


Chief Financial Officer


Director



DIAMOND INDUSTRIES LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT For The Half Year Ended December 31, 2018 (Un-Audited)

	Note	Half Year Ended		Quarter Ended	
		December 31, 2018 Rupees	December 31, 2017 Rupees	December 31, 2018 Rupees	December 31, 2017 Rupees
Sales - net		-	72,965,649	-	45,580,202
Cost of sales	13	-	(72,227,823)	-	(44,352,491)
Gross profit / (loss)		-	737,826	-	1,227,711
Distribution expenses		-	-	-	105,760
Administrative expenses		(16,187,087)	(13,574,217)	(7,158,093)	(9,171,461)
		(16,187,087)	(13,574,217)	(7,158,093)	(9,065,701)
		(16,187,087)	(12,836,391)	(7,158,093)	(7,837,990)
Other Operating income		9,000,373	15,099,839	3,528,932	6,953,073
Profit / (loss) from Operations		(7,186,714)	2,263,448	(3,629,161)	(884,917)
Finance Cost		(1,862)	(1,712,383)	(1,143)	(131,427)
Share of profit/(loss) of associated companies		1,138,316	(6,488,079)	1,138,316	-
Profit / (loss) before Taxation		(6,050,260)	(5,937,014)	(2,491,988)	(1,016,344)
TAXATION					
- Current		-	(912,071)	-	(569,753)
- Deferred Tax		(16,996,251)	3,074,784	745,998	836,707
		(16,996,251)	2,162,713	745,998	266,954
Profit / (Loss) after Taxation		(23,046,510)	(3,774,301)	(1,745,989)	(749,390)
Earning/(Loss) per Share	14	(2.56)	(0.42)	(0.19)	(0.08)

The annexed notes form an integral part of this financial information


Chief Executive


Chief Financial Officer


Director



DIAMOND INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME For The Half Year Ended December 31, 2018 (Un-Audited)

	Half Year Ended		Quarter Ended	
	December 31, 2018 Rupees	December 31, 2017 Rupees	December 31, 2018 Rupees	December 31, 2017 Rupees
Profit / (Loss) for The Period	(23,046,510)	(3,774,301)	(1,745,989)	(749,391)
Other Comprehensive Income				
Unrealized gain / (loss) arising on remeasurement				
of available for sale investments	1,735,924	(3,654,266)	(3,552,640)	2,945,499
Share of OCI from Associated Company	(4,865)			
Impairment loss on long term investment	-		-	-
Total Comprehensive Income for The Period	<u>(21,315,451)</u>	<u>(7,428,567)</u>	<u>(5,298,629)</u>	<u>2,196,108</u>

The annexed notes form an integral part of this financial information

Chief Executive

Chief Financial Officer

Director



DIAMOND INDUSTRIES LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT For The Half Year Ended December 31, 2018 (Un-Audited)

	December 31, 2018 Rupees	December 31, 2017 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	(6,050,260)	(5,937,014)
Adjustment for Non Cash and other items:		
Depreciation on property, plant and equipment	6,491,744	7,093,693
Share of loss of associated company	(1,138,316)	6,488,079
Provision for gratuity		(27,891,581)
Finance cost	1,862	1,712,383
Interest Income		(1,265,380)
Dividend Income		(2,841,511)
Gain on Disposal Of Vehicles		(1,992,948)
Cash Flow Before Working Capital Changes	<u>(694,970)</u>	<u>(24,634,279)</u>
Working Capital Changes		
(Increase)/Decrease in Current Assets		
Stock in Trade	-	67,713,433
Trade Debts	21,880	28,046,377
Loans and Advances	-	105,447,072
	<u>21,880</u>	<u>201,206,882</u>
Increase/(Decrease) in Current Liabilities		
Trade and Other Payables	<u>(78,417)</u>	<u>(78,049,653)</u>
Cash Inflow / (Outflow) From Operations	<u>(751,507)</u>	<u>98,522,950</u>
Income tax paid	(1,709,141)	(1,361,057)
Finance cost paid	(1,862)	(1,712,383)
Gratuity paid / adjusted	-	-
Net Cash Inflow / (Outflow) From Operating Activities	<u>(2,462,510)</u>	<u>95,449,510</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment	-	(23,000)
Interest income	-	1,265,380
Dividend received	-	2,841,511
Proceeds From Sale Of Vehicles	-	2,000,000
Increase in long term deposits	-	-
Net Cash Generated from /(used in) Investing Activities	<u>-</u>	<u>6,083,891</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowings	-	(97,401,270)
Net Cash Flow from Financing Activities	<u>-</u>	<u>(97,401,270)</u>
Net (Decrease) in Cash & Cash Equivalents	(2,462,511)	4,132,134
Cash & Cash Equivalents at Beginning of the Year	4,006,996	6,124,935
Cash & Cash Equivalents at End of the Period	<u>1,544,485</u>	<u>10,257,069</u>

The annexed notes form an integral part of this financial information


Chief Executive

10


Chief Financial Officer


Director



DIAMOND INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY For The Half Year Ended December 31, 2018 (Un-Audited)

	Share Capital	Revaluation Surplus	RESERVES		TOTAL EQUITY
			CAPITAL	REVENUE	
			Fair value reserve	(Accumulated Loss)/ Unappropriated profit	
			(Rupees)		
Balance as at 01 July 2017-Audited	90,000,000	154,153,370	21,827,880	(244,377,199)	(132,549,319)
Effect of items directly credited in equity by the associated companies	-	-	-	-	-
Incremental depreciation on surplus on revaluation of property, plant & equipment	-	(3,942,652)	-	3,942,652	3,942,652
Profit / (Loss) for the half year ended	-	-	-	(3,774,301)	(3,774,301)
Other comprehensive income for the half year ended	-	-	(3,654,266)	-	(3,654,266)
Balance as at 31 December 2017- Unaudited	<u>90,000,000</u>	<u>150,210,718</u>	<u>18,173,614</u>	<u>(244,208,848)</u>	<u>(136,035,234)</u>
Balance as at 01 July 2018-Audited	90,000,000	146,268,076	30,548,818	(47,033,269)	219,783,625
Effect of items directly credited in equity by the associated companies	-	-	-	-	-
Incremental depreciation on surplus on revaluation of property, plant & equipment	-	(3,673,225)	-	3,673,225	-
Profit / (Loss) for the half year ended	-	-	-	(23,051,375)	(23,051,375)
Other comprehensive income for the half year ended	-	-	1,735,924	-	1,735,924
Balance as at 31 December 2018- Unaudited	<u>90,000,000</u>	<u>142,594,851</u>	<u>32,284,742</u>	<u>(66,411,419)</u>	<u>198,468,174</u>

The annexed notes form an integral part of this financial information


Chief Executive


Chief Financial Officer


Director



DIAMOND INDUSTRIES LIMITED

CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION For The Half Year Ended December 31, 2018 (Un-Audited)

1 STATUS AND NATURE OF BUSINESS

The Company was incorporated under the Companies Ordinance, 1984 as a Private Limited Company on June 18, 1989 and was converted into Public Limited Company on 3rd August 1994. The shares of the company are quoted on Karachi, Lahore and Islamabad Stock Exchanges of Pakistan. The registered office of the company is situated at Industrial Estate Gadoon, Amazai, Kyber Pakhtoonkhwa. The principal activity of the company is to manufacture and sales of foam, foam products, various industrial chemical/ chemical binders used in textile, leather and wood industries.

2 STATEMENT OF COMPLIANCE

This Condensed interim financial information is unaudited and is being submitted to the members as required by section 237 of the Companies Act, 2017. The condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 'Interim Financial Reporting' and have been reviewed by the auditors as required by the Code of Corporate Governance. The condensed interim financial information should be read in conjunction with the annual financial statements for the year ended June 30, 2018.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the method of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the company for the year ended June 30, 2018. Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on July 1, 2017 but are considered not to be relevant or to have any significant effect on the company's operations and are, therefore, not detailed in this condensed interim financial information.

4 TAXATION

No provision of tax has been made for the Half Yearly Accounts Ended 31 Dec, 2018.

5 BASIS OF PREPARATION

The company has leased out its manufacturing facility along with allied machinery to its associated undertaking M/s Diamond Tyres Limited. The lease period has been extended for further period with mutual consent. The management is of the view that the company is no longer a going concern, therefore, these financial statements have been prepared on the basis of estimated realisable / settlement value of liabilities and assets, other than fixed assets. The management has estimated the realisable / settlement values equivalent to historical cost. The management is of the view that the fixed assets valued on December 31, 2014 need no further revaluation.

These condensed interim financial statements are un-audited and are submitted to the shareholders as required under Section 237 of the Companies Act, 2017. These interim financial statements are prepared in accordance with the requirements of the International Accounting Standards 34 'Interim Financial Reporting'.

6 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Number of shares			Un-Audited	Audited
December 31, 2018	June 30, 2018		December 31, 2018	June 30, 2018
			Rupees	Rupees
6,000,000	6,000,000	Fully paid in cash	60,000,000	60,000,000
3,000,000	3,000,000	Fully paid bonus shares	30,000,000	30,000,000
9,000,000	9,000,000		90,000,000	90,000,000

7 CONTINGENCIES AND COMMITMENTS

There is no significant change in contingencies mentioned in Note no. 21 (DIL Vs Naseer Ahmad, First Capital ABN Amro Equities etc. Vs Iftikhar Shaffi, DIL Vs Arif Habib and Others, Aqeel Karim Dhedi Securities Vs. Iftikhar Shaffi etc., Muhammad Hanif Moosa Vs Iftikhar Shaffi, DIL Vs SECP and Others, DIL Vs Lahore Stock Exchange etc. LSE Vs Iftikhar Shaffi etc., Asim Motiwala Vs Lahore Stock Exchange etc.) of the annual financial statements of the company for the year ended June 30, 2018.

The management of the company is strongly and vigorously contesting all these cases and there is every likelihood that these cases will be decided in favor of the company soon.

The Legal advisor in the financial statements as at June 30, 2018 of the company has expressed his views about the litigation cases mentioned in note no 21 that the cases do not attract any adversity and the company is contesting all the cases vigorously, hence no provision is required.



DIAMOND INDUSTRIES LIMITED

8	PROPERTY, PLANT AND EQUIPMENT	Un-Audited	Audited		
		December 31, 2018	June 30, 2018		
		Rupees	Rupees		
	Book value at the beginning of the period	186,822,186	200,994,572		
	Add:				
	Cost of assets purchased	-	23,000		
	Disposal of Property, Plant and Equipment	-	(2,128,637)		
	Depreciation charged during the period	(6,491,744)	(12,066,749)		
		<u>180,330,442</u>	<u>186,822,186</u>		
	Allocation of Depreciation				
	Cost of Goods Sold	4,172,656	9,272,570		
	Administrative Expenses	2,319,087	4,914,697		
		<u>6,491,744</u>	<u>14,187,266</u>		
9 LONG TERM INVESTMENT					
	Investment in related parties:				
	-under equity method				
	Shaffi Chemical Industries Limited	-	-		
	Diamond Polymers (Pvt.) Ltd	67,076,116	65,942,665		
	Total	<u>67,076,116</u>	<u>65,942,665</u>		
10 STOCK IN TRADE					
	Raw Materials	8,415,704	8,415,704		
	Less: Provision for slow moving stock	-	-		
		<u>8,415,704</u>	<u>8,415,704</u>		
	Finished Goods	-	-		
		<u>8,415,704</u>	<u>8,415,704</u>		
13	COST OF SALES	Half Year Ended		Quarter Ended	
		December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
		Rupees	Rupees	Rupees	Rupees
	Cost of goods manufactured	-	66,205,483	-	44,352,491
	Opening stock of finished goods	-	6,022,340	-	6,022,340
		<u>-</u>	<u>72,227,823</u>	<u>-</u>	<u>50,374,831</u>
	Closing Stock of finished goods	-	-	-	-
		<u>-</u>	<u>72,227,823</u>	<u>-</u>	<u>50,374,831</u>
14 EARNING / (LOSS) PER SHARE					
	Profit / (loss) after taxation	<u>(23,046,510)</u>	<u>(3,774,301)</u>	<u>(1,745,989)</u>	<u>(749,390)</u>
		Number of share			
	Issued, subscribed and Paid up Capital	9,000,000	9,000,000	9,000,000	9,000,000
	Earnings / (loss) per share	(2.56)	(0.42)	(0.19)	(0.08)



DIAMOND INDUSTRIES LIMITED

15 TRANSACTIONS WITH RELATED PARTIES

Transactions and contracts with the related parties are carried out at arm's length prices determined in accordance with comparable uncontrolled price method.

The related parties comprise of associated companies, directors of the companies, key management personnel and staff retirement funds.

Detail of transactions with related parties;

Un-Audited	Audited
December 31, 2018	June 30, 2018
Rupees	Rupees

Sales to related parties:

Diamond Tyres Limited	-	40,129,422
Englander Industries (Private) Limited	-	17,859,706
Symbol Industries (Private) Limited	-	14,870,690
Capital Industrial Enterprises (Private) Limited	-	23,784,489

16 GENERAL

16.1 Figures have been rounded off to the nearest rupee.

16.2 This financial information was authorized for issue on 25 February, 2019 by the board of directors of the Company.

Chief Executive

Chief Financial Officer

Director