



DIAMOND INDUSTRIES LIMITED

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DIAMOND INDUSTRIES LIMITED

CORPORATE PROFILE

BOARD OF DIRECTORS

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

COMPANY SECRETARY

- Mr. Zahoor Ahmad

CHIEF FINANCIAL OFFICER

- Mr. Munawar Hussain

AUDIT COMMITTEE

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

HUMAN RESOURCE & REMUNERATION COMMITTEE

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

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,

The Board of Directors of **Diamond Industries Ltd.**, feels pleasure to present before you unaudited quarterly financial statements of your company for the quarter ended 31st March, 2020.

BRIEF REVIEW OF OPERATIONS:

As already reported in Directors' Report of the latest annual financial statements, that the management intends to resume its business activities but high KIBOR rates coupled with PKR devaluation against dollar, unprecedented price hike of raw materials and increased working capital requirements, it was not feasible to restart its core business activities. However during the quarter under review, the company has earned operating profit / (Loss) of Rs. (2.572) million as compared to Rs. (10.235) million of the preceding quarter. Whereas Profit / (Loss) after taxation is Rs. (2.728) million as against of Rs. (26.485) million of the corresponding quarter.

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 intends to resume its core activities by the start of next financial year as financial institutions extend their support and stability of economic situation prevailing in the country due to Covid-19. 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. (0.30) as compared to Rs. (2.94) in the last corresponding quarter ended 31st March, 2019.

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.

For and on behalf of Board

IFTIKHAR SHAFFI
Chief Executive

IMRAN KABIR
Director

Lahore
Dated:- 29th April, 2020



DIAMOND INDUSTRIES LIMITED

ڈائریکٹرز رپورٹ

محترم شیئر ہولڈرز: ڈائمنڈ انڈسٹریز لمیٹڈ کے ڈائریکٹر 31 مارچ 2020ء کو ختم ہونے والی سہ ماہی کیلئے آپ کو غیر آڈٹ شدہ مالیاتی بیانات پیش کرنے پر خوش محسوس کرتے ہیں۔

مختصر مالیاتی جائزہ: مینجمنٹ اپنی کاروباری سرگرمیوں کو دوبارہ شروع کرنا چاہتی تھی مگر سٹیٹ بینک کی ECIB رپورٹ کی نان کلیئرنس (اگرچہ الائیڈ بینک کے واجبات ادا کر دیئے ہیں)، کابینہ میں اضافہ جو کہ یو ایس ڈالر کے مقابلے میں پاک روپے کی قدر میں تیزی سے کمی، خام مال کے نرخ میں تیزی سے اضافہ اور بڑھتی ہوئی ورکنگ کیپٹل کی ضروریات کے پیش نظر اسکی کاروباری سرگرمیوں کو دوبارہ شروع کرنا ممکن نہیں ہے۔

انتظامی نقصان / منافع پچھلے سہ ماہی (10.235) ملین روپے کے مقابلے میں (2.572) ملین روپے رہا۔ اور نفع / (نقصان) بعد از ٹیکس پچھلے سہ ماہی (26.485) ملین روپے کے مقابلے میں (2.728) ملین روپے رہا۔

مستقبل کا جائزہ: کمپنی ملک کے بڑے لیول پر معاشی ماحول کو مانیٹر کر رہی ہے۔ اور ملک کے اندر کروٹا کی وجہ سے جو حالات ہیں ان میں مالی سہولتوں کی فراہمی اور مالی حالات کی بہتری پر اگلے سال کے آغاز میں سرگرمیوں کو دوبارہ شروع کرے گی۔

ڈائریکٹرز موجودہ وسائل کو استعمال کر کے منافع کمانے اور مارکیٹ میں موجود مواقع کو اجاگر کرنے کی بہترین کوشش کر رہے ہیں۔

فی حصہ شیئر: فی حصہ آمدنی / (نقصان) 31 مارچ 2019ء میں پچھلی سہ ماہی میں (2.94) روپے فی حصہ کے مقابلے میں (0.30) روپے فی حصہ رہا۔

اعتراف: ڈائریکٹرز نے تمام عملے کے ارکان اور انتظامی ٹیم کا ان کی کوششوں اور تعاون پر شکریہ ادا کیا۔

عمران کبیر
ڈائریکٹر

افتخار شفیق
چیف ایگزیکٹو

بتاریخ: 29 اپریل 2020ء
لاہور



DIAMOND INDUSTRIES LIMITED

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2020

ASSETS	Note	MARCH 2020		2019	
		Book value	Estimated Realizable/settlement value	Book value	Estimated Realizable/settlement value
Cash and bank balances		3,716,513	3,716,513	701,212	701,212
Trade Debts		528,897	528,897	4,226,629	4,226,629
Loan and Advances		68,568,144	68,568,144	59,112,488	59,112,488
Other Receivables		-	-	1,969,309	1,969,309
Stock in trade	12	-	-	8,415,706	8,415,706
Long Term Deposits		330,885	330,885	330,885	330,885
Investments Under equity Method	11	66,122,810	66,122,810	66,122,810	66,122,810
Investments available for sale		60,947,052	60,947,052	71,313,512	71,313,512
Investment Property	10	164,919,199	164,919,199	173,838,698	173,838,698
TOTAL ASSETS		365,133,500	365,133,500	386,031,249	386,031,249
LIABILITIES					
Trade and other payables		18,531,966	18,531,966	26,487,787	26,487,787
Unclaimed Dividend		432,544	432,544	432,544	432,544
Due to related parties and others	8	137,297,971	137,297,971	137,297,971	137,297,971
Deferred liabilities		39,836,458	39,836,458	41,638,470	41,638,470
Provision for taxation		1,955,296	1,955,296	-	-
TOTAL LIABILITIES		198,054,235	198,054,235	205,856,772	205,856,772
NET ASSETS		167,079,265	167,079,265	180,174,477	180,174,477
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	7	90,000,000	90,000,000	90,000,000	90,000,000
Surplus on revaluation of fixed assets		133,857,119	133,857,119	138,921,659	138,921,659
Reserves		(56,777,854)	(56,777,854)	(48,747,182)	(48,747,182)
Share Holders' Equity		167,079,265	167,079,265	180,174,477	180,174,477
Contingencies & Commitments	9	-	-	-	-
		167,079,265	167,079,265	180,174,477	180,174,477

The annexed notes form an integral part of these financial statements.

Chief Executive

Chief Financial Officer

Director



DIAMOND INDUSTRIES LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT For Nine Months Ended March 31, 2020 (Un-Audited)

	Note	Nine Months Ended		Quarter Ended	
		March 31, 2020 Rupees	March 31, 2019 Rupees	March 31, 2020 Rupees	March 31, 2019 Rupees
Sales - net		9,229,744	-	-	-
Cost of sales	13	(8,415,706)	-	-	-
Gross profit / (loss)		814,038	-	-	-
Distribution expenses		-	-	-	-
Administrative expenses		(24,279,771)	(23,733,646)	(9,160,561)	(7,546,559)
		(24,279,771)	(23,733,646)	(9,160,561)	(7,546,559)
		(23,465,733)	(23,733,646)	(9,160,561)	(7,546,559)
Other Operating income		20,892,853	13,500,522	4,500,000	4,500,149
Profit / (loss) from Operations		(2,572,880)	(10,233,124)	(4,660,561)	(3,046,410)
Finance Cost		(2,559)	(2,300)	-	(438)
Share of profit/(loss) of associated companies		-	-	-	-
Profit / (loss) before Taxation		(2,575,439)	(10,235,424)	(4,660,561)	(3,046,848)
TAXATION					
- Current		(1,955,296)	-	1,169,653	912,071
- Deferred Tax		1,802,012	(16,250,251)	406,636	(19,325,035)
		(153,284)	(16,250,251)	1,576,289	(18,412,964)
Profit / (Loss) after Taxation		(2,728,723)	(26,485,675)	(3,084,272)	(21,459,812)
Earning per Share	14	(0.30)	(2.94)	(0.34)	(2.38)

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 Nine Months Ended March 31, 2020 (Un-Audited)

	Nine Months Ended		Quarter Ended	
	March 31, 2020 Rupees	March 31, 2019 Rupees	March 31, 2020 Rupees	March 31, 2019 Rupees
Profit / (Loss) for The Period	(2,728,723)	(26,485,675)	(3,084,272)	(3,834,301)
Other Comprehensive Income				
Unrealized gain / (loss) arising on remeasurement of available for sale investments	(10,366,460)	(2,205,943)	(13,445,083)	(5,860,209)
Impairment loss on long term investment		-	-	-
Total Comprehensive Income for The Period	<u>(13,095,183)</u>	<u>(28,691,618)</u>	<u>(16,529,355)</u>	<u>(9,694,510)</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 Nine Months Ended March 31, 2020 (Un-Audited)

	March 31, 2020 Rupees	March 31, 2019 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before taxation	(2,575,439)	(10,235,424)
Adjustment for Non Cash and other items:		
Depreciation on property, plant and equipment	8,919,509	9,737,616
Share of loss of associated company	-	-
Provision for gratuity	-	-
Finance cost	2,559	2,300
Interest Income	-	(522)
Dividend Income	-	-
Disposal income	-	-
Cash Flow Before Working Capital Changes	<u>6,346,629</u>	<u>(496,030)</u>
Working Capital Changes		
(Increase)/Decrease in Current Assets		
Stock in Trade	8,415,706	-
Trade Debts	5,667,041	13,001,160
Loans and Advances	<u>(7,746,829)</u>	<u>(1,646,368)</u>
	6,335,918	11,354,792
Increase/(Decrease) in Current Liabilities		
Trade and Other Payables	<u>(7,955,821)</u>	<u>(13,558,655)</u>
Cash Inflow / (Outflow) From Operations	<u>4,726,726</u>	<u>(2,699,893)</u>
Income tax paid	(1,708,866)	(592,052)
Finance cost paid	(2,559)	(2,300)
Gratuity paid / adjusted	-	-
Net Cash Inflow / (Outflow) From Operating Activities	<u>3,015,301</u>	<u>(3,294,245)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment	-	-
Sale proceeds	-	-
Interest income	-	522
Dividend received	-	-
Increase in long term deposits	-	-
Net Cash Generated from /(used in) Investing Activities	<u>-</u>	<u>522</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowings	-	5,793,154
Net Cash Flow from Financing Activities	<u>-</u>	<u>5,793,154</u>
Net (Decrease) in Cash & Cash Equivalents	3,015,301	2,499,431
Cash & Cash Equivalents at Beginning of the Year	701,212	4,006,996
Cash & Cash Equivalents at End of the Period	<u>3,716,513</u>	<u>6,506,427</u>

The annexed notes form an integral part of this financial information


Chief Executive


Chief Financial Officer


Director



DIAMOND INDUSTRIES LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY For The Half Year Ended March 31, 2020 (Un-Audited)

	Share Capital	Revaluation Surplus	RESERVES		TOTAL EQUITY
			CAPITAL	REVENUE	
			Fair value reserve	(Accumulated Loss)/ Unappropriated profit	
			(Rupees)		
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		(5,509,836)		5,509,836	-
Profit / (Loss) for the nine months				(26,485,675)	(26,485,675)
Other comprehensive income for the nine months			(2,205,943)		(2,205,943)
Balance as at 31 March 2019- Unaudited	90,000,000	140,758,240	28,342,875	(68,009,108)	191,092,007
Balance as at 01 July 2019-Audited	90,000,000	138,921,630	19,213,466	(67,960,648)	180,174,448
Effect of items directly credited in equity by the associated companies					
Incremental depreciation on surplus on revaluation of property, plant & equipment		(5,064,511)		5,064,511	-
Profit / (Loss) for the nine months				(2,728,723)	(2,728,723)
Other comprehensive income for the nine months				(10,366,460)	(10,366,460)
Balance as at 31 March 2020- Unaudited	90,000,000	133,857,119	19,213,466	(75,991,320)	167,079,265

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 Nine Months Ended March 31, 2020 (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 Pakistan Stock Exchange. 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 245 of the Companies Ordinance, 1984. 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, 2019.

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, 2019. Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on July 1, 2019 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

The provision for the nine months ended March 31, 2020 has been made on an estimated basis.

5 BASIS OF PREPARATION

These financial statements have been prepared under the historical cost convention except for Building and Plant & Machinery which are stated on revalued amounts and staff retirement benefits which have been recognized at present value determined by the actuary. These condensed interim financial statements are un-audited and are submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984. These interim financial statements are prepared in accordance with the requirements of the International Accounting Standards 34 'Interim Financial Reporting'.

6 ACCOUNTING POLICIES

The accounting policies adopted in preparation of these financial statements are the same as those applied in the preparation of the preceding annual audited published financial statements of the Company.

7 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Number of shares			Un-Audited	Audited
March 31, 2020	June 30, 2019		March 31, 2020	June 30, 2019
			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

8 CONTINGENCIES AND COMMITMENTS

There is no significant change in contingencies mentioned in Note no. 12 (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. and Naeem Anwar Vs. Iftikhar Shaffi etc.) of the annual financial statements of the company for the year ended June 30, 2019.

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 favour of the company soon.



DIAMOND INDUSTRIES LIMITED

9	PROPERTY, PLANT AND EQUIPMENT	Un-Audited	Audited
		March 31, 2020	June 30, 2019
		Rupees	Rupees
	Book value at the beginning of the period	173,838,698	186,822,186
	Add:		
	Cost of assets purchased	-	-
	Disposal of Property, Plant and Equipment	-	-
	Depreciation charged during the period	(8,919,508)	(12,983,488)
		<u>164,919,190</u>	<u>173,838,698</u>
	Allocation of Depreciation		
	Administrative Expenses	8,919,508	12,983,488
		<u>8,919,508</u>	<u>12,983,488</u>

11	LONG TERM INVESTMENT			
	Investment in related parties:			
	-under equity method			
	Shaffi Chemical Industries Limited	-	-	
	Diamond Polymers (Pvt.) Ltd	66,122,810	66,122,810	
	Total	<u>66,122,810</u>	<u>66,122,810</u>	

12	STOCK IN TRADE			
	Raw Materials	-	8,415,704	
	Finished Goods	-	-	
		<u>-</u>	<u>8,415,704</u>	

13	COST OF SALES	Nine Months Ended		Quarter Ended	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
		Rupees	Rupees	Rupees	Rupees
	Cost of goods manufactured	-	-	-	-
	Opening stock of finished goods	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Closing Stock of finished goods	-	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

14	EARNING PER SHARE			
Profit / (loss) after taxation	(2,728,723)	(26,485,675)	(3,084,272)	(21,459,812)
	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	(0.30)	(2.94)	(0.34)	(2.38)

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.			



DIAMOND INDUSTRIES LIMITED

Detail of transactions with related parties;

Sales to related parties:

Diamond Tyres Limited

Un-Audited	Audited
March 31, 2020	June 30, 2019
Rupees	Rupees

9,229,744

-

16 GENERAL

16.1 Figures have been rounded off to the nearest rupee.

16.2 This financial information was authorized for issue on 29 April, 2020 by the board of directors of the Company.

Chief Executive

Chief Financial Officer

Director