

# DIAMOND INDUSTRIES LIMITED

## CONTENTS

Corporate Profile .....	1
Directors' Report .....	2
ڈائریکٹرز رپورٹ .....	3
Condensed Interim Statement of Financial Position .....	4
Condensed Interim Profit and Loss Account .....	5
Condensed Interim Statement of Comprehensive Income .....	6
Condensed Interim Statement of Changes in Equity .....	7
Condensed Interim Statement of Cash Flows .....	8
Condensed Interim Notes to the Financial Information .....	9-11

# 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)	(Chairman of Board)
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, 2<sup>nd</sup> 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](mailto:info@diamondfoam.com)

### SHARE REGISTRAR

- M/s Corplink (Pvt) Limited  
Wings Arcade, 1-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 30<sup>th</sup> September, 2021.

### BRIEF REVIEW OF OPERATIONS:

As already reported in Directors' Report of the latest annual financial statements, that the management has terminated the lease agreement and restarted its core manufacturing business activities w.e.f. 1<sup>st</sup> May 2021. However during the quarter under review, despite of challenging business environment, the company has scored the sale revenue of Rs. 337.520 million and earned operating profit of Rs. 14.057 million as compared to Rs. 1.235 million of the preceding quarter. Whereas Profit / (Loss) after taxation is Rs. 9.175 million as against of Rs. (1.980) million of the corresponding quarter.

### FUTURE OUTLOOK:

The company has restarted its core manufacturing operations since May 2021 and to expand its business operations, the management of the company is in process of taking necessary measures for increase its market share and to earn profits in order to maximize its shareholders' wealth.

### EARNING PER SHARE:

The earnings per share of the company for the period under review are Rs. 1.02 as compared to Rs. (0.22) in the last corresponding quarter ended 30<sup>th</sup> September, 2020.

### ACKNOWLEDGMENT:

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



Lahore  
Dated:- 25<sup>th</sup> October, 2021

IMARN KABIR  
Director



IFTIKHAR SHAFFI  
Chief Executive

# DIAMOND INDUSTRIES LIMITED

## ڈائریکٹرز رپورٹ

ڈائمنڈ انڈسٹریز لمیٹڈ کے بورڈ آف ڈائریکٹرز، آپ کے سامنے 30 ستمبر 2021 کو ختم ہونے والی سہ ماہی کے لیے کمپنی کے غیر آڈیٹ شدہ سہ ماہی مالیاتی بیانات پیش کرنے میں خوشی محسوس کر رہا ہے۔

کارروائیوں کا مختصر جائزہ

جیسا کہ پہلے ہی تازہ ترین سالانہ مالیاتی بیانات کی ڈائریکٹرز کی رپورٹ میں بتایا گیا ہے کہ انتظامیہ نے لیزر کا معاہدہ ختم کر دیا ہے اور 1 مئی 2021 سے اپنی بنیادی مینوفیکچرنگ کاروباری سرگرمیاں دوبارہ شروع کر دی ہیں۔ تاہم، زیر جائزہ سہ ماہی کے دوران، چیلنجنگ کاروباری ماحول کے باوجود، کمپنی نے 337.520 ملین روپے کی فروخت کی ہے۔ اور آپریٹنگ منافع 14.057 ملین روپے گزشتہ سہ ماہی کے 1.235 ملین کے مقابلے میں۔ جبکہ ٹیکس لگانے کے بعد منافع / (نقصان) 9.175 ملین روپے ہے۔ گزشتہ اسی سہ ماہی کا (1.980) ملین کے مقابلے میں۔

مستقبل کا نظریہ

کمپنی نے مئی 2021 سے اپنے بنیادی مینوفیکچرنگ آپریشنز کو دوبارہ شروع کیا ہے اور اپنے کاروباری آپریشنز کو وسعت دینے کے لیے، کمپنی کی انتظامیہ اپنے مارکیٹ شیئر کو بڑھانے اور منافع کمانے کے لیے ضروری اقدامات کر رہی ہے تاکہ اپنے شیئر ہولڈرز کی دولت کو زیادہ سے زیادہ بڑھا سکے۔

فی شیئر کمائی

زیر جائزہ مدت کے لیے کمپنی کی فی حصص آمدنی 30 ستمبر 2020 کو ختم ہونے والی آخری اسی سہ ماہی کے (0.22) کے مقابلے 1.02 روپے ہے۔

اعتراف

بورڈ آف ڈائریکٹرز اسٹاف، ورکرز اور دیگر تمام اسٹیک ہولڈرز کی کارکردگی کی اطلاع دی گئی سطح کو حاصل کرنے میں ان کی مسلسل حمایت کے لیے دل کی گہرائیوں سے اپنی تعریف کا اظہار کرتا ہے۔

  
افتخار شفیع  
چیف ایگزیکٹو

  
عمران کبیر  
ڈائریکٹر

لاہور

تاریخ: 25 اکتوبر 2021

# DIAMOND INDUSTRIES LIMITED

## CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT QUARTER ENDED SEPTEMBER 30, 2021

	Note	Sep 2021	June 2021
<b>Authorized share capital</b>			
12,000,000 Ordinary shares of Rs. 10/- each		<b>120,000,000</b>	<b>120,000,000</b>
Issued, subscribed and Paid Up Capital	7	90,000,000	90,000,000
Surplus on revaluation of fixed assets		117,837,015	118,744,520
Reserves		37,316,328	26,512,028
<b>Share Holders' Equity</b>		<b>245,153,344</b>	<b>235,256,549</b>
<b>NON CURRENT LIABILITIES</b>			
Due to related parties and others	8	137,297,971	137,297,971
Deferred liabilities		80,029,448	80,750,339
		<b>217,327,419</b>	<b>218,048,310</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		119,068,550	180,890,784
Provision for taxation		5,062,801	6,727,598
		<b>124,131,351</b>	<b>187,618,381</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>586,612,114</b>	<b>640,923,240</b>
<b>Contingencies &amp; Commitments</b>	9		
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property Plant And Equipments	10	167,478,510	168,822,355
Long Term Deposits		330,885	330,885
Investments Under equity Method	11	67,215,400	67,215,400
Investments available for sale		84,706,347	83,984,721
		<b>319,731,142</b>	<b>320,353,361</b>
<b>CURRENT ASSETS</b>			
Stock in trade	12	78,473,779	163,706,000
Stores Spares and lose tools		1,315,793	-
Trade Debts		147,866,794	81,619,252
Loan and Advances		38,752,842	71,688,420
Cash and bank balances		471,764	3,556,206
		<b>266,880,972</b>	<b>320,569,878</b>
<b>TOTAL ASSETS</b>		<b>586,612,114</b>	<b>640,923,240</b>

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

  
Chief Executive

  
Chief Financial Officer

  
Director

# DIAMOND INDUSTRIES LIMITED

## STATEMENT OF PROFIT OR LOSS FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Note	Quarter Ended	Quarter Ended
		September 30, 2021	September 30, 2020
		Rupees	Rupees
Sales - net		337,520,086	-
Cost of raw material sold	13	(300,842,800)	-
Gross profit		36,677,286	-
Administrative expenses		(7,224,051)	(4,083,105)
Selling and Distribution expenses		(15,381,785)	-
		(22,605,836)	(4,083,105)
		14,071,449	(4,083,105)
Other Operating income		-	5,318,392
Profit from Operations		14,071,449	1,235,287
Other expenses		-	-
Finance Cost		(13,920)	-
Share of profit/(loss) of associated companies		-	-
Profit before Taxation		14,057,529	1,235,287
TAXATION			
- Current		(5,062,801)	(243,658)
- Deferred Tax		180,444	(2,972,332)
		(4,882,358)	(3,215,989)
Profit after Taxation		9,175,172	(1,980,702)
Earning per Share	14	1.02	(0.22)

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

  
Chief Executive

  
Chief Financial Officer

  
Director

# DIAMOND INDUSTRIES LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30, 2021 Rupees	Quarter Ended September 30, 2020 Rupees
<b>Profit / (Loss) for the quarter</b>	9,175,172	(1,980,702)
<b>Other Comprehensive Income</b>		
<b>Items that cannot be reclassified to profit and loss account</b>		
Revaluation During the year before classification to Investment properties	-	-
Related deferred tax	-	-
<b>Items that may be reclassified to profit and loss account</b>		
Unrealized gain / (loss) arising on remeasurement, investments available for sale	721,624	10,249,419
Related Deferred tax		
	721,624	10,249,419
<b>Total Comprehensive Income for the quarter</b>	<b>9,896,796</b>	<b>8,268,717</b>

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



Chief Executive



Chief Financial Officer



Director

# DIAMOND INDUSTRIES LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Share Capital	Revaluation Surplus	RESERVES		TOTAL EQUITY
			CAPITAL	REVENUE	
			Fair value reserve	Accumulated Profits /Losses	
(Rupees)					
Balance as at 01 July 2020	90,000,000	164,436,215	22,500,718	(84,179,181)	192,757,752
Profit / (Loss) for the year	-	-	-	(1,980,702)	(1,980,702)
Realization of Revaluation Surplus	-	-	-	-	-
Other comprehensive income for the year	-	-	10,249,419	-	10,249,419
Balance as at 30 September 2020- Unaudited	90,000,000	164,436,215	32,750,138	(86,159,883)	201,026,469
Balance as at 01 July 2021	90,000,000	118,744,520	31,497,277	(4,985,250)	235,256,548
Profit / (Loss) for the year				9,175,172	9,175,172
Realization of Revaluation Surplus		(907,505)		907,505	-
Other comprehensive income for the year				721,624	721,624
Balance as at 30 September 2021	90,000,000	117,837,015	31,497,277	5,819,051	245,153,344

The annexed notes form an integral part of this financial information



Chief Executive



Chief Financial Officer



Director



# DIAMOND INDUSTRIES LIMITED

## STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Quarter Ended September 30, 2021 Rupees	Quarter Ended September 30, 2020 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	14,057,529	1,235,287
<b>Adjustment for Non Cash and other items:</b>		
Depreciation on property, plant and equipment	1,641,646	-
Finance cost	13,920	-
Dividend Income	(540,448)	(818,392)
<b>Cash Flow Before Working Capital Changes</b>	<b>15,172,647</b>	<b>416,895</b>
<b>Working Capital Changes</b>		
<b>(Increase)/Decrease in Current Assets</b>		
Stock in Trade	83,916,428	-
Trade Debts	(66,247,542)	755,097
Loans and Advances	26,207,337	(3,655,446)
	<b>43,876,223</b>	<b>(2,900,349)</b>
<b>Increase/(Decrease) in Current Liabilities</b>		
Trade and Other Payables	(61,822,234)	17,799
Cash Inflow / (Outflow) From Operations	(2,773,364)	(2,465,655)
Income tax (paid)/Refund	641	(122,755)
Finance cost paid	(13,920)	-
<b>Net Cash Inflow / (Outflow) From Operating Activities</b>	<b>(2,786,643)</b>	<b>(2,588,410)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Addition in fixed asset	(297,800)	818,392
<b>Net Cash Generated from /(used in) Investing Activities</b>	<b>(297,800)</b>	<b>818,392</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Net Cash Flow from Financing Activities</b>	-	-
Net (Decrease) in Cash & Cash Equivalents	(3,084,443)	(1,770,018)
Cash & Cash Equivalents at Beginning of the Year	3,556,207	2,531,672
<b>Cash &amp; Cash Equivalents at End of the year</b>	<b>471,764</b>	<b>761,654</b>

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

  
Chief Executive

8

  
Chief Financial Officer

  
Director

# DIAMOND INDUSTRIES LIMITED

## CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2021 (UN-AUDITED)

### 1 STATUS AND NATURE OF BUSINESS

The Company was incorporated under the Companies Ordinance 1984 (Companies Act 2017) 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, Khyber 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. The company has fixed assets located in Lahore, Rawalpindi and Gadoon.

### 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, 2021.

### 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, 2021. Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on July 1, 2021 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 quarter ended September 30, 2021 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.

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 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.

# DIAMOND INDUSTRIES LIMITED

## 7 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

Number of shares			Un-Audited	Audited
September 30, 2021	June 30, 2021		September 30, 2021	June 30, 2021
Numbers	Numbers		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
<u>9,000,000</u>	<u>9,000,000</u>		<u>90,000,000</u>	<u>90,000,000</u>

## 8 Due To Related Parties

Others	<u>137,297,971</u>	<u>137,297,971</u>
	<u>137,297,971</u>	<u>137,297,971</u>

This amount is due against arrangement to pay off the outstanding liability of Allied Bank Limited. No terms and conditions /repayment schedule has been defined as at the reporting date and is payable on demand.

## 9 CONTINGENCIES AND COMMITMENTS

There is no significant change in contingencies from the annual financial statements of the company for the year ended June 30, 2021

## 10 PROPERTY, PLANT AND EQUIPMENT

Property, Plant And Equipment	<u>167,478,510</u>	<u>168,822,355</u>
Book value at the beginning of the period	168,822,355	83,288,685
Add:		
Addition/Transfer of assets	297,800	106,775,350
Disposal of assets	-	(12,500,000)
Depreciation charged during the period	(1,641,646)	(8,741,679)
	<u>167,478,510</u>	<u>168,822,355</u>
<b>Allocation of Depreciation</b>		
Cost of Goods Sold	1,599,416	8,487,647
Administrative Expenses	<u>42,229</u>	<u>254,033</u>
	<u>1,641,646</u>	<u>8,741,679</u>

## 11 LONG TERM INVESTMENT

<b>Investment in related parties:</b>		
-under equity method		
Diamond Polymers (Pvt.) Ltd	<u>67,215,400</u>	<u>67,215,400</u>
<b>Total</b>	<u>67,215,400</u>	<u>67,215,400</u>

## 12 STOCK IN TRADE

Raw Materials	73,066,058	158,066,058
Work-in-process & finished goods	<u>5,407,721</u>	<u>5,639,942</u>
	<u>78,473,779</u>	<u>163,706,000</u>

# DIAMOND INDUSTRIES LIMITED

		Quarter Ended	
		September 30, 2021	September 30, 2020
		Rupees	Rupees
<b>13</b>	<b>COST OF SALES</b>		
	Cost of goods manufactured	300,610,579	-
	Opening stock of work-in-process & finished goods	5,639,942	-
		306,250,521	-
	Closing stock of work-in-process & finished goods	(5,407,721)	-
		300,842,800	-
<b>14</b>	<b>EARNING PER SHARE</b>		
	Profit / (loss) after taxation	9,175,172	(1,980,702)
		<b>Number of shares</b>	
	Issued, subscribed and Paid up Capital	9,000,000	9,000,000
	Earnings / (loss) per share	1.02	(0.22)

## 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 September 30, 2021 Rupees	Audited June 30, 2021 Rupees
<b>Sales to related parties:</b>		
Diamond Home Textile (Private) Limited	16,695,885	8,160,387
Dolce Vita Home (Private) Limited	-	55,448,968
Diamond Tyres Limited	-	5,700,426
Diamond Product (Private) Limited	53,619,767	
<b>Purchases from related parties:</b>		
Diamond Home Textiles (Private) Limited	-	8,119,660
Diamond Tyres Limited	182,409,195	275,192,115

## 16 GENERAL

**16.1** Figures have been rounded off to the nearest rupee.

**16.2** This financial information was authorized for issue on 25th October, 2021 by the board of directors of the Company.



Chief Executive



Chief Financial Officer



Director