



Quice Food Industries Ltd.

May 09, 2022

**The General Manager**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

**Transmission of Quarterly report for the Period ended March 31, 2022**


Dear Sir

We have to inform you that the Quarterly report of the Company for the period ended March 31, 2022 has been transmitted through PUCARS and is also available on Company's website.

Please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely

For **Quice Food Industries Limited**

  
\_\_\_\_\_  
Company Secretary



*Real Happiness*

**NINE MONTHS  
ACCOUNTS 2021-22**



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# Company Information

## Board of Directors

Mr. Muhammad Atif  
Mr. Muhammad Siraj  
Mr. Salman Haroon  
Mr. Aamir Altaf  
Mr. Muhammad Riaz  
Mr. Qazi Muhammad Imran  
Mr. Irfan Mangnejo

Chief Executive  
Director  
Independent Director  
Director  
Director  
Director  
Director

## Company Secretary

Mr. Iqbal Shahid

## Audit Committee

Mr. Salman Haroon  
Mr. Muhammad Siraj  
Mr. Irfan Mangnejo

Chairman  
Member  
Member

## HR & Remuneration Committee

Mr. Salman Haroon  
Mr. Muhammad Siraj  
Mr. Muhammad Riaz

Chairman  
Member  
Member

## Legal Advisor

M/s. Ahmed & Qazi  
Advocates & Legal Consultants

## Bankers

Allied Bank Limited  
Habib Bank Limited  
Meezan Bank Limited  
United Bank Limited

## Auditors

M/s. Aslam Malik & Co.  
Chartered Accountants

## Share Registrar

M/s. F.D. Registrar Services  
(SMC-Pvt.) Ltd.  
Office No. 1705, 17th Floor, Saima  
Trade Tower-A, I.I Chundrigar Road,  
Karachi.

## Registered Office

WS7, Mezanine Floor, Madina Palace  
Faran Co-operative Housing Society  
Dhoraji Colony, Karachi

# Directors' Review

NINE MONTHS PERIOD ENDED MARCH 31, 2022

The Directors of Quice Food Industries Limited "the Company" are pleased to submit theun-audited financial report and financial information of the Company for third quarter and nine months period ended March 31, 2022.

## Business Performance Overview

During the period endedMarch 31, 2022, the Company, by the Grace of the Almighty, successfully kept an upward trend, posting a revenue of PKR. 308.36 million (March 2021: PKR. 126.11 million), achieving a growth of 145% compared to March 2021, as a result of increase in demand in domestic and international markets. Despite highest ever production costs, Dollar appreciation and political unrest, the Company managed to find its way through by increasing overall sales volumes supported by investments in new brand marketing.

The Company reported a gross margin of PKR. 67.56 million as compared to PKR. 20.59 million in March 2021, posting a growth of 228% which depicts its operational stability despite higher cost of production.

## Financial highlights

The summary of financial performance follows (compared with last year):

	2022 Rupees "000"	2021 Rupees "000"
Net sales	308,360	126,108
Gross profit	67,558	20,592
Pre-tax-profit	20,733	2,735
After-tax-profit	17,126	1,177

## Future Prospects

Despite expected increase in inflation, higher energy and commodity prices, Dollar and political instability in the Country , we plan to keep accelerating through product innovation, exploring new foreign and domestic avenues, geographical expansion and investment in brand equity, and would strive to keep supplying fresh and hygienic nutritious products to people in Pakistan and abroad.

We would like to express our gratitude to shareholders who have always shown their confidencein the Company and for the commitment, dedication and innovative thinking demonstrated byeach member and are confident that they will continue to do so in the future.



Chief Executive



Director

Karachi  
April 28, 2022

# ڈائریکٹرز کی رپورٹ

31 مارچ 2022 کو ختم ہونے والی تیسری سہ ماہی اور نو ماہ کے لیے

کوئٹہ فوڈ انڈسٹریز لمیٹڈ کے ڈائریکٹرز "کمپنی" کو 31 مارچ 2022 کو ختم ہونے والی تیسری سہ ماہی اور نو ماہ کی مدت کے لیے کمپنی کی غیر آڈٹ شدہ مالیاتی رپورٹ اور مالی معلومات جمع کرانے پر خوشی ہے۔

## کاروباری کارکردگی کا جائزہ

31 مارچ 2022 کو ختم ہونے والی مدت کے دوران، کمپنی نے، اللہ تعالیٰ کے فضل سے، 308.35 ملین PKR (مارچ 2021: 126.11 ملین PKR) کا ریونیو پوسٹ کرتے ہوئے کامیابی کے ساتھ اوپر کی جانب رجحان برقرار رکھا۔ گھریلو اور بین الاقوامی منڈیوں میں مانگ میں اضافے کے نتیجے میں، مارچ 2021 کے مقابلے میں 145% کی نمو حاصل کی ہے۔ اب تک کی سب سے زیادہ پیداواری لاگت، ڈالر کی قدر میں اضافے اور سیاسی بے چینی کے باوجود، کمپنی نئے برانڈ کی مارکیٹنگ میں سرمایہ کاری کے ذریعے فروخت کے مجموعی حجم میں اضافہ کر کے اپنا راستہ تلاش کرنے میں کامیاب رہی ہے۔

کمپنی نے 67.56 ملین PKR کے مجموعی مارجن کی اطلاع دی۔ جو کہ مارچ 2021 میں 20.59 ملین PKR تھا، جس میں 228% فیصد اضافہ ہوا جو پیداوار کی زیادہ لاگت کے باوجود اس کے آپریشنل استحکام کو ظاہر کرتا ہے۔

## مالیاتی جھلکیاں

مالی کارکردگی کا خلاصہ درج ذیل ہے (گزشتہ سال کے مقابلے):

	March' 2022	March' 2021
	Rupees in 000's	
Net sales	308,360	126,108
Gross profit	67,558	20,592
Pre-tax-profit	20,733	2,735
After-tax-profit	17,126	1,177

## مستقبل کے امکانات

منہنگائی میں متوقع اضافے، توانائی اور اجناس کی بلند قیمتوں، ڈالر اور ملک میں سیاسی عدم استحکام کے باوجود، ہم مصنوعات کی جدت، نئی غیر ملکی اور ملکی راہیں تلاش کرنے، جغرافیائی توسیع اور برانڈ ایکویٹی میں سرمایہ کاری کے ذریعے پرجوش رہنے کا منصوبہ رکھتے ہیں، اور پاکستان اور بیرون ملک لوگوں کے لیے تازہ اور صحت بخش غذائیت سے بھرپور مصنوعات کی سپلائی جاری رکھنے کی کوشش کریں گے۔

ہم ان حصص یافتگان کا شکریہ ادا کرنا چاہیں گے جنہوں نے ہمیشہ کمپنی پر اپنے اعتماد کا اظہار کیا ہے اور ہر ممبر کی طرف سے عزم، لگن اور جدید سوچ کا مظاہرہ کیا ہے اور انہیں یقین ہے کہ وہ مستقبل میں بھی ایسا کرتے رہیں گے۔



ڈائریکٹر



چیف ایگزیکٹو

کراچی

28 اپریل 2022

# Condensed Interim Statement of Financial Position (Unaudited)

AS AT MARCH 31, 2022

	Note	Unaudited March 31, 2022	Audited June 30, 2021
----- Rupees -----			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property plant and equipment	5	335,551,506	356,009,994
Long term deposits		2,272,350	1,935,290
		<b>337,823,856</b>	<b>357,945,284</b>
<b>CURRENT ASSETS</b>			
Stores and spares		36,873,603	10,193,172
Stock-in-trade	6	384,365,697	327,499,477
Trade debts		66,297,978	54,039,623
Advances, deposits, prepayments & other receivables		6,096,301	13,722,205
Taxation - net		5,082,876	11,559,654
Cash and bank balances		2,379,670	2,092,425
		<b>501,096,125</b>	<b>419,106,556</b>
<b>TOTAL ASSETS</b>		<b>838,919,981</b>	<b>777,051,840</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized share capital</b>			
105,100,000 (June 2021: 105,100,000) ordinary shares of Rs 10 each		1,051,000,000	1,051,000,000
<b>Issued, subscribed and paid up share capital and reserves</b>			
98,461,828 (June 2021 : 98,461,828) ordinary shares of Rs.10 each		984,618,280	984,618,280
Reserves		(209,535,853)	(229,188,981)
Discount on issue of shares		(282,788,556)	(282,788,556)
Surplus on revaluation of property, plant and equipment		31,172,025	33,699,487
Total equity		<b>523,465,896</b>	<b>506,340,230</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Deferred liabilities		7,713,119	6,513,119
Security deposit payables		44,500,000	44,500,000
		<b>52,213,119</b>	<b>51,013,119</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		263,240,966	219,698,491
Short term position of deferred liability		-	-
		<b>263,240,966</b>	<b>219,698,491</b>
<b>TOTAL LIABILITIES</b>		<b>315,454,085</b>	<b>270,711,610</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	7	-	-
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>838,919,981</b>	<b>777,051,840</b>

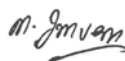
The annexed notes form an integral part of these condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

# Condensed Interim Profit or Loss Account (Unaudited)

NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Quarter ended		Nine months period ended	
	March-31, 2022	March-31, 2021	March-31, 2022	March-31, 2021
	----- Rupees -----			
<b>SALES</b>	<b>171,543,888</b>	74,256,304	<b>308,359,625</b>	126,107,803
Cost of sales	<b>(118,741,003)</b>	(54,663,725)	<b>(240,801,342)</b>	(105,515,364)
<b>GROSS PROFIT</b>	<b>52,802,885</b>	19,592,579	<b>67,558,283</b>	20,592,439
Distribution cost	<b>(18,561,808)</b>	(918,860)	<b>(31,765,600)</b>	(11,692,717)
Administrative expenses	<b>(6,493,325)</b>	(2,047,746)	<b>(15,714,657)</b>	(10,545,051)
Operating expenses	<b>(25,055,133)</b>	(2,966,606)	<b>(47,480,257)</b>	(22,237,768)
Operating profit / (loss)	<b>27,747,752</b>	16,625,973	<b>20,078,026</b>	(1,645,329)
Other operating income	<b>412,841</b>	2,121,821	<b>720,363</b>	4,500,460
	<b>28,160,593</b>	18,747,794	<b>20,798,389</b>	2,855,131
Finance cost	<b>(30,980)</b>	(9,590)	<b>(65,123)</b>	(120,075)
<b>PROFIT BEFORE TAXATION</b>	<b>28,129,613</b>	18,738,204	<b>20,733,266</b>	2,735,056
Taxation	<b>(2,012,590)</b>	(780,021)	<b>(3,607,600)</b>	(1,557,793)
<b>PROFIT AFTER TAXATION</b>	<b>26,117,023</b>	17,958,183	<b>17,125,666</b>	1,177,263
<b>EARNING PER SHARE</b>	<b>0.27</b>	0.18	<b>0.17</b>	0.01

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



Chief Executive



Director



Chief Financial Officer

Condensed Interim Statement of Comprehensive Income (Unaudited)

NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Quarter ended		Nine months period ended	
	March-31, 2022	March-31, 2021	March-31, 2022	March-31, 2021
	----- Rupees -----			
PROFIT AFTER TAXATION	26,117,023	17,958,183	17,125,666	1,177,263
Other comprehensive income that cannot be classified through profit and loss	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	26,117,023	17,958,183	17,125,666	1,177,263

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



Chief Executive



Director



Chief Financial Officer

# Condensed Interim Cash Flow Statement (Unaudited)

NINE MONTHS PERIOD ENDED MARCH 31, 2022

	Nine months ended	
	March 31, 2022	March 31, 2021
	----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	<b>20,733,266</b>	2,735,056
<b>Adjustment for non cash items:</b>		
Depreciation	<b>20,314,210</b>	22,681,147
Provision for gratuity	<b>1,200,000</b>	818,730
(Gain) on sale of shares	<b>-</b>	(616,840)
	<b>21,514,210</b>	22,883,037
<b>Net cash flow from operations before working capital changes</b>	<b>42,247,476</b>	25,618,093
<b>Working capital changes</b>		
(Increase) / decrease in current assets		
Stores and spares	<b>(26,680,431)</b>	(12,024,069)
Stock-in-trade	<b>(56,866,220)</b>	(6,570,893)
Trade debts	<b>(12,258,355)</b>	(36,668,569)
Advances, deposits, prepayments & other receivables	<b>7,625,904</b>	(5,936,069)
	<b>(88,179,102)</b>	(61,199,600)
Increase / (decrease) in current liabilities		
Trade and other payables	<b>47,532,868</b>	39,718,070
<b>Net working capital changes</b>	<b>(40,646,234)</b>	(21,481,531)
Income tax paid	<b>(1,121,215)</b>	(2,315,939)
<b>Net cash flow from operating activities</b>	<b>480,027</b>	1,820,623
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Return of advance against CWIP / (acquisition of property, plant and equipments)	<b>144,278</b>	(700,000)
Proceeds from disposal of short term investments	<b>-</b>	4,804,464
<b>Net cash flow from investing activities</b>	<b>144,278</b>	4,104,464
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment - long term deposit	<b>-</b>	(1,000,000)
Security deposit	<b>(337,060)</b>	(66,090)
Payment for gratuity	<b>-</b>	(1,227,500)
<b>Net cash used in financing activities</b>	<b>(337,060)</b>	(2,293,590)
<b>Net increase in cash and cash equivalents</b>	<b>287,245</b>	3,631,497
<b>Cash and cash equivalents at the beginning of the period</b>	<b>2,092,425</b>	7,190,668
<b>Cash and cash equivalents at the end of the period</b>	<b>2,379,670</b>	10,822,165

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



Chief Executive



Director



Chief Financial Officer

# Condensed Interim Statement of Changes in Equity (Unaudited)

NINE MONTHS PERIOD ENDED MARCH 31, 2022

PARTICULARS	SHARE CAPITAL	RESERVE					TOTAL	SHAR-HOLDERS' EQUITY
		Premium on issue of share capital	Discount on share capital	Surplus on revaluation of PPE	Subtotal	Accumulated loss		
<b>Balance as at June 30, 2020</b>	984,618,280	6,875,000	(282,788,556)	24,438,143	(251,475,414)	(209,373,081)	(460,848,495)	523,769,786
Incremental depreciation transferred to retained earnings	-	-	-	(1,501,031)	(1,501,031)	1,501,031	-	-
Net profit for the period	-	-	-	-	-	1,177,263	1,177,263	1,177,263
<b>Balance as at March 31, 2021</b>	984,618,280	6,875,000	(282,788,556)	22,937,112	(252,976,445)	(206,694,787)	(459,671,232)	524,947,048
<b>Balance as at June 30, 2021</b>	984,618,280	6,875,000	(282,788,556)	33,699,487	(242,214,069)	(236,063,981)	(478,278,050)	506,340,230
Incremental depreciation transferred to retained earnings	-	-	-	(2,527,462)	(2,527,462)	2,527,462	-	-
Net profit for the period	-	-	-	-	-	17,125,666	17,125,666	17,125,666
<b>Balance as at March 31, 2022</b>	984,618,280	6,875,000	(282,788,556)	31,172,025	(244,741,531)	(216,410,853)	(461,152,384)	523,465,896

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



Chief Executive



Director



Chief Financial Officer

# Notes to the Condensed Interim Financial Statements

NINE MONTHS PERIOD ENDED MARCH 31, 2022

**1. THE COMPANY AND ITS OPERATIONS**

**1.1** The Company was initially incorporated in Pakistan on March 12, 1990 as a Private Limited Company and was converted into Public Limited Company on December 13, 1993. The Company is listed on Pakistan Stock Exchange. The registered office of the Company is situated at Madina Palace, FCHS, Dhoraji Colony, Karachi.

The Company is mainly engaged in the manufacturing and sale of Jam, Jelly, Syrups, Custard Powder, Pickles, Essence, Juices and Aerated drinks and its allied products."

**2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Statement of compliance**

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting which comprise of International Accounting Standard (IAS) 34 'Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act) and provisions of and directives issued under the Act.

Where the provisions of and directives issued under the Act differ with the requirements of IAS, the provisions of and directives issued under the Act have been followed.

**2.2 Basis of measurement**

These interim financial statements has been prepared under the historical cost convention except for staff retirement benefits that is determined under actuarial valuation annually and land and free-hold improvements and plant and machinery that are stated at revalued amount in accordance with the criteria laid down under International Accounting Standard (IAS) 16 'Property, Plant and Equipment'. These interim financial statements, except statement of cash flow, has been prepared under the accrual basis of accounting.

**2.3 Functional and presentation currency**

These interim financial statements is presented in Pak Rupees, which is the Company's functional and presentation currency.

**3 ACCOUNTING POLICIES**

The accounting policies and method of computation adopted in preparation of these interim financial statements are the same as those applied in preparation of the annual financial statements for the year ended June 30, 2021.

**4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

Judgements and estimates made by the management in the preparation of these condensed interim financial statements are same as those applied to financial statements as at and for the year ended June 30, 2021.

**5. PROPERTY, PLANT AND EQUIPMENT**

Operating Assets - note 5.1  
Capital Work-in-Progress

Unaudited March 31, 2022	Audited June 30, 2021
----- Rupees-----	
312,955,801	333,270,011
22,595,705	22,739,983
<u>335,551,506</u>	<u>356,009,994</u>

# Notes to the Condensed Interim Financial Statements

NINE MONTHS PERIOD ENDED MARCH 31, 2022

		Unaudited March 31, 2022	Audited June 30, 2021
			----- Rupees-----
5.1	Opening book value	333,270,011	337,095,892
	Add: Cost of additions for the period / year	-	14,678,003
	Surplus / (deficit) for the period / year - net	-	11,967,353
	Less: Depreciation charged during the period / year	(20,314,210)	(30,471,237)
		<u>312,955,801</u>	<u>333,270,011</u>

5.2 All the non-current assets of the Company are located in Pakistan.

## 6. STOCK IN TRADE

Raw and packing materials	308,848,520	225,465,466
Finished goods	85,871,898	112,388,732
Provision for slow moving items.	(10,354,721)	(10,354,721)
	<u>384,365,697</u>	<u>327,499,477</u>

## 7. CONTINGENCIES AND COMMITMENTS

### 7.1 Contingencies

7.1.1 Securities and Exchange Commission of Pakistan (SECP) has fined the Company and all the directors for Rupees 0.785 million (June 2021: 0.785 million) under sections 155, 233, & 245 and 74 and 476 respectively of the Companies Act, 2017. No provision has been made in this condensed interim financial information for such penalty. Directors and Company have filed appeal before SECP and expect the favorable outcome.

### 7.2 Commitments

There were no capital or other commitments at the balance sheet date (June 2021: Nil).

## 8. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of shareholders, directors of the Company, employees benefit funds and key management employees and carried out in the normal course of business. There were no other related parties transactions during the period March 31, 2022 (2021: NIL).

## 9. SEASONALITY

The Company's business is subject to seasonal fluctuation, with demand of its product increasing in the summer season and in the month of Ramadan and other events. Therefore, revenues and profits are not necessary indicative of results to be expected for the full year.

## 10. GENERAL

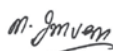
These condensed interim financial statements were approved by the Board of Directors and authorized for issue on April 28, 2022.



Chief Executive



Director



Chief Financial Officer



**If undelivered, please return to:**

**Quice Food Industries Limited**

WS7, Madina Palace, Mezzanine Floor,  
Faran Co-operative Society, Dhoraji Colony,  
Karachi-74800, Pakistan.

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