



# SPREAD THE GOODNESS



**NINE MONTHS  
ACCOUNTS 2022-23**



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# Company Information

## Board of Directors

Mr. Muhammad Atif	Chief Executive Officer
Mr. Muhammad Siraj	Director
Mr. Salman Haroon	Independent Director
Ms. Hina Fayaz	Independent Director
Ms. Saba Irfan	Independent Director
Mr. Muhammad Riaz	Director
Mr. Qazi Muhammad Imran	Director

## Company Secretary

Mr. Iqbal Shahid

## Audit Committee

Mr. Salman Haroon	Chairman
Mr. Muhammad Siraj	Member
Ms. Hina Fayaz	Member

## HR & Remuneration Committee

Mr. Salman Haroon	Chairman
Mr. Muhammad Siraj	Member
Mr. Muhammad Riaz	Member

## Legal Advisor

M/s. Ahmed & Qazi  
Advocates & Legal Consultants

## Bankers

Allied Bank Limited  
Habib Bank Limited  
Meezan Bank Limited  
United Bank Limited  
Bank Al Falah Limited  
MCB Bank Limited  
Habib Metro 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

For the third quarter and nine months ended March 31, 2023

The Directors of Quice Food Industries Limited "the Company" are pleased to submit theun-audited condensed interim financial report and financial information of the Company for third quarter and nine months period ended March 31, 2023.

## Business Performance Overview

By the grace of the Almighty, your Company booked an after-tax profit of PKR, 14.34 million as a result of increase in Sales. Local and exports sales coupled with increase in sales price, to absorb inflationary effect, resulted in revenue of PKR. 642.32 million (March 2022: PKR. 308.36 million). Gross profit has been booked at PKR. 117.32 million (March 2022: 67.58 million). Cost of sales as a percentage of sales 82% as compared to 78% of the corresponding period majorly due to increase in variable costs and increased fixed costs too, which reduced the Gross margin.

## Financial highlights

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

	March' 2023 Rupees "000"	March' 2022 Rupees "000"
Net sales	642,320	308,360
Gross profit	117,032	67,558
Pre-tax-profit	21,716	20,733
After-tax-profit	14,346	17,126

## Future Prospects

Though PKR has substantially devalued as compared to USD and no concrete measures have yet been announced by the Government to rectify the current economic conditions, and there is an uncertainty about political and socio-economic stability in the near future, yet we are hopeful that your company would perform better in the days to come as a result of increase in our products' demand in the foreign and local markets. Further management is committed to keep improving the product quality and to capitalize on the process efficiencies for price control in this hyper inflationary economic environment.

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



Chief Executive



Director

Karachi  
April 29, 2023

# ڈائریکٹرز کی رپورٹ

کوئٹہ فوڈ انڈسٹریز لمیٹڈ کے ڈائریکٹرز "کمپنی" کو 31 مارچ 2023 کو ختم ہونے والی تیسری سہ ماہی اور نو ماہ کی مدت کے لیے غیر آڈٹ شدہ کنڈینسڈ عبوری مالیاتی رپورٹ اور کمپنی کی مالی معلومات جمع کرانے پر خوشی ہے۔

## کاروباری کارکردگی کا جائزہ

اللہ تعالیٰ کے فضل سے، آپ کی کمپنی نے فروخت میں اضافے کے نتیجے میں 14.34 ملین کا بعد از ٹیکس منافع بک کیا۔ مقامی اور برآمدات کی فروخت کے ساتھ ساتھ سیلز کی قیمت میں اضافہ، افراط زر کے اثر کو جذب کرنے کے لیے، جس کے نتیجے میں 642.32 ملین کی آمدنی ہوئی۔ (مارچ 2022: 308.36 ملین)۔ مجموعی منافع 117.32 ملین پر بک کیا گیا ہے۔ (مارچ 2022: 67.58 ملین)۔ اسی مدت کے 78% کے مقابلے میں فروخت کے فیصد کے طور پر فروخت کی لاگت 82% ہے جس کی بڑی وجہ متغیر لاگت میں اضافہ اور مقررہ لاگت میں بھی اضافہ ہے جس سے مجموعی مارجن میں کمی واقع ہوئی ہے۔

## مالی جھلکیاں

مالی کارکردگی کا خلاصہ ذیل میں (گذشتہ سال اسی عرصے کے مقابلے میں):

	2023 Rupees "000"	2022 Rupees "000"
Net sales	642,320	308,360
Gross profit	117,032	67,558
Pre-tax-profit / (loss)	21,716	20,733
After-tax-profit / (loss)	14,346	17,126

## مستقبل کے امکانات

اگرچہ PKR کی قدر USD کے مقابلے میں کافی حد تک کم ہوئی ہے اور حکومت کی جانب سے موجودہ معاشی حالات کو درست کرنے کے لیے ابھی تک کسی ٹھوس اقدامات کا اعلان نہیں کیا گیا ہے، اور مستقبل قریب میں سیاسی اور سماجی و اقتصادی استحکام کے بارے میں غیر یقینی صورتحال ہے، پھر بھی ہمیں امید ہے کہ آپ کی غیر ملکی اور مقامی مارکیٹوں میں ہماری مصنوعات کی مانگ میں اضافے کے نتیجے میں کمپنی آئے والے دنوں میں بہتر کارکردگی کا مظاہرہ کرے گی۔ مزید انتظامیہ مصنوعات کے معیار کو بہتر بنانے اور اس انتہائی افراط زر کے معاشی ماحول میں قیمتوں پر قابو پانے کے لیے عمل کی افادیت سے فائدہ اٹھانے کے لیے پرعزم ہے۔

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

Chief Executive

Karachi  
April 29, 2023

Director

# Condensed Interim Statement of Financial Position (Unaudited)

AS AT MARCH 31, 2023

	Note	Unaudited March 31, 2023	Audited June 30, 2022
----- Rupees -----			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed Assets			
Property Plant and Equipment	5	331,073,833	349,996,280
Long term deposits		1,935,290	1,935,290
		<u>333,009,123</u>	<u>351,931,570</u>
<b>CURRENT ASSETS</b>			
Stores and spares		66,727,392	52,025,060
Stock-in-trade	6	623,690,710	560,624,975
Trade debts		99,168,445	102,587,952
Advances, deposits, prepayments & other receivables		107,057,634	52,626,476
Taxation - net		7,117,482	10,668,583
Cash and bank balances		9,602,402	10,805,222
		<u>913,364,065</u>	<u>789,338,268</u>
<b>TOTAL ASSETS</b>		<u>1,246,373,188</u>	<u>1,141,269,838</u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized share capital</b>			
105,100,000 (30 June 2022: 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 2022 : 98,461,828) ordinary shares of Rs.10 each		984,618,280	984,618,280
Reserves		(235,453,267)	(250,965,685)
Discount on issuance of shares		(282,788,556)	(282,788,556)
Surplus on revaluation of property, plant and equipment		30,745,424	31,911,136
Total equity		<u>497,121,881</u>	<u>482,775,175</u>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Deferred liabilities		8,594,698	7,340,593
Security deposit payables		144,500,000	144,500,000
		<u>153,094,698</u>	<u>151,840,593</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		596,156,609	506,654,070
		<u>596,156,609</u>	<u>506,654,070</u>
<b>Total liabilities</b>		<u>749,251,307</u>	<u>658,494,663</u>
<b>CONTINGENCIES AND COMMITMENTS</b>	7	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1,246,373,188</u>	<u>1,141,269,838</u>

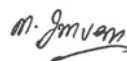
The annexed notes form an integral part of this condensed interim financial information.



Chief Executive



Director



Chief Financial Officer

## Condensed Interim Profit or Loss Account (Unaudited)

NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Quarter ended		Nine months period ended	
	March-31, 2023	March-31, 2022	March-31, 2023	March-31, 2022
----- Rupees -----				
<b>SALES</b>	384,126,487	171,543,888	642,320,229	308,359,625
Cost of Sales	(309,852,517)	(118,741,003)	(525,288,082)	(240,801,342)
<b>GROSS Profit</b>	74,273,970	52,802,885	117,032,147	67,558,283
Distribution Cost	(32,508,588)	(18,561,808)	(67,121,434)	(31,765,600)
Administrative Expenses	(6,848,520)	(6,493,325)	(29,147,792)	(15,714,657)
	(39,357,108)	(25,055,133)	(96,269,226)	(47,480,257)
Operating Profit	34,916,862	27,747,752	20,762,921	20,078,026
Other Operating Income	340,423	412,841	1,070,485	720,363
	35,257,285	28,160,593	21,833,406	20,798,389
Finance Cost	(39,657)	(30,980)	(116,521)	(65,123)
<b>Profit BEFORE TAXATION</b>	35,217,628	28,129,613	21,716,885	20,733,266
Taxation	(4,513,156)	(2,012,590)	(7,370,179)	(3,607,600)
<b>Profit AFTER TAXATION</b>	30,704,472	26,117,023	14,346,706	17,125,666
<b>EARNING PER SHARE</b>	0.31	0.27	0.15	0.17

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



Chief Executive



Director



Chief Financial Officer



# Condensed Interim Statement of Comprehensive Income (Unaudited)

NINE MONTHS PERIOD ENDED MARCH 31, 2023

	<u>Quarter ended</u>		<u>Nine months period ended</u>	
	<u>March-31, 2023</u>	<u>March-31, 2022</u>	<u>March-31, 2023</u>	<u>March-31, 2022</u>
	----- Rupees -----			
<b>LOSS AFTER TAXATION</b>	14,346,706	17,125,666	30,704,472	26,117,023
Other comprehensive income that cannot be classified through profit and loss	-	-	-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>	<u>14,346,706</u>	<u>17,125,666</u>	<u>30,704,472</u>	<u>26,117,023</u>

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



Chief Executive



Director



Chief Financial Officer

# Condensed Interim Cash Flow Statement (Unaudited)

NINE MONTHS PERIOD ENDED MARCH 31, 2023

	Nine months ended	
	March 31, 2023	March 31, 2022
	----- Rupees -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	21,716,885	20,733,266
<b>Adjustment for non cash items:</b>		
Depreciation	19,699,245	20,314,210
Provision for gratuity	1,254,105	1,200,000
	<u>20,953,350</u>	<u>21,514,210</u>
<b>Net cash from operations before working capital changes</b>	42,670,235	42,247,476
<b>Working capital changes</b>		
(Increase) / decrease in current assets		
Stores and spares	(14,702,332)	(26,680,431)
Stock-in-trade	(63,065,735)	(56,866,220)
Trade debts	3,419,507	(12,258,355)
Advances, deposits, prepayments & other receivables	(54,431,158)	7,625,904
	<u>(128,779,718)</u>	<u>(88,179,102)</u>
Increase / (decrease) in current liabilities		
Trade and other payables	89,502,539	47,532,868
<b>Net working capital changes</b>	<u>(39,277,179)</u>	<u>(40,646,235)</u>
Income tax paid	(3,819,078)	(1,121,215)
<b>Net cash flow from operating activities</b>	<u>(426,022)</u>	<u>480,026</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment	(776,798)	144,278
<b>Net cash used in investing activities</b>	<u>(776,798)</u>	<u>144,278</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Security deposit receivable	-	(337,060)
<b>Net cash flow from financing activities</b>	<u>-</u>	<u>(337,060)</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(1,202,820)</u>	<u>287,244</u>
<b>Cash and cash equivalents at the beginning of the period</b>	10,805,222	2,092,425
<b>Cash and cash equivalents at the end of the period</b>	<u>9,602,402</u>	<u>2,379,670</u>


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



Chief Executive



Director



Chief Financial Officer

## Condensed Interim Statement of Changes in Equity (Unaudited)

NINE MONTHS PERIOD ENDED MARCH 31, 2023

PARTICULARS	SHARE CAPITAL	RESERVE				TOTAL	SHAR-HOLDERS' EQUITY	
		Premium on issue of share capital	Discount on issue of share capital	Surplus on revaluation of PPE	Subtotal			Accumulated loss
----- Rupees -----								
<b>Balance as at June 30, 2021 - Audited</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 loss for the period ended	-	-	-	-	-	17,125,666	17,125,666	17,125,666
<b>Balance as at March 31, 2022</b>	<u>984,618,280</u>	<u>6,875,000</u>	<u>(282,788,556)</u>	<u>31,172,025</u>	<u>(244,741,531)</u>	<u>(216,410,853)</u>	<u>(461,152,384)</u>	<u>523,465,896</u>
<b>Balance as at June 30, 2022</b>	984,618,280	6,875,000	(282,788,556)	31,911,136	(244,002,420)	(257,840,685)	(501,843,105)	482,775,175
Incremental depreciation transferred to retained earnings	-	-	-	(1,165,712)	(1,165,712)	1,165,712	-	-
Net loss for the period ended	-	-	-	-	-	14,346,706	14,346,706	14,346,706
<b>Balance as at March 31, 2023</b>	<u>984,618,280</u>	<u>6,875,000</u>	<u>(282,788,556)</u>	<u>30,745,424</u>	<u>(245,168,132)</u>	<u>(242,328,267)</u>	<u>(487,496,399)</u>	<u>497,121,881</u>

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



Chief Executive



Director



Chief Financial Officer

# Notes to the Condensed Interim Financial Statements

NINE MONTHS PERIOD ENDED MARCH 31, 2023

## 1. THE COMPANY AND ITS OPERATIONS

1.1 The Company was incorporated in Pakistan on 12 March 1990 as a Private Limited Company and was converted into Public Limited Company on 13 December 1993. The Company was listed on Karachi and Islamabad Stock Exchange(s) on 02 August 1994 and on 18 July 1995 respectively. Its registered office has been transferred to Karachi with effect from 15 November 2011. Principal activities of the Company are manufacturing and sale of Jam, Jelly, Syrups, Custard powder, Pickles, Essence, Juices and Aerated drinks and its Allied Products. Currently, the Company operates its units in SWAT and HUB. The principle office of the company is situated at WS7, Madina Palace, Mezzanine Floor, Faran Co-operative Society, Dhoraji Colony, Karachi, Pakistan.

## 2. BASIS OF PREPARATION

### 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. The accounting and reporting standards applicable in Pakistan for interim financial reporting 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; and
- Provision of and directives issued under the Companies Act, 2017.

Where the provision of and directives issues under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

### 2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except for staff retirement benefits that is determined under actuarial valuation annually and Land, building improvements and plant and machinery which are stated at revalued amount in accordance with the criteria laid down under International Accounting Standard (IAS) 16 'Property, Plant and Equipment'.

These condensed interim financial statements, except for cash flow information, have been prepared under the accrual basis of accounting.

### 2.3 Functional and presentation currency

These condensed interim financial statements is presented in Pakistan Rupees, which is the Company's functional currency. All financial information presented in Pakistan Rupees has been rounded to the nearest thousand of Rupees.

## 3. ACCOUNTING POLICIES

The accounting policies and method of computation adopted in preparation of this interim financial information are the same as those applied in preparation of the annual financial statements of the Company for the year ended 30 June 2022.

## 4. ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

Estimates, judgments and risk management objectives and policies are consistent with that disclosed in the audited financial statements for the year ended 30 June 2022.

# Notes to the Condensed Interim Financial Statements

NINE MONTHS PERIOD ENDED MARCH 31, 2023

	<b>Unaudited March 31, 2023</b>	<b>Audited June 30, 2022</b>
	----- Rupees-----	
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating Assets - note 5.1	288,406,283	307,328,730
Capital Work-in-Progress	42,667,550	42,667,550
	<u>331,073,833</u>	<u>349,996,280</u>
<b>5.1</b>		
Opening book value	307,328,730	333,270,011
Add: Cost of additions during the period / year	776,798	3,068,100
Less: Depreciation charged during the period / year	(19,699,245)	(29,009,381)
Disposal during the period / year	-	-
	<u>(19,699,245)</u>	<u>(29,009,381)</u>
	<u>288,406,283</u>	<u>307,328,730</u>

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

	<b>Unaudited March 31, 2023</b>	<b>Audited June 30, 2022</b>
	----- Rupees-----	
<b>6. STOCK IN TRADE</b>		
Raw and packing materials	414,581,099	356,795,488
Finished goods	224,464,370	219,184,246
Provision for slow moving items	(15,354,759)	(15,354,759)
	<u>623,690,710</u>	<u>560,624,975</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 2022: 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 2022: 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, 2023.

# Notes to the Condensed Interim Financial Statements

NINE MONTHS PERIOD ENDED MARCH 31, 2023

## 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

This condensed interim financial statements was approved by the Board of Directors and authorized for issue on April 29, 2023.



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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