

Naturally Refreshing



Annual Report 2023

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Corporate 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

Habib Bank Limited
Meezan Bank Limited
United Bank Limited
Bank Al Falah Limited
Muslim Commercial Bank
Habib Metropolitan Bank

Auditors

M/s. Aslam Malik & Co.
Chartered Accountants,

Share Registrar

M/s. F.D. Registrar Services 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



BUSINESS PROFILE

Successfully established it-self as a prominent name in Food & Beverages Sector. The Company was established on 12 March 1990 as a private Limited Company.



Vision

We aim to offer high quality Jam, Jelly, Syrups, Custard Powder, Pickles, Essence, Juices and Aerated drinks and its Allied Products both in Pakistan and abroad by continuously improving our products quality by keeping the most technologically advanced production machinery.

Mission

We strive to achieve market leadership through technological edge, distinguished by quality and customer satisfaction, and emphasis on employees' long-term welfare and ensure adequate return to shareholders.

We further wish to contribute to the development of the economy and the country through harmonized endeavor.

CORE VALUES



Commitment & Determination

Keep pursuing our goals even in the toughest times of adversity

Teamwork

Cooperate and work together for the common good of the people we serve and the organization's mission



Leadership

Create a vision, inspire others and advance the priorities and mission of the organization

Passion For Service

Always understand we are here for the customer, show them service and passion so their experience leaves them feeling better than when they came through the door



Perseverance

Pushing through to the end

Integrity

Respect customer and co-worker privacy, take pride in every transaction, be fair, honest and knowledgeable while building trust in each and every situation



Stewardship

Use all resources efficiently and effectively in order to further the organization's mission to serve people

Code of Ethics & Business Practices

Quice Food Industries Limited (the Company) conducts its operations with strong ethical and moral standards consideration complying with statutory regulations and accepted standards of good corporate citizen. This policy applies to all directors and employees of the Company. The Company's core values are leadership, innovation, value, integrity, people and teamwork. It is towards the end of fostering these core values in the corporate culture that the Company has adopted this Code of Ethics and Business Practices (the Code).

The Code implies as follows:

- 1 The directors and employees of the Company seek to protect the Company's assets. The Company's assets and services are used solely for legitimate business purposes of the Company. The use of Company's funds for political contributions to any organization or to any candidate for public office is prohibited.
- 2 The directors and employees adhere in letter and spirit to all laws and conform to the accepted standards of good corporate governance and avoid conflict of interest. The conflict of interest, if any must be notified to the Company in writing immediately.
- 3 The Company respects the interests of all the stakeholders and enters into transparent and fairly negotiated contracts.
- 4 The Company is an equal opportunity employer.
- 5 The directors and employees reject corruption in all forms direct, indirect, public or private and do not directly or indirectly engage in bribery, kick-backs, payoffs, or any other corrupt business practices.
- 6 The Company respects the privacy of data relating to individual persons (whether employees or third parties) which it may hold or handle as part of its information processing activities or otherwise. Employees maintain confidentiality of the Company's and its customers' confidential information which is disclosed to them.
- 7 The directors and employees shall not place themselves in a position where their loyalty to the Company becomes divided for any reason including their direct or indirect financial interest in a competitor, supplier, and consultant of customer.
- 8 The directors and employees may not take advantage of the Company information or property, or their position with the Company, to develop inappropriate personal gains or opportunities. They may, however, receive gifts of token value or accept invitations only if such gifts or invitations have no influence on their decision making and are as per Company policy.
- 9 Employees may offer tips, gratuity or hospitality of a customary amount or value for routine services or courtesies received as per Company policy.

All directors and employees of the Company are responsible for the continuing enforcement of and compliance with this policy, including necessary distribution to ensure employee knowledge and compliance. Non-compliance with this policy will result in disciplinary action.

CHAIRMAN'S REVIEW REPORT

Dear Shareholders,

I am pleased to address you on behalf of the Board of Directors ("the Board") of Quice Foods Industries Limited. I extend my heartfelt appreciation to each and every one of you for your enduring support.

The Board of Directors comprises of individuals with diversified knowledge who endeavor to contribute towards the aim of the Company with the best of their abilities.

Financial year 2022-23, was a challenging year during which we had to deal with the geopolitical tensions, high rate of inflation, substantial increase in discount rates coupled with restrictions imposed by the State Bank of Pakistan to deal with Current Account deficit which all contributed in curtailment of economic activities.

The Company has posted a loss after tax of Rs. 12.329 million against 24.040 million last year, which is 51.3% reduction when compared with last year and this is primarily attributable to increase in sales (local and export)

Going forward, the Company will continue to explore new product offerings remaining firmly committed to consumer centricity and innovation. We believe that there are niche markets and your Company is well positioned to deliver on future opportunities that exists in local and international markets.

I would like to convey my thanks to all our staff members for their dedication and hard work, to our business partners and shareholders for their trust and confidence in the Company. I am also grateful to the Board members for their support and commitment.



Chairman
Karachi, 02 October, 2023

چیئرمین کی جائزہ رپورٹ

پیارے شیئر ہولڈرز،

مجھے کونسل فوڈ انڈسٹریز لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز ("بورڈ") کی جانب سے آپ کو مخاطب کرتے ہوئے خوشی ہو رہی ہے۔ میں آپ میں سے ہر ایک کو آپ کے پائیدار تعاون کے لیے دل کی گہرائیوں سے خراج تحسین پیش کرتا ہوں۔

بورڈ آف ڈائریکٹرز متنوع علم کے حامل افراد پر مشتمل ہے جو اپنی بہترین صلاحیتوں کے ساتھ کمپنی کے مقصد میں حصہ ڈالنے کی کوشش کرتے ہیں۔

مالی سال 2022-23، ایک مشکل سال تھا جس کے دوران ہمیں جغرافیائی سیاسی تناؤ، افراط زر کی بلند شرح، رعایتی شرحوں میں خاطر خواہ اضافے کے ساتھ ساتھ کرنٹ اکاؤنٹ خسارے سے نمٹنے کے لیے اسٹیٹ بینک آف پاکستان کی طرف سے عائد کردہ پابندیوں سے نمٹنا پڑا جس میں سب نے اپنا حصہ ڈالا۔ معاشی سرگرمیوں کو کم کرنے میں

کمپنی نے ٹیکس کے بعد روپے کا خسارہ کیا ہے۔ پچھلے سال کے 24.040 ملین کے مقابلے میں 12.329 ملین، جو گزشتہ سال کے مقابلے میں 51.3% فیصد کمی ہے اور یہ بنیادی طور پر سیلز (مقامی اور برآمدات) میں اضافے سے منسوب ہے۔

آگے بڑھتے ہوئے، کمپنی صارفین کی مرکزیت اور اختراع کے لیے مضبوطی سے پرعزم رہتے ہوئے نئی مصنوعات کی پیشکشوں کی تلاش جاری رکھے گی۔ ہمیں یقین ہے کہ یہاں خاص مارکیٹیں ہیں اور آپ کی کمپنی مقامی اور بین الاقوامی مارکیٹوں میں موجود مستقبل کے مواقع فراہم کرنے کے

میں اپنے تمام عملے کے اراکین کا ان کی لگن اور محنت کے لیے، ہمارے کاروباری شراکت داروں اور شیئر ہولڈرز کا کمپنی پر اعتماد اور اعتماد کے لیے شکریہ ادا کرنا چاہتا ہوں۔ میں بورڈ ممبران کی حمایت اور عزم کے لیے ان کا بھی مشکور ہوں۔



چیئرمین

کراچی 02 اکتوبر 2023

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of the Quice Food Industries Limited (the "Company") are pleased to submit the Annual Report along with audited financial statements of Your Company for the year ended June 30, 2023.

FINANCIAL PERFORMANE DURING THE YEAR

Description	June 30, 2023	June 30, 2022
	Rupees in `000'	
Sales - Net	838,449	532,238
Gross profit	123,883	58,123
Depreciation	28,199	29,009
Loss before taxation	(4,528)	(17,916)
Loss after taxation	(12,329)	(24,040)
Retained earnings	(542,053)	(533,074)

The company made Sales-Net of Rs. 838.45 million for the year against 532.238 million in previous year. An increase of 57.53%, which is mainly due to tremendous growth during the year in export sales and strong portfolio of the brand and driven by cost-push increase in local sale price.

The Company could not fully exploit/materialize growth in the bottom-line due to extraordinary increase in input cost, minimum wage and freight charges.

Further, the unprecedented depreciation in national currency and increase in discount rate in 2023 have led to significant rise in cost of doing business in Pakistan, and thereby it is affecting profit margins of the Company.

While Earnings per share for 2023 is Re. (0.125) as compared to Re. (0.244) in year 2022.

OUR POPULACE

We believe that the way towards an upward graph and reduction in losses is to grow our people and shareholders enabling personal development and ambitious business results. This Investment in our people is what set us apart in the industry and drives us towards our goals with the right people on board.

SUPPLY CHAIN MANAGEMENT (SCM)

SCM, is one of the key functions that not only ensures improvement of operational efficiencies but is also closely aligned with overall Company success.

The SCM team remains focused and vigilant at keeping the costs to the minimum and pledge to provide unconditional support to all its partners for successfully achieving the targets set by the management and also strengthening its relationship with its suppliers, despite extraordinary increase in costs of raw and packing materials utilities and other operational costs.

INFORMATION TECHNOLOGY

A well-defined Information Technology Policy is place to help achieve efficient and effective use of I.T resources for the Company so as to establish priorities, strategy delivery, increase productivity and deliver right services to users. The I.T Steering Committee comprising of CEO, COO, CFO and Head of Departments who are responsible for taking major I.T decisions.

The I.T Head is responsible for ensuring communication of I.T security policies to all users of the Company. The Policy on Information Technology is focused upon information security, human resource security, access control, information system acquisition development and maintenance, business continuity management, incident management, website and ERP.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

At Quice, we take CSR seriously and are fully committed to advancing our policies and systems across the Company to ensure that we address and meticulously monitor all spheres of CSR that are relevant to our business.

The Board takes ultimate responsibility for CSR and is fully committed to develop and implement appropriate polices across the Company.

PROTECTION OF THE ENVIRONMENT

The Company's dedication and commitment towards protecting the environment is evident from its safe operation. To fulfil our undertaking the Company's policy is to meet or exceed all applicable governmental requirements, regulations and standards. Any Violations of environmental laws, even if unintentional, employees must report to their superior and requisite action /remedy is taken to un do or mitigate its impact on environment.

DIRECTORS' REMUNERATION PACKAGE

As per Policy of Director's Remuneration, the Board of Directors shall, from time to time, fix remuneration of the Directors including Chief Executive Officer and Executives after its due process of appraisal against approved key performance indicators.

AUDITORS

The retiring auditors' M/s Aslam Malik & Co. Chartered Accountants, being eligible, offered themselves for re-appointment. The Audit Committee has recommended their re-appointment as auditors of the Company for the year 2023-24.

INTERNAL FINANCIAL CONTROLS

Internal financial controls of the Company have been formulated and implemented by the Board of Directors through various policies. We have developed effective policies and procedures over period of time in all areas of our activities. These controls are also periodically monitored by the Internal Audit Function.

PATTERN OF SHAREHOLDING

The pattern of shareholding as of June 30, 2023, is annexed with the Annual Report.

DIVIDENDS

Keeping in view the cash flow requirements for growing business of the Company under the prevailing economic situation, the Board of Directors has not announced any cash dividend for the year ended June 30, 2023. Future prospects of dividend are dependent on future economic conditions.

COMMITTEES OF THE BOARD

The Board has constituted two sub committees namely Audit Committee and Human Resource & Remuneration Committee. The role and responsibilities of the Committees are clearly defined in their respective Terms of Reference.

The composition of both these committees are disclosed as follows:

[Audit Committee](#)

Mr. Salman Haroon (Chairman)
Mr. Muhammad Siraj (Member)
Ms. Hina Faiyaz (Member)

[Human and Remuneration \(HR&R\) Committee](#)

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

DETAIL OF BOARD AND ITS COMMITTEE MEETINGS

During the year under review, Four Board of Directors Meetings, Four Audit

Name of Director	Number of Meeting Attended		
	Board Meeting	Audit Committee	Human Resource & Remuneration
Mr. Muhammad Atif	4	N/A	N/A
Mr. Muhammad Siraj	4	4	1
Mr. Qazi Muhammad	4	N/A	N/A
Mr. Salman Haroon	4	4	1
Mr. Muhammad Riaz	4	N/A	1
Ms. Hina Faiyaz	4	4	N/A
Ms. Saba Irfan *	4	N/A	N/A

*** Mr. Amir Altaf (Director) resigned from the office in the month of September 2022 and Ms. Saba Irfan coopted the office as independent**

STATEMENT ON CORPORATE AND FINANCIAL REPORTING FRAMEWORK

Living up to its standards, the Board of Directors has, throughout the year

- 1.The Financial Statements, prepared by the management of the Company, present fairly Its State of Affairs, the Result of its Operations, Cash Flows and Changes in Equity.
2. Proper books of accounts of the Company have been maintained.
3. Appropriate accounting policies have been consistently applied in the preparation of the Financial Statements and accounting estimates are based on reasonable and prudent judgment.
4. International Accounting Standards, as applicable in Pakistan. have been followed in preparation of Financial Statements and any departure there from has been adequately disclosed.
- 5.The system of internal control is sound in design and has been effectively implemented and monitored.
- 6 There are no significant doubts upon the Company's ability to continue as a Going Concern.
- 7.There has been no material departure from the best practices of Corporate Governance, as detailed in the Code of Corporate Governance Regulations, 2019.
- 8.Information about taxes and levies is given in the notes to the financial statements.
- 9.There were no related parties' transactions during the year except those disclosed in the notes to the Financial Statements.
- 10.The Company operates unfunded Gratuity Scheme for its eligible employees. The carrying value of the liability as at June 30, 2023 was Rs. 9.326million.

FUTURE OUTLOOK

Despite the foregoing, under the Board's leadership, the Management of your Company is making all efforts to steer the organization in the right direction. As per our strategy, we will maintain operational excellence and will continue to provide reliable, high-quality products to our esteemed consumers. Your Company remains focused on sustaining innovations through strong design and capitalizing on strong brand equity, while also making concerted efforts to improve performance through efficiency and effective cost control initiative. However, with rising cost pressures, maintaining market share as well as ensuring reasonable margins will be a challenge.

ACKNOWLEDGEMENTS

The Board of Directors of the Company would like to thank Shareholders, our valued consumer, suppliers who have been associated with the Company for their continuing support and cooperation. The Board of Directors would also like to acknowledge the hard work put in by all the employees of the Company.

FOR AND ON BEHALF OF



Chief Executive



Director

Karachi: 02 October, 2023

شیئر ہولڈرز کو ڈائریکٹرز کی رپورٹ

کوئٹس فوڈ انڈسٹریز لمیٹڈ ("کمپنی") کے ڈائریکٹرز 30 جون 2023 کو ختم ہونے والے سال کے لیے آپ کی کمپنی کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ سالانہ رپورٹ جمع کرانے پر خوش ہیں۔

کمپنی نے روپے کا سبیلز نیٹ بنایا پچھلے سال کے 532.238 ملین کے مقابلے سال کے لیے 838.45 ملین۔ 57.53 فیصد کا اضافہ، جس کی بنیادی وجہ برآمدی فروخت میں سال کے دوران زبردست نمو اور برانڈ کے مضبوط پورٹ فولیو اور مقامی فروخت کی قیمت میں لاگت میں اضافے کی وجہ سے ہے۔

کمپنی ان پٹ لاگت، کم از کم اجرت اور فریٹ چارجز میں غیر معمولی اضافے کی وجہ سے نچلی سطح پر ترقی کو مکمل طور پر استعمال/مٹیریلانز نہیں کر سکی۔

مزید برآں، قومی کرنسی میں غیر معمولی گراؤ اور 2023 میں ڈسکاؤنٹ ریٹ میں اضافے نے پاکستان میں کاروبار کرنے کی لاگت میں نمایاں اضافہ کیا ہے، اور اس طرح یہ کمپنی کے منافع کے مارجن کو متاثر کر رہا ہے۔

جبکہ 2023 کے لیے فی حصص آمدنی Re ہے۔ (0.125) ری کے مقابلے میں۔ (0.244) سال 2022 میں۔

ہماری آبادی

ہم سمجھتے ہیں کہ اوپر کی طرف گراف اور نقصانات میں کمی کا راستہ یہ ہے کہ ہم اپنے لوگوں اور شیئر ہولڈرز کو بڑھا کر ذاتی ترقی اور پرجوش کاروباری نتائج حاصل کر سکیں۔ ہمارے لوگوں میں یہ سرمایہ کاری ہمیں صنعت میں الگ کرتی ہے اور ہمیں صحیح لوگوں کے ساتھ ہمارے مقاصد کی طرف لے جاتی ہے۔

سپلائی چین مینجمنٹ (SCM)

ایس سی ایم، ان کلیدی افعال میں سے ایک ہے جو نہ صرف آپریشنل افادیت میں بہتری کو یقینی بناتا ہے بلکہ کمپنی کی مجموعی کامیابی کے ساتھ بھی ہم آہنگ ہے۔

ایس سی ایم ٹیم لاگت کو کم سے کم رکھنے پر مرکوز اور چوکس رہتی ہے اور خام اور خام مال کی قیمتوں میں غیر معمولی اضافے کے باوجود انتظامیہ کے مقرر کردہ اہداف کو کامیابی سے حاصل کرنے اور اپنے سپلائرز کے ساتھ اپنے تعلقات کو مضبوط کرنے کے لیے اپنے تمام شراکت داروں کو غیر مشروط تعاون فراہم کرنے کا عہد کرتی ہے۔ پیکنگ مواد کی افادیت اور دیگر آپریشنل اخراجات۔

انفارمیشن ٹیکنالوجی

ایک اچھی طرح سے متعین انفارمیشن ٹیکنالوجی پالیسی کمپنی کے لیے آئی ٹی وسائل کے موثر اور موثر استعمال کو حاصل کرنے میں مدد کرنے کے لیے ہے تاکہ ترجیحات، حکمت عملی کی فراہمی، پیداواری صلاحیت میں اضافہ اور صارفین کو صحیح خدمات فراہم کی جا سکیں۔ آئی ٹی اسٹریٹجی کمیٹی جس میں سی ای او، سی او او، سی ایف او اور ہیڈ آف ڈیپارٹمنٹس شامل ہیں جو اہم آئی ٹی فیصلے لینے کے ذمہ دار ہیں۔

I.T ہیڈ کمپنی کے تمام صارفین تک I.T سیکورٹی پالیسیوں کی بات چیت کو یقینی بنانے کا ذمہ دار ہے۔ انفارمیشن ٹیکنالوجی کی پالیسی انفارمیشن سیکورٹی، انسانی وسائل کی حفاظت، رسائی کنٹرول، معلوماتی نظام کے حصول کی ترقی اور دیکھ بھال، کاروباری تسلسل کے انتظام، واقعہ کے انتظام، ویب سائٹ اور ERP پر مرکوز ہے۔

کارپوریٹ سماجی ذمہ داری (CSR)

کوئٹس میں، ہم CSR کو سنجیدگی سے لیتے ہیں اور پوری کمپنی میں اپنی پالیسیوں اور سسٹمز کو آگے بڑھانے کے لیے پوری طرح پرعزم ہیں تاکہ یہ یقینی بنایا جا سکے کہ ہم CSR کے تمام شعبوں پر توجہ دیں اور ان کی نگرانی کریں جو ہمارے کاروبار سے متعلقہ ہیں۔

بورڈ CSR کی حتمی ذمہ داری لیتا ہے اور پوری کمپنی میں مناسب پالیسیوں کو تیار کرنے اور لاگو کرنے کے لیے پوری طرح پرعزم ہے۔

ماحولیات کا تحفظ

ماحول کے تحفظ کے لیے کمپنی کی لگن اور عزم اس کے محفوظ آپریشن سے عیاں ہے۔ اپنی ذمہ داری کو پورا کرنے کے لیے کمپنی کی پالیسی تمام قابل اطلاق

ڈائریکٹرز کا معاوضہ پیکج

ڈائریکٹر کے معاوضے کی پالیسی کے مطابق، بورڈ آف ڈائریکٹرز، وقتاً فوقتاً، منظور شدہ کلیدی کارکردگی کے اشاریوں کے خلاف جائزے کے اپنے مناسب عمل کے بعد

آڈیٹرز

ریٹائر ہونے والے آڈیٹرز میسرز اسلم ملک اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے اہل ہوتے ہوئے خود کو دوبارہ تقرری کے لیے پیش کیا۔ آڈٹ کمیٹی نے سال 2023-24 کے

اندرونی مالیاتی کنٹرول

کمپنی کے اندرونی مالیاتی کنٹرول بورڈ آف ڈائریکٹرز نے مختلف پالیسیوں کے ذریعے وضع کیے اور نافذ کیے ہیں۔ ہم نے اپنی سرگرمیوں کے تمام شعبوں میں وقت کے

شیئر ہولڈنگ کا پیٹرن

30 جون 2023 تک شیئر ہولڈنگ کا پیٹرن سالانہ رپورٹ کے ساتھ منسلک ہے۔

منافع

موجودہ معاشی صورتحال کے تحت کمپنی کے بڑھتے ہوئے کاروبار کے لیے کیش فلو کی ضروریات کو مدنظر رکھتے ہوئے، بورڈ آف ڈائریکٹرز نے 30 جون 2023 کو

بورڈ کی کمیٹیاں

بورڈ نے آڈٹ کمیٹی اور ہیومن ریسورس اینڈ ریمونریشن کمیٹی کے نام دو ذیلی کمیٹیاں تشکیل دی ہیں۔ کمیٹیوں کے کردار اور ذمہ داریوں کو ان کے متعلقہ شرائط

ان دونوں کمیٹیوں کی تشکیل مندرجہ ذیل ہے:

حساب کتاب کا گروہ یا لوگ

جناب سلمان ہارون (چیئرمین)
جناب محمد سراج (ممبر)
محترمہ حنا فیاض (ممبر)

انسانی اور معاوضہ (HR&R) کمیٹی

جناب سلمان ہارون (چیئرمین)
جناب محمد سراج (ممبر)
جناب محمد ریاض (ممبر)

بورڈ اور اس کی کمیٹی کے اجلاسوں کی تفصیل

زیر نظر سال کے دوران، چار بورڈ آف ڈائریکٹرز کے اجلاس، چار آڈٹ کمیٹی کے اجلاس اور ایک ہیومن ریسورس اینڈ ریمونریشن کمیٹی کا اجلاس

میٹنگ میں شرکت کی تعداد			ڈائریکٹر کا نام
انسانی وسائل اور معاوضہ کمیٹی	حساب کتاب کا گروہ یا لوگ	بورڈ کے اجلاس	
N/A	N/A	4	جناب محمد عاطف
1	4	4	جناب محمد سراج
N/A	N/A	4	جناب قاضی محمد عمران
1	4	4	سلمان ہارون صاحب
1	N/A	4	جناب محمد ریاض
N/A	4	4	محترمہ حنا فیاض
N/A	N/A	4	محترمہ صبا عرفان*

*جناب عامر الطاف (ڈائریکٹر) نے ستمبر 2022 کے مہینے میں اپنے عہدے سے استعفیٰ دے دیا اور محترمہ صبا عرفان نے آزاد ڈائریکٹر کے طور پر

کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک پر بیان

- اپنے معیارات کے مطابق رہتے ہوئے، بورڈ آف ڈائریکٹرز نے، سال 2022-23 کے دوران، CCG، PSX اور دیگر ریگولیٹرز یعنی SECP کی فہرست سازی کی ضروریات
- کمیٹی کی انتظامیہ کی طرف سے تیار کردہ مالیاتی بیانات، اس کی حالت، اس کے کاموں کے نتائج، کیش فلو اور ایکویٹی میں ہونے والی تبدیلیوں کو منصفانہ طور
- کمیٹی کے اکاؤنٹس کی مناسب کتابیں برقرار رکھی گئی ہیں۔
- مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- بین الاقوامی اکاؤنٹنگ معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے۔ مالی بیانات کی تیاری میں اس کی پیروی کی گئی ہے اور وہاں سے کسی بھی روانگی کا مناسب
- اندرونی کنٹرول کا نظام ڈیزائن میں درست ہے اور اسے مؤثر طریقے سے لاگو کیا گیا ہے اور اس کی نگرانی کی گئی ہے۔
- کمیٹی کی گورننگ کنسرن کے طور پر جاری رکھنے کی صلاحیت پر کوئی خاص شک نہیں ہے۔
- کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی خارج نہیں ہوا، جیسا کہ کوڈ آف کارپوریٹ گورننس ریگولیشنز، 2019 میں تفصیل سے بتایا گیا ہے۔
- ٹیکس اور لیویز کے بارے میں معلومات مالیاتی گوشواروں کے نوٹوں میں ظاہر کیے گئے تھے۔
- سال کے دوران کوئی متعلقہ فریقوں کا لین دین نہیں ہوا سوائے ان کے جو مالیاتی گوشواروں کے نوٹوں میں ظاہر کیے گئے تھے۔
- کمیٹی اپنے اہل ملازمین کے لیے بغیر فنڈڈ گریجویٹی اسکیم چلاتی ہے۔ 30 جون 2023 تک ذمہ داری کی لے جانے والی قیمت روپے تھی۔ 9.326 ملین

مستقبل کا آؤٹ لک

مذکورہ بالا کے باوجود، بورڈ کی قیادت میں، آپ کی کمیٹی کی انتظامیہ تنظیم کو صحیح سمت میں لے جانے کی تمام کوششیں کر رہی ہے۔ اپنی حکمت عملی کے

اعترافات

کمیٹی کا بورڈ آف ڈائریکٹرز شیئر ہولڈرز، ہمارے قابل قدر صارفین، سپلائرز کا شکریہ ادا کرنا چاہتا ہے جو کمیٹی کے ساتھ مسلسل تعاون اور تعاون کے لیے

بورڈ آف ڈائریکٹرز کے لیے اور اس کی جانب



ڈائریکٹر



چیف ایگزیکٹو

Financial Highlights

Financial position (Rs in million)	2023	2022	2021	2020	2019	2018
Assets Employed						
Property, plant and equipment						
Operating assets	318.174	307.329	333.270	337.096	297.736	227.946
Capital work in progress	4.399	42.668	22.740	19.593	55.876	174.368
	322.573	349.966	356.01	356.689	353.612	402.314
Long term deposits	1.935	1.935	1.935	1.869	1.819	1.819
Current assets	1081.074	789.338	419.107	377.951	387.361	357.715
Total Assets	1,405.582	1,141,270	777.052	736.509	742.792	761.848

Financed by						
Shareholders' Equity	471.338	482.775	506.340	523.770	562.318	594.636
Long term deposits and deferred liabilities	155.631	151.841	51.013	50.497	61.203	11.831
Current liabilities	778.612	506.654	219.6984	162.242	119.271	155.381
Total Funds Invested	1,405.582	1,141,270	777.051	736.509	742.792	761.848

Turnover & Profit						
Turnover - net	838.449	532.239	237.675	186.688	116.775	127.472
Gross profit	123.883	58.153	20.148	12.933	11.454	8.781
Operating loss	(78.160)	(18.713)	(28.420)	(38.695)	(43.981)	(41.947)
(Loss)/profit before taxation	(41.27)	(17,916)	(25.681)	(37.248)	(42.994)	(41.182)
(Loss)/profit after taxation	(12.329)	(24.040)	(29.372)	(39.444)	(51.056)	(40.107)
(Loss)/earning per share (Rupees)	(0.125)	(0.244)	(0.298)	(0.401)	(0.380)	(0.439)

Cash Flow Summary						
Net Cash from Operating Activities	(6.850)	(68.290)	7.329	36.635	(81.888)	8.281
Net Cash used in Investing Activities	(0.760)	(22.996)	(11.361)	(28.980)	34.118	(7.026)
Net Cash Outflow from Financing Activities	-	100.000	(1.066)	(11.150)	56.600	-
(Decrease) /Increase in Cash and Bank Balance	(7.662)	8.713	(5.098)	(3.495)	8.830	1.255
Cash and Bank Balance at beginning of the Year	10.805	2.092	7.191	10.686	1.856	0.601
Cash and Bank Balance at end of the Year	3.143	10.805	2.092	7.191	10.686	1.856

Analysis Horizontal & Vertical

Rs in million	2023	2022	2021	2020	2019	2018
Non current assets	324.508	351.932	357.945	358.558	355.431	404.133
Current assets	1081.074	789.338	419.107	377.951	387.361	357.715
Total Assets	1,405.582	1,141,270	777.052	736.509	742.792	761.848
Shareholders' Equity	471.338	482.775	506.340	523.77	547.398	593.576
Non current liabilities	155.631	151.841	51.013	50.497	76.124	12.891
Current liabilities	778.612	506.654	219.698	162.242	119.27	155.381
Total Equity & Liabilities	1,405.582	1,141,270	777.051	736.509	742.792	761.848
Vertical Analysis - %age	2023	2022	2021	2020	2019	2018
Non current assets	23.09	30.84	46.06	48.68	47.85	53.05
Current assets	76.91	69.16	53.94	51.32	52.15	46.95
Total Assets	100.00	100.00	100.00	100.00	100.00	100.00
Shareholders' Equity	33.53	42.30	65.16	71.12	73.69	77.91
Non current liabilities	11.07	13.30	6.56	6.86	10.25	1.69
Current liabilities	55.39	44.39	28.27	22.03	16.06	20.40
Total Equity & Liabilities	99.99	100.0	99.99	100.01	100.00	100.00
Horizontal Analysis - %age **Year to Year	2023	2022	2021	2020	2019	2018
Non current assets	(0.08)	(0.02)	0.00	0.01	(0.12)	0.00
Current assets	0.37	0.88	0.11	(0.02)	0.08	0.04
Total Assets	0.29	0.86	0.11	(0.02)	(0.04)	0.04
Shareholders' Equity	(0.02)	(0.05)	(0.03)	(0.04)	(0.08)	(0.06)
Non current liabilities	0.02	1.98	0.01	(0.34)	4.91	(0.15)
Current liabilities	0.54	1.31	0.35	0.36	(0.23)	0.47
Total Equity & Liabilities	0.54	3.24	0.33	(0.02)	4.60	0.27

Pattern of Shareholding

No. of Share Holders	Shareholding		Total Shares Held
	From	To	
515	1	100	15,899
1011	101	500	297,731
993	501	1,000	765,416
1086	1,001	5,000	3,129,735
363	5,001	10,000	3,054,667
502	10,001	100,000	17,064,920
68	100,001	995,000	16,636,881
8	995,001	5,115,000	13,742,501
3	5,115,001	11,265,000	28,742,700
1	11,265,001	15,015,000	15,011,378
4,550	Total		98,461,828

S.No.	Categories Of Shareholders	No. of Shareholders	Total Shares Held	%
1	CEO	1	627	0.00
2	Directors	6	3,127	0.00
3	Sponsors and Family Members	2	31,386,578	31.88
4	General Public	4,510	65,190,739	66.21
5	Insurance Companies	1	77,188	0.08
6	Financial Institutions	27	479,169	0.49
7	NIT and ICP	1	34,900	0.04
8	Modaraba & Mutual Fund	2	1,289,500	1.31
Total		4,550	98,461,828	100

STATEMENT OF COMPLIANCE WITH THE LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

The Company has complied with the requirements of the Regulations in the following manner:

1 The total number of Directors are 07 as per the following:

Male	5
Female	2

2 The composition of Board is as follows:

Category	Names
Independent Directors	Mr. Salman Haroon Ms. Hina Faiyaz Ms. Saba Irfan
Executive Directors	Mr. Muhammad Atif (CEO) Mr. Qazi Mohammed Imran
Non-Executive Directors	Mr. Muhammad Siraj Mr. Muhammad Riaz

3 The Directors have confirmed that none of them is serving as a director on more than seven Listed companies, including this company.

4 The company has prepared Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures.

5 The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company.

6 All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by board/shareholders as empowered by the relevant provisions of the Act and these Regulations.

7 The meetings of the Board were presided over by the Chairman and in his absence by a Director, elected by the board for this purpose. The board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.

- 8 The Board of Directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- 9 One of the directors (independent director) of the Company has attended the Directors Training Program (DTP) from authorized institution, and is also listed on the Data bank of Pakistan Institute of Corporate Governance (PICG). However, the remaining directors are expected to enroll for Directors Training program (DTP) and independent directors get registered with the notified Institute during the year as per Listed Companies (Code of Corporate Governance) Regulations, 2019 and under section 166(1) of the Companies Act, 2017.
Further, the Board is of the opinion that the directors that do not have DTP certification and/ or registered with notified Institute, do have requisite experience and knowledge to discharge and execute their duties competently.
- 10 Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
- 11 The Board has formed committees comprising of members given below:
- a) Audit Committee**
- Mr. Salman Haroon (Chairman)
Mr. Muhammad Siraj (Member)
Ms. Hina Faiyaz (Member)
- b) Human and Remuneration (HR&R) Committee**
- Mr. Salman Haroon (Chairman)
Mr. Muhammad Siraj (Member)
Mr. Muhammad Riaz (Member)
- 12 The terms of reference of the aforesaid committees have been formed, documented
- 13 The frequency of meetings (quarterly/half yearly/yearly) of the committee were as per following:
- a) Audit Committee - 04 Meetings during the year
b) Human and Remuneration Committee - 01 Meeting during the year
- 14 The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the company

- 15 The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company.
- 16 The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
- 17 We confirm that all material principal requirements in the CCG have been complied.



Muhammad Atif
Chief Executive Officer



Muhammad Riaz
Chairman

Karachi: October 02,2023

Review Report to the Members on Statement of Compliance with Best Practices of CCG

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Quice Food Industries Limited** for the year ended June 30, 2023 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2023.

Further, we highlight below instance of non-compliance with the requirement of the Regulations as reflected in the paragraph reference where it is stated in the statement of Compliance.

Paragraph Reference	Description
9	The Company has not arranged the directors training program or obtained the exemption from directors training program from the commission as required under clause 19 of the Regulations.



Chartered Accountants

October 02, 2023

Lahore

Engagement partner Hafiz Muhammad Ahmad Saleem.

UDIN: AR202310148Hfv5FDVdZ

INDEPENDENT AUDITOR'S REPORT to the Members

Opinion

We have audited the annexed financial statements of **Quice Food Industries Limited** (the Company), which comprise the statement of financial position as at **June 30, 2023**, and the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2023 and of the loss and other comprehensive loss, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	<p>Valuation of stock-in-trade</p> <p>Refer to notes 2.5.1 and 4 to the financial statements.</p> <p>As at June 30, 2023, the company held stock-in-trade of Rs. 843.11 million, which is 60% of total assets and against which provision for unusable materials of Rs. 45.64 million has been recorded.</p> <p>We focused on stock-in-trade as it is a significant portion of Company's total assets and it requires management judgement with respect to the determination of net realisable value (NRV) and obsolescence of stock as well as the determination of an appropriate costing basis and assessing its valuation.</p>	<p>Our key audit procedures in this area amongst others included the following:</p> <ul style="list-style-type: none">➤ Obtained an understanding of policies and procedures followed by the Company with respect to the valuation of stock-in-trade;➤ Obtained an understanding and assessed the reasonableness of management's process for determination of net realisable value (NRV) and the key estimates adopted, including future selling prices, future costs to complete and costs necessary to make the sales and their basis;

		<ul style="list-style-type: none"> ➤ Evaluated the adequacy of calculation of NRV as at the year-end; ➤ Tested cost of goods with underlying invoices and expenses accounted for in accordance with stock valuation method; ➤ Tested provision recorded for obsolete stock-in-trade to ensure whether it was as per the policy of the Company; ➤ Assessed the adequacy of related financial statement disclosures in accordance with the applicable financial reporting framework.
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Information Other Than the Financial Statements and Auditor’s Report Thereon

Management is responsible for the other information. The other information comprises the information Our opinion on the financial statements does not cover the other information and we do not express

In connection with our audit of the financial statements, our responsibility is to read the other

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in

In preparing the financial statements, management is responsible for assessing the Company’s ability Board of directors are responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional

- Identify and assess the risks of material misstatement of the financial statements, whether due to
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting
 - Conclude on the appropriateness of management’s use of the going concern basis of accounting
 - Evaluate the overall presentation, structure and content of the financial statements, including the
- We communicate with the board of directors regarding, among other matters, the planned scope and

We also provide the board of directors with a statement that we have complied with relevant ethical
From the matters communicated with the board of directors, we determine those matters that were of

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017
- b) the statement of financial position, the statement of profit or loss, the statement of other
- c) investments made, expenditure incurred and guarantees extended during the year were for the
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditors' report is **Hafiz Muhammad Ahmad Saleem**.



Chartered Accountants

Lahore

October 02, 2023

UDIN: AR202310148Hfv5FDVdZ

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2023

	Note	2023	2022
		-----Rupees-----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	322,573,099	349,996,280
Long term deposits		1,935,290	1,935,290
		324,508,389	351,931,570
CURRENT ASSETS			
Stores and spares		54,140,041	52,025,060
Stock-in-trade	4	843,106,802	560,624,975
Trade debts	5	53,763,859	102,587,952
Advances, deposits, prepayments & other receivables	6	116,719,830	52,626,476
Taxation - net	7	10,200,662	10,668,583
Cash and bank balances	8	3,143,018	10,805,222
		1,081,074,212	789,338,268
TOTAL ASSETS		1,405,582,601	1,141,269,838
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
105,100,000 (2022: 105,100,000) ordinary shares of Rupees 10 each		1,051,000,000	1,051,000,000
Issued, subscribed and paid up share capital and reserves			
98,461,828 (2022 : 98,461,828) ordinary shares of Rs.10 each	9	984,618,280	984,618,280
Reserves	10	(259,264,823)	(250,965,685)
Discount on issuance of shares		(282,788,556)	(282,788,556)
Surplus on revaluation of property, plant and equipment	11	28,773,960	31,911,136
		471,338,861	482,775,175
NON-CURRENT LIABILITIES			
Deferred liabilities	12	11,131,468	7,340,593
Security deposit payables	13	144,500,000	144,500,000
		155,631,468	151,840,593
CURRENT LIABILITIES			
Trade and other payables	14	778,612,272	506,654,070
TOTAL EQUITY AND LIABILITIES		1,405,582,601	1,141,269,838



Chief Executive Officer



Director



Chief Financial Officer

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED JUNE 30, 2023

	Note	2023 -----Rupees-----	2022
SALES	16	838,449,449	532,238,800
Cost of Sales	17	<u>(714,566,051)</u>	<u>(474,085,793)</u>
GROSS PROFIT		123,883,398	58,153,007
Distribution Cost	18	<u>(96,093,223)</u>	<u>(47,933,730)</u>
Administrative Expenses	19	<u>(35,606,584)</u>	<u>(28,931,995)</u>
		<u>(131,699,807)</u>	<u>(76,865,725)</u>
Operating Loss		(7,816,409)	(18,712,718)
Other Operating Income	20	<u>3,689,338</u>	<u>902,145</u>
		(4,127,071)	(17,810,573)
Finance Cost	21	<u>(401,782)</u>	<u>(105,551)</u>
LOSS BEFORE TAXATION		<u>(4,528,853)</u>	<u>(17,916,124)</u>
Taxation	22	<u>(7,800,868)</u>	<u>(6,124,013)</u>
LOSS AFTER TAXATION		<u>(12,329,721)</u>	<u>(24,040,137)</u>
LOSS PER SHARE	23	<u>(0.125)</u>	<u>(0.244)</u>



Chief Executive Officer



Director



Chief Financial Officer

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2023

	2023	2022
	-----Rupees-----	
LOSS AFTER TAXATION	(12,329,721)	(24,040,137)
<i>Other comprehensive income that cannot be classified through profit and loss</i>		
Revaluation surplus on land	-	-
Revaluation surplus on building- net of deferred tax	-	-
Revaluation surplus on plant & machinery- net of deferred tax	-	-
	-	-
Remeasurement of plan obligation - gratuity scheme - net of tax	975,780	582,377
Related Deferred Tax	(282,976)	(168,889)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	<u>(11,636,917)</u>	<u>(23,626,649)</u>



Chief Executive Officer



Director



Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED JUNE 30, 2023

PARTICULARS	SHARE CAPITAL	RESERVES						SHAREHOLDERS' EQUITY
		CAPITAL				REVENUE	TOTAL	
		Premium on issue of share capital	Discount on issue of share capital	Surplus on revaluation of PPE	Subtotal	Accumulated loss		
-----Rupees-----								
Balance as at June 30, 2021	984,618,280	6,875,000	(282,788,556)	33,699,487	(242,214,069)	(236,063,981)	(478,278,050)	506,340,230
Surplus on revaluation of property, plant & equipment	-	-	-	-	-	-	-	-
Incremental depreciation transferred to retained earnings	-	-	-	(1,788,351)	(1,788,351)	1,849,945	61,594	61,594
Comprehensive loss for the period ended	-	-	-	-	-	(23,626,649)	(23,626,649)	(23,626,649)
Balance as at June 30, 2022	984,618,280	6,875,000	(282,788,556)	31,911,136	(244,002,420)	(257,840,685)	(501,843,105)	482,775,175
Surplus on revaluation of property, plant & equipment	-	-	-	-	-	-	-	-
Incremental depreciation transferred to retained earnings	-	-	-	(3,137,176)	(3,137,176)	3,337,779	200,603	200,603
Comprehensive loss for the period ended	-	-	-	-	-	(11,636,917)	(11,636,917)	(11,636,917)
Balance as at June 30, 2023	984,618,280	6,875,000	(282,788,556)	28,773,960	(247,139,596)	(266,139,823)	(513,279,419)	471,338,861



Chief Executive Officer



Director



Chief Financial Officer

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2023

Note	2023	2022
	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation	(4,528,853)	(17,916,124)
Adjustment for non cash items:		
Depreciation	28,199,829	29,009,381
Provision for gratuity	4,574,393	1,471,445
Provision for slow moving items	30,288,377	5,000,038
	63,062,599	35,480,864
Net cash inflows from operations before working capital changes	58,533,746	17,564,740
Working capital changes		
(Increase) / decrease in current assets		
Stores and spares	(2,114,981)	(41,831,888)
Stock-in-trade	(312,660,315)	(238,125,536)
Trade debts	48,824,093	(48,548,329)
Advances, deposits, prepayments & other receivables	(64,093,354)	(38,904,271)
	(330,044,557)	(367,410,024)
Increase / (decrease) in current liabilities		
Trade and other payables	271,958,202	286,955,579
Net working capital changes	(58,086,355)	(80,454,445)
Income tax paid	(7,332,947)	(5,401,831)
Net cash used in from operating activities	(6,885,556)	(68,291,536)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(776,648)	(22,995,667)
Net cash inflow / (used in) from investing activities	(776,648)	(22,995,667)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term deposits	-	100,000,000
Net cash inflows from financing activities	-	100,000,000
Net (decrease) / increase in cash and cash equivalents	(7,662,204)	8,712,797
Cash and cash equivalents at the beginning of the year	10,805,222	2,092,425
Cash and cash equivalents at the end of the year	3,143,018	10,805,222



Chief Executive Officer



Director



Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 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 Pakistan Stock Exchange on 18 July 1995. The 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated:

2.1 Basis of Preparation

2.1.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.1.2 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2022. However, these do not have any significant impact on the Company's financial reporting.

b) Standard and amendments to approved accounting standards that are not yet effective

There is a standard and certain other amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2022. However, these are considered either not to be relevant or to have any significant impact on the Company's annual financial statements and operations and, therefore, have not been disclosed in these financial statements.

2.1.3 Accounting convention

These financial statements have been prepared under the historical cost convention except for staff retirement benefits which have been determined under actuarial valuation calculations.

Critical accounting estimates and judgments

The preparation of financial statements is in conformity with the approved accounting standards and requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

2.1.4 Inventories

These are valued at lower of cost and net realizable value. Cost is determined on weighted average basis.

Cost in relation to work-in-process and finished goods represents annual average cost which consist of prime cost and appropriate manufacturing overheads.

Net realizable value of inventories is determined with reference to currently prevailing selling prices less estimated expenditure to make sales.

2.1.5 Taxation

In making the estimates for income tax currently payable by the Company, the management takes into account the current income tax law and the decisions of appellate authorities on certain issues in the past.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

2.1.6 Provision for doubtful debts

The Company reviews its receivable against any provision required for any doubtful balances on an ongoing basis. The provision is made while taking into consideration expected recoveries, if any.

2.2 Taxation

2.2.1 Current tax.

Current tax is the amount of tax payable on taxable income for the year, using tax rates enacted or substantively enacted by the reporting date, and any adjustment to the tax payable in respect of previous years.

Provision for current tax is based on higher of the taxable income at current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any, or 1.25% of turnover. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. The amount of unpaid income tax in respect of the current or prior periods is recognized as a liability. Any excess paid over what is due in respect of the current or prior periods is recognized as an assets.

2.2.2 Deferred Tax

Deferred tax is accounted for using the statement of financial position liability method in respect of all taxable temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on tax rates that have been enacted. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income tax levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

However, provision for taxation has been made in these financial statement for Hub Unit only, since the Swat Unit is exempt from all taxes.

2.3 Tangible Fixed Assets and Depreciation:

A) Owned

Building, Plant and machinery are stated at revalued amount less accumulated depreciation. Freehold land is carried at revalued amounts. All other operating assets are stated at cost less accumulated depreciation except capital work-in-progress which is stated at cost.

Borrowing costs during the erection period are capitalized as part of historical cost of the related assets.

Gains / (Losses) on disposal of operating assets are included in income currently. Normal maintenance and repairs are charged to income as and when incurred. Major renewals and replacements are capitalized.

Depreciation on property, plant and equipment is charged to profit and loss account applying the reducing balance method on quarterly basis so as to write off the cost / appreciated value of the assets over their estimated useful lives at the rates given in Note 3.1. The Company charges the depreciation on additions from the month in which the asset is available for use and on deletions up to the month in which the asset is de-recognized. The residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

An item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the profit and loss account in the year the asset is de-recognized.

B) Lease

Right of Use Assets

The right-of-use asset is measured at cost, as the amount equal to initially measured lease liability adjusted for lease prepayments made at or before the commencement date, initial direct cost incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using straight line method from the date of recognition to the earlier of the end of useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of the right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by the impairment losses, if any, and adjusted for certain remeasurement of the lease liability.

Lease Liability

The lease liability was measured upon initial recognition at the present value of the future lease payments over the lease term, discounted with the specific incremental borrowing rate.

Subsequently lease liabilities are measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in the rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

Short-term leases and leases of low-value assets

The company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

2.3.1 Capital Work In Progress

All costs / expenditure connected with specific assets are collected under this head until completion of assets. These are transferred to specific assets as and when assets are available for use. Disposal shall be made on cost if any.

2.4 Impairment

2.4.1 Impairment of Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each financial Position date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognized wherever the carrying amount of the asset exceeds its recoverable amount. Impairment losses are recognized in profit and loss account. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit and loss account.

2.5 Inventories

Inventories, except for stock in transit are stated at lower of cost and net realizable value. Cost is determined as follows:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

2.5.1 Stock in trade

Cost signifies in relation to raw material and components at average cost. In case of work-in-process and finished goods at average cost comprising prime cost and appropriate manufacturing overheads. Raw material and components in transit are stated at invoice value plus other charges paid thereon.

2.5.2 Stores and spares

Useable stores, spare parts and loose tools are valued principally at moving average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon till the reporting date.

Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make a sale.

2.5.3 Financial instruments

Financial instruments carried on the balance sheet include investments, deposits, trade debts, loans and advances, other receivables, cash and bank balances, long-term financing, liabilities against assets subject to finance lease, short-term borrowings, accrued mark-up and trade and other payables etc. The fair value of financial assets and financial liabilities are recognized in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. All the financial assets are derecognized at the time when the Company loses control of the contractual rights that comprise the financial assets. All financial liabilities are derecognized at the time when they are extinguished that is, when the obligation specified in the contract is discharged, cancelled, or expires. Any gains or losses on de-recognition of the financial assets and financial liabilities are taken to the statement of profit or loss.

a) Financial assets

Classification

Effective July 1, 2018, the Company classifies its financial assets in the following measurement categories:

- i) Amortized cost where the effective interest rate method will apply;
- ii) fair value through profit or loss;
- iii) fair value through other comprehensive income.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in statement of profit or loss or other comprehensive income (OCI). For investment in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). The Company reclassifies debt investments when and only when its business model for managing those assets changes.

Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Company commits to purchase or sell the asset. Further financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

a) Amortized cost

Assets that are held for collection of contractual cash flows where the contractual terms of the financial assets give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other income together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the profit or loss.

b) Fair value through other comprehensive income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the contractual terms of the financial asset give rise on specified dates to cash flows that represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to statement of profit or loss and recognized in other income. Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other income and impairment expenses are presented as separate line item in the statement of profit or loss.

c) Fair value through profit and loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognized in the statement of profit or loss and presented in finance income/cost in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognized in profit or loss as other income when the Company's right to receive payments is established.

Impairment of financial assets

Effective July 1, 2018, the Company assess on a historical as well as forward-looking basis, the expected credit loss (ECL) as associated with its debt instruments, trade debts, short term investment and deposits and other receivables carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

b) Financial Liabilities

Classification, initial recognition and subsequent measurement

Financial liabilities are classified in the following categories:

- i) fair value through profit or loss;
- ii) other financial liabilities

The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in case of other financial liabilities also include directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification, as follows:

a) Fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as being at fair value through profit or loss. The Company has not designated any financial liability upon recognition as being at fair value through profit or loss.

b) Other financial liabilities

After initial recognition, other financial liabilities which are interest bearing subsequently measured at amortized cost, using the effective interest rate method. Gain and losses are recognized in profit or loss for the year, when the liabilities are derecognized as well as through effective interest rate amortization process.

Derecognition of financial liabilities

The Company derecognizes financial liabilities when and only when the Company's obligations are discharged, cancelled or expire.

Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount presented in the statement of financial

2.6 Revenue recognition

Revenue is recognized in accordance by applying the following steps:

- i) Identify the contract with a customer;
- ii) Identify the performance obligation in the contract;
- iii) Determine the transaction price of the contract;
- iv) Allocate the transaction price to each of the separate performance obligations in the contract; and
- v) Recognize the revenue when (or as) the entity satisfies a performance obligation

Revenue is recognized at a point in time, when the Company satisfies performance obligations by transferring the promised goods to its customers. Revenue is recognized when control of the goods

Export sales

Revenue from export sales is recognized at the point in time when control of the goods is transferred to the customer which depends on the related terms; generally on date of bill of lading or delivery of the product to the port of destination.

Return on Deposits

Profit on bank balances are recognized on a time proportion basis on the on the principal amount outstanding and at the applicable rate.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

2.7 Foreign currency transactions

Transactions in foreign currency are initially recorded in Pak rupees at exchange rates prevailing at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated into rupees at the rate of exchange approximating those prevailing at the financial position date except for liabilities covered under forward exchange which are translated at the contracted rates.

2.8 Trade Debts

These are classified at amortized cost and are initially recognized when they are originated and measured at fair value of consideration receivable. These assets are written off when there is no reasonable expectation of recovery. Actual credit loss experience over past years is used to base the calculation of expected credit loss.

2.9 Trade and other payables

Trade and other payables are recognized initially at fair value net of directly attributable cost, if any.

2.10 Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made or the

2.11 Borrowings

Mark-up bearing borrowings are recognized initially at cost, less attributable transaction cost. Subsequent to initial recognition, mark-up bearing borrowings are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowings on an effective interest basis.

2.12 Related party transaction

All transactions involving related parties arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using uncontrolled price method, as admissible, except in extremely rare circumstances where, subject to the approval of the board of directors, it is in the interest of the Company to do so.

2.13 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events if it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

2.14 Borrowing Costs

Borrowing costs incurred on long term finances directly attributable for the construction / acquisition of qualifying assets are capitalized up to the date, the respective assets are available for the intended use. All other mark-up, interest and other related charges are taken to the profit and loss account currently.

2.15 Share Capital

Ordinary shares are classified as share capital. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax. Share Premium Account can be utilized against the issuance of shares on discount. Further, Shares issued on discount are shown at full face value and discount is shown separately in statement of changes on equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023

2.16 Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, cheques in hand and deposit with banks net off short term finances/borrowings maturing within one year from the

2.17 Employee retirement benefits

The Company operates approved un-funded gratuity scheme for its workers who have completed the minimum qualifying period of service as defined under the respective scheme. Provision is made annually to cover obligations under the scheme on the basis of actuarial valuation and is charged to statement of profit or loss.

The Company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if, any excluding interest), are recognized immediately in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plan is recognized in statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in statement of profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

2.18 Earnings per share ("EPS")

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by adjusting basic EPS by the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares and post-tax effect of changes in profit and loss attributable to ordinary shareholders of the Company that would result

2.19 Dividend to ordinary shareholders

Dividend to ordinary shareholders is recognized as a deduction from accumulated profit in the statement of changes in equity and as a liability in the Company's financial statements in the year in which the dividends are approved by the Board of Directors or the Company's shareholders as the case may be.

2.20 Operating segment

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of

2.21 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is Company's functional currency.

3 PROPERTY, PLANT AND EQUIPMENT

	Note	2023 --- Rupees ---	2022
Operating fixed assets	3.1	318,174,034	307,328,730
Capital Work-in-progress	3.2	4,399,065	42,667,550
		<u>322,573,099</u>	<u>349,996,280</u>

3.1 Operating assets

	2023							
	Owned							
	Free hold land	Building	Leasehold Improvement	Plant and machinery	Vehicles	Computers & office equipment's	Furniture and fixtures	Total
	----- Rupees -----							
NBV as on June 30 , 2021	52,010,500	58,012,500	626,934	217,183,120	4,166,481	73,999	1,196,477	333,270,011
Additions	-	165,000	-	288,280	2,614,820	-	-	3,068,100
Revaluation Surplus/(Loss)	-	-	-	-	-	-	-	-
<u>Disposals (at NBV)</u>	-	-	-	-	-	-	-	-
Cost	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-
Depreciation charge	-	(5,809,500)	(62,693)	(21,737,356)	(1,257,984)	(22,200)	(119,648)	(29,009,381)
NBV as on June 30 , 2022	52,010,500	52,368,000	564,241	195,734,044	5,523,317	51,799	1,076,829	307,328,730
Gross Carrying Value Basis								
Cost	52,010,500	99,132,600	12,976,372	382,188,017	15,302,760	2,211,807	4,094,289	567,916,345
Accumulated depreciation	-	(46,764,600)	(12,412,131)	(186,453,973)	(9,779,443)	(2,160,008)	(3,017,460)	(260,587,615)
NBV as on June 30 , 2022	52,010,500	52,368,000	564,241	195,734,044	5,523,317	51,799	1,076,829	307,328,730
NBV as on June 30 , 2022	52,010,500	52,368,000	564,241	195,734,044	5,523,317	51,799	1,076,829	307,328,730
Additions	-	19,601,818	-	18,666,667	-	676,648	100,000	39,045,133
Revaluation Surplus/(Loss)	-	-	-	-	-	-	-	-
<u>Disposals (at NBV)</u>	-	-	-	-	-	-	-	-
Cost	-	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-	-
Depreciation charge	-	(6,216,892)	(56,424)	(20,506,663)	(1,104,634)	(197,744)	(117,472)	(28,199,829)
NBV as on June 30 , 2023	52,010,500	65,752,926	507,817	193,894,048	4,418,683	530,703	1,059,357	318,174,034
Gross Carrying Value Basis								
Cost	52,010,500	118,734,418	12,976,372	400,854,684	15,302,760	2,888,455	4,194,289	606,961,478
Accumulated depreciation	-	(52,981,492)	(12,468,555)	(206,960,636)	(10,884,077)	(2,357,752)	(3,134,932)	(288,787,444)
NBV as on June 30 , 2023	52,010,500	65,752,926	507,817	193,894,048	4,418,683	530,703	1,059,357	318,174,034
	-	10%	10%	10%	20%	30%	10%	

** NBV stands for Net Book Value.

3.1.1 Depreciation for the year has been allocated as follow:

	2023	2022
	--- Rupees ---	
Cost of sales	27,109,378	28,014,388
Administrative expenses	1,090,451	994,993
	<u>28,199,829</u>	<u>29,009,381</u>

3.1.2 No asset was sold to Chief Executive, Directors, Executives and Shareholders during the year.

3.1.3 Revaluation was conducted in the year ended 30 June 2021 by Messrs. Sipra & Company (Private) Limited an independent valuer. Previously the revaluation was carried out on 30 June 2019, 30 June 2018, 30 June, 2014 and 31 December 2011.

3.1.4 Forced sale value

Asset Class	Forced Sale Value
Land	46,809,450
Building	53,214,240
Plant and Machinery	186,156,961
Total Value	<u>286,180,651</u>

3.1.5 Had there been no revaluation, the original cost, accumulated depreciation and net book value of land, building and machinery would have been as follows:

	As at June 30, 2023			As at June 30, 2022		
	Cost	Accumulated Depreciation	Written Down Value	Cost	Accumulated Depreciation	Written Down Value
	----- Rupees -----					
Land	36,400,000	-	36,400,000	36,400,000	-	36,400,000
Building	129,651,060	73,126,481	56,524,579	110,049,242	66,845,972	43,203,270
Plant and machinery	362,720,100	180,205,808	182,514,292	344,053,433	159,926,442	184,126,991

3.1.6 Particulars of immovable property (i.e. Land and Building) in the name of Company are as follows:

Location/Address	Usage of immovable Property	Total Area (In Sq. Mtr)	Approx. Covered Area (in Sq. ft)
Plot Nos F-10, F-11, F-12, F-11 (B) & F-12 (B), Hub Industrial Trading Estate (HITE), Tehsil Hub, District Lasbella, Balochistan.	Production Unit	20,804	65,000
3.2 Capital-work-in-progress Plant & Machinery		2023	2022
		---- Rupees ----	
Balance as on July 1, 2021		42,667,550	22,739,983
Capital Expenditure Incurred		-	19,927,567
Transfer to fixed assets		(38,268,485)	-
Year ended June 30, 2022		4,399,065	42,667,550
4 STOCK IN TRADE			
Raw and Packing materials		543,293,684	356,795,488
Finished goods		345,456,254	219,184,246
Less: Provision for unusable materials	4.1	(45,643,136)	(15,354,759)
		843,106,802	560,624,975
4.1 Less: Provision for unusable materials			
Balance as at July 1		15,354,759	10,354,721
Provision for the year		30,288,377	5,000,038
Written off / adjusted during the year		-	-
Balance as at June 30		45,643,136	15,354,759
5 TRADE DEBTS - considered good			
Considered good (Unsecured)		53,763,859	102,587,952
5.1 The aging of trade debts as at 30 June 2023 is as follows:			
Neither past due nor impaired (0-30)		7,570,866	14,029,565
Past due but not impaired (31-60)		19,489,906	-
Past due but not impaired (61 and above)		26,703,088	88,558,386
		53,763,860	102,587,951
5.2 As at June 30, 2023, an amount of Rupees 8.797 million (2022: 1.054 million) refer to foreign debtors.			
5.3 No aggregate outstanding balance of trade debtors due from related parties at the end of any month during the year.			
5.4 As at June 30, 2023, no amount was due from related parties for which impairment needs to be tested (2022: Nil).			
6 ADVANCES DEPOSITS PREPAYMENTS AND OTHER RECEIVABLES			
Advances to employees - considered goods		1,474,717	898,718
Advances to suppliers - unsecured, considered good		13,595,802	21,359,068
Other Receivables		1,022,159	1,559,981
Sales Tax Receivable		100,627,152	28,808,709
		116,719,830	52,626,476
7 TAXATION - Net			
Advance income tax		20,831,156	17,680,800
Less : Provision for tax		10,630,494	7,012,217
		10,200,662	10,668,583
8 CASH AND BANK BALANCES			
		2023	2022
		-----Rupees-----	
Cash in hand		193,661	891,208
With banks:			
- Current accounts		2,065	384,741
- Saving accounts		2,947,292	9,529,273
		2,949,357	9,914,014
		3,143,018	10,805,222
8.1 Saving accounts earned at weighted average rate of 19.50% per annum (2022: 12.25% per annum).			

9 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL

2023 ---- (Units) ----	2022		2023 -----Rupees-----	2022
18,332,840	18,332,840	Ordinary shares of Rs.10 each fully paid in cash	183,328,400	183,328,400
433,888	433,888	Ordinary shares of Rs.10 each fully paid in cash to NIT and ICP	4,338,880	4,338,880
1,722,822	1,722,822	Ordinary shares of Rs.10 each issued as bonus shares	17,228,220	17,228,220
31,711,000	31,711,000	Ordinary shares of Rs.10 each issued at a discount of Rs. 6 per Share issued to Convert Part of the Directors Loan into fully paid shares	317,110,000	317,110,000
20,000,000	20,000,000	Ordinary shares of Rs.10 each issued at a discount of Rs. 2 per share fully paid in cash issued to general public	200,000,000	200,000,000
26,261,278	26,261,278	Ordinary shares of Rs.10 each issued at a discount of Rs. 2 per share issued against property and machinery	262,612,780	262,612,780
98,461,828	98,461,828		984,618,280	984,618,280

9.1 The ordinary share holders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares, as and when declared by the Company. All shares carry one vote per share without restriction.

9.2 Capital risk management policies and procedures

The Company's objective when managing the capital are:

- to safeguard its ability to continue as a going concern so that it can continue to provide return to shareholders and benefits other stakeholders; and
- to maintain a strong capital base to support the sustained development of its business.

The Company manages its capital structure by monitoring return on net assets and to maintain optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends to shareholders, issue new shares and adopt other means commensuration to the circumstances.

		2023 -----Rupees-----	2022
10 RESERVES			
Composition of reserves is as follows:			
Capital			
Premium on issue of share capital	11.1	6,875,000	6,875,000
Revenue			
Accumulated loss		(266,139,823)	(257,840,685)
		(259,264,823)	(250,965,685)
10.1	This reserve can be utilized by the Company only for the purpose specified in section 83 of the Act.		

2023 **2022**
-----Rupees-----

11 Revaluation of property Plant & Equipment

Freehold land

Opening Balance	15,610,500	15,610,500
Revaluation for the year	-	-
	15,610,500	15,610,500

Building

Opening Balance	6,180,003	6,180,003
Transferred to unappropriated profit in respect of incremental depreciation charged during the year - net of deferred tax	(1,674,781)	-
	4,505,222	6,180,003

Plant & Machinery

Opening Balance	11,733,797	13,583,742
Transferred to unappropriated profit in respect of incremental depreciation charged during the year - net of deferred tax	(1,069,530)	(1,788,351)
Related deferred tax liability of incremental depreciation	(200,603)	(61,594)
	10,463,664	11,733,797

Less: related deferred tax liability

Opening Balance	1,613,164	1,674,758
Add: Adjustment	392,865	
Revaluation recognized during the year	-	-
Incremental depreciation charged during the year	(200,603)	(61,594)
	1,805,426	1,613,164
	28,773,960	31,911,136

12 Deferred Liabilities

Deferred Tax	12.1	1,805,426	1,613,164
Staff gratuity scheme -unfunded	12.2	9,326,042	5,727,429
		11,131,468	7,340,593

12.1 The Company has not recognized deferred tax asset arising due to available tax losses and credits (minimum tax) since it is not probable that future taxable profits will be available against which the temporary differences can be utilized. The deferred tax liability reflected in these financial statements relates to the surplus on revaluation of Property, plant and equipment only.

12.2 STAFF RETIREMENT BENEFITS

Staff gratuity scheme -unfunded

Present value of defined benefit obligation	9,378,825	5,761,242
Add: Unrecognized actuarial gain / (loss)	(52,783)	(33,813)
	9,326,042	5,727,429

12.2.1 General Description

The scheme provides for retirement benefits for all permanent employees who complete qualifying period of services with the company at varying percentages of last drawn salary. The percentage depends on the number of service years with the company. Annual provision is based on actuarial valuation, which was carried out as on June 30, 2023.

	2023	2022	
	-----Rupees-----		
12.2.2 Movement in present value of defined benefit obligation			
Balance at beginning of the year	5,727,429	4,838,361	
Current service cost	1,833,873	987,609	
Past service cost (credit)	1,981,636		
Interest cost	758,884	483,836	
Experience adjustments	(922,997)	(548,564)	
Payable transfer to short term liability	-	-	
Balance as at end of the year	<u>9,378,825</u>	<u>5,761,242</u>	
12.2.3 Movement in balances			
Balance at beginning of the year	5,727,429	4,838,361	
Expense during the year	4,574,393	1,471,445	
Remeasurements chargeable in other comprehensive income	(975,780)	(582,377)	
	<u>9,326,042</u>	<u>5,727,429</u>	
12.2.4 Charge for the year			
Current service cost	1,833,873	987,609	
Past service cost (credit)	1,981,636	-	
Interest cost	758,884	483,836	
	<u>4,574,393</u>	<u>1,471,445</u>	
12.2.5 Experience Adjustments			
Experience adjustment arising on plan liabilities (gains) / losses	<u>(922,997)</u>	<u>(548,564)</u>	
Present value of defined benefits obligation	<u>9,378,825</u>	<u>5,761,242</u>	
12.2.6 Principal actuarial assumption			
Following principal actuarial assumptions were used for the valuation:	2023	2022	
Estimated rate of increase in salary of the employees	N/A	12.25%	
Discount rate used for year end obligation	16.25%	13.25%	
Discount rate used for interest cost in P&L charge	13.25%	10.00%	
12.2.7 Sensitivity analysis for Actuarial Assumptions			
The Sensitivity of defined benefit obligation to changes in the weighted principal assumptions is:			
	Change in Assumptions	Increase in Assumptions	Decrease in Assumptions
Discount Rate	+ - 100bps	8,801,106	9,926,128
Salary Increase	+ - 100bps	9,903,208	8,813,966
13 SECURITY DEPOSIT PAYABLE	<u>144,500,000</u>	<u>144,500,000</u>	
13.1	This represents interest-free deposits received from distributors under distribution contracts and is refundable on cancellation of respective contract or termination of related services.		
14 TRADE AND OTHER PAYABLES			
Creditors	371,155,784	222,175,852	
Accrued liabilities	15,243,575	20,122,560	
Advances from customers	385,963,038	259,481,156	
Others	6,249,875	4,874,502	
	<u>778,612,272</u>	<u>506,654,070</u>	
15 CONTINGENCIES AND COMMITMENTS			
15.1 Contingencies			
15.1.1	Securities and Exchange Commission of Pakistan (SECP) has fined the Company and all the directors for Rupees 0.785 million under sections 155, 233, & 245 and 74 and 476 respectively of the Companies Act , 1984. No provision has made in these financial statements for such penalty. Directors and Company have filed appeal before SECP and expect a favorable outcome.		

15.2 Commitments

There were no capital or other commitments at the balance sheet date (2022: Nil).

	2023	2022
	-----Rupees-----	
16 SALES - net		
Local	510,565,178	410,932,807
Export	424,842,906	194,351,720
	935,408,084	605,284,527
Federal excise duty	(8,162,252)	(1,853,914)
Sales tax	(88,796,383)	(71,191,813)
	838,449,449	532,238,800

16.1 Export Sales comprise of sale made in USA, UK , Middle East, South Africa and Mauritius regions.

16.2 Revenue has been recognized at a point in time for local sales made during the year.

17 COST OF SALES

Opening stock of finished goods		215,829,525	109,034,011
Cost of goods manufactured	17.2	835,838,058	580,881,307
		1,051,667,583	689,915,318
Closing stock of finished goods		337,101,532	215,829,525
		714,566,051	474,085,793

17.1 Closing inventory is charged to cost of sales net of provision for slow moving and obsolete stock.

17.2 Cost of goods manufactured

Raw materials consumed	17.2.1	695,453,974	476,847,706
Stores, spares and loose tools consumed		8,357,364	4,430,198
Salaries, wages and benefits		24,426,139	10,694,468
Conveyance expenses		327,670	36,415
Communication expenses		25,380	5,300
Entertainment expenses		4,987,748	922,103
Freight and octroi		9,888,895	4,263,000
Fuel and power		226,300	723,389
Stationary expenses		33,725	29,815
Repair and maintenance		283,800	2,081,591
Utilities		55,366,928	43,478,170
Depreciation	3.1	27,109,378	28,014,388
Security expenses		1,776,000	2,137,033
Travelling expenses		442,530	-
Water charges		3,391,558	4,433,028
Loading / unloading expenses		1,716,400	25,600
Miscellaneous expenses		2,024,269	2,759,103
		835,838,058	580,881,307

17.2.1 Raw materials consumed

Opening stock of raw materials		344,795,450	218,465,466
Add: Purchases - net		856,663,793	603,177,690
		1,201,459,243	821,643,156
Closing stock of raw materials		506,005,269	344,795,450
		695,453,974	476,847,706

	Note	2023	2022
-----Rupees-----			
18 DISTRIBUTION COST			
Marketing expenses		15,252,013	12,931,947
Salaries and other benefits		43,977,574	16,345,740
Distribution claim		7,821,886	5,048,573
Outward freight and handling		29,041,750	13,607,470
		96,093,223	47,933,730
19 ADMINISTRATIVE EXPENSES			
Directors remuneration	24	2,015,000	2,015,000
Salaries, wages and benefits		20,435,932	17,238,809
Traveling expenses		2,043,080	-
Conveyance expense		58,400	58,270
Communication expense		2,068,831	1,491,152
Entertainment		216,838	266,953
Fee, subscription & professional charges		3,443,842	3,165,729
Fuel & power		116,800	6,440
Rent expense		212,960	791,382
Printing and stationery		36,456	151,313
Repair and maintenance		120,614	310,444
Advertisement		36,375	-
Utilities		2,419,083	1,511,937
Auditors' remuneration	19.1	960,000	600,000
Depreciation	3.1.1	1,090,451	994,993
Miscellaneous expenses		331,922	329,573
		35,606,584	28,931,995
19.1 Auditors' remuneration			
Audit fee		725,000	700,000
Half yearly review		210,000	100,000
Review report on statement of compliance		25,000	25,000
		960,000	825,000
20 OTHER INCOME			
Income from financial assets			
- Saving accounts		1,448,553	642,367
		1,448,553	642,367
Income from non-financial assets			
Other Income		2,240,785	259,778
		3,689,338	902,145
21 FINANCE COST			
Bank charges		401,782	105,551

22 TAXATION

Current

- for the year
- changes in estimates related to prior years

10,630,494	7,012,217
(2,829,626)	(719,315)
7,800,868	6,292,902
-	(168,889)
<u>7,800,868</u>	<u>6,124,013</u>

Deferred Tax

22.1 Provision for current tax is based on higher of the taxable income at current rates of taxation in Pakistan after taking into account tax credits, rebates and exemptions available, if any, or 1.25% of turnover of local sales and 1% on export sales.

22.2 Tax provision includes effect of prior year adjustments.

22.3 The relationship between tax expense and accounting profit has not been presented in these financial statements as the Company has declared accounting loss for the year. Therefore minimum tax @ 1.25% has been provided in these financial statements. Sufficient tax provision has been incorporated in these financial statements.

23 EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earnings per share which is based on:

Loss attributable to ordinary shares	(Rupees)	<u>(12,329,721)</u>	<u>(24,040,137)</u>
Weighted average number of ordinary shares	(Numbers)	<u>98,461,828</u>	<u>98,461,828</u>
Loss per share	(Rupees)	<u>(0.125)</u>	<u>(0.244)</u>

24 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration including certain benefits to the Chief Executive, Directors and Executives of the Company are as follows:

	2023			2022		
	Chief Executive	Director	Executives	Chief Executive	Director	Executives
	-----Rupees-----					
Managerial remuneration	570,000	1,147,500	10,224,583	570,000	1,147,500	10,224,583
House rent, utilities & others	95,000	202,500	-	95,000	202,500	-
	<u>665,000</u>	<u>1,350,000</u>	<u>10,224,583</u>	<u>665,000</u>	<u>1,350,000</u>	<u>10,224,583</u>
No. of Persons	<u>1</u>	<u>1</u>	<u>6</u>	<u>1</u>	<u>1</u>	<u>6</u>

24.1 Chief Executive is also provided with Company's owned and maintained car.

25 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of shareholders, directors of the Company, employees benefit funds and key management employees. Remuneration and benefits to key management personnel are disclosed in note 24 to the financial statements. There were no other related parties transactions during the year June 30, 2023 (2022 NIL).

26 PRODUCTION CAPACITY

In view of varying manufacturing process and multiple products, the annual rated capacity of the plant is mentioned in dozens based on single shift of eight hours a day. The fact for under utilization is due to product demand and normal maintenance.

Rated capacity	2023	2022
- Syrup		
Liters - 150 day per annum single shift	<u>1,440,000</u>	<u>1,440,000</u>
- Juice		
Liters - 180 day per annum single shift	<u>13,458,960</u>	<u>13,458,960</u>
- CSD		
Liters - 180 day per annum single shift	<u>2,700,000</u>	<u>2,700,000</u>
- Water		
Liters - 180 day per annum single shift	<u>6,912,000</u>	<u>6,912,000</u>

Actual Production	2023	2,022
- Syrup		
Liters - 150 day per annum single shift	<u>1,399,630</u>	<u>819,291</u>
- Juice		
Liters - 180 day per annum single shift	<u>5,409,806</u>	<u>5,962,621</u>
- CSD		
Liters - 180 day per annum single shift	<u>469,479</u>	<u>824,390</u>
- Water		
Liters - 180 day per annum single shift	<u>-</u>	<u>-</u>

27 FINANCIAL RISK MANAGEMENT

27.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, other price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's finance department under policies approved by the Board of Directors. The Company's finance department evaluates and manages financial risks. The Board provides principles for overall risk management, as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk, liquidity risk, and investment of excess liquidity.

(a) Market risk

(i) Currency risk

Currency risk arises due to fluctuation in foreign exchange rates. The Company has transactional currency exposure. Such exposure arises from sales by the Company in currencies other than Rupee.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

Sensitivity analysis

At the year end the Company is not exposed to currency risk since there are no financial instruments, whose fair value or future cash flows will fluctuate because of changes in currency prices.

(ii) Other price risk

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market. The Company is not exposed to commodity price risk.

(iii) Interest rate risk

This represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company has no significant long-term interest-bearing assets. The Company's interest rate risk arises from long term financing. Borrowings obtained at variable rates expose the Company to cash flow interest rate risk. Borrowings obtained at fixed rate expose the Company to fair value interest rate risk. As at reporting date, there were no interest bearing borrowings. Therefore, there was no interest rate risk.

(b) Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2023	2022
	-----Rupees-----	
Trade debts	53,763,859	102,587,952
Loans and advances	2,496,876	2,458,699
Long Term deposits	1,935,290	1,935,290
Bank balances	<u>2,949,357</u>	<u>9,914,014</u>
	<u>61,145,382</u>	<u>116,895,955</u>

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Rating		
	Short Term	Long term	Agency
Banks			
Allied Bank Limited	A1+	AA+	PACRA
Habib Bank Limited	A-1+	AAA	VIS
Meezan Bank Limited	A-1+	AAA	VIS
Habib Metropolitan Limited	A-1+	AA+	PACRA
MCB Bank Limited	A-1+	AAA	PACRA
Bank Alfalah Limited	A-1+	AA+	PACRA
United Bank Limited	A-1+	AAA	VIS

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities. At 30 June 2023 the Company had Rupees 3.143 million (2022: Rupees 10.805 million) cash and bank balances. The Company is in a very good working capital position at the year end, management believes the liquidity risk to be low considering the nature of individual items in the working capital position. Following are the contractual maturities of financial liabilities, including interest payments. The amount disclosed in the table are undiscounted cash flows:

Contractual maturities of financial liabilities as at 30 June 2023

	Carrying Amount	Contractual Cash Flows	6 month or less	6-12 month	1-2 Year	More than 2 Years
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Trade and other payables	779,852,806	779,852,806	519,901,871	259,950,935	-	-
Security deposit payable	-	-	-	-	144,500,000	44,500,000
	779,852,806	779,852,806	519,901,871	259,950,935	144,500,000	44,500,000

Contractual maturities of financial liabilities as at 30 June 2022.

	Carrying Amount	Contractual Cash Flows	6 month or less	6-12 month	1-2 Year	More than 2 Years
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Trade and other payables	506,654,070	506,654,070	337,769,380	168,884,690	-	-
Security deposit payable	144,500,000	144,500,000	-	-	-	-
	651,154,070	651,154,070	337,769,380	168,884,690	-	-

27.2 Fair values of financial assets and liabilities

The carrying values of the financial assets and financial liabilities approximate their fair values. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Fair value hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Level 1 : Fair value measurements using quoted (unadjusted) in active markets for identical asset or liability.

Level 2 : Fair value measurements using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Fair value measurements using inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs)

The carrying values of all financial assets and liabilities reflected in financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

27.3 Financial instruments by category

	2023	2022
	-----Rupees-----	
Financial Assets at Amortized Cost.		
Trade debts	53,763,859	102,587,952
Loans and advances	116,719,830	52,626,476
Cash and bank balances	3,143,018	10,805,222
	<u>173,626,707</u>	<u>166,019,650</u>
Financial Liabilities at Amortized Cost.		
Trade and other payables	<u>778,612,272</u>	<u>506,654,070</u>

28 NUMBER OF EMPLOYEES**At year end**

- Permanent
- Temporary

	2023	2022
- Permanent	79	51
- Temporary	110	60
	189	111

This included 93 (2022: 20) number of factory employees.

Average employees during the year

- Permanent
- Temporary

	2023	2022
- Permanent	65	44
- Temporary	85	39
	150	83

This included 35 (2022: 13) number of factory employees.

29 GEOGRAPHICAL LOCATION AND ADDRESS OF BUSINESS UNITS

Business Units	Location
Production Unit 2	Sher Zam plaza Near Rahimabad Post Office. GT Road Rahimabad, SWAT Khyber Pakhtunkhwa.
Sales Office	Block-B, Latifabad Unit # 02, Hyderabad.

30 OPERATING SEGMENT

The Company's chief decision maker reviews the Company's performance on single segment accordingly the financial information has been prepared on basis of single reportable segment.

30.1 Out of Total Sales, 51% of the Sales of the company are Export Sales and Export Sales comprise of sale made in USA,UK, Middle East, South Africa and Mauritius regions.

30.2 All assets of the Company as at 30 June 2023 are located in Pakistan.

31 Comparative information

No significant reclassification / rearrangement of corresponding figures has been made during the year.

32 Date of Authorization

These financial statements were authorized for issue on October 02, 2023 by the Board of Directors of the Company.



Chief Executive Officer



Director



Chief Financial Officer

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting (AGM) of Quice Food Industries Limited (the Company) will be held at WS7, Madina Palace, Faran Co-operative Society, Dhoraji Colony, Karachi, at 11:00 a.m. on Thursday, October 26, 2023 to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of Annual General Meeting held on November 26, 2022.
2. To receive, consider and adopt the Annual Audited Financial Statements for the year ended June 30, 2023 together with the Directors' and Auditors' Reports thereon.
3. To elect seven (7) directors as fixed by the Board of Directors, for the next term of three years, in accordance with the provisions of Section 159 of the Companies Act, 2017, in place of following retiring directors who are eligible to offer themselves for re-election :
 - i. Mr. Muhammad Atif
 - ii. Mr. Muhammad Siraj
 - iii. Mr. Salman Haroon
 - iv. Mr. Muhammad Riaz
 - v. Mr. Qazi Mohammed Imran
 - vi. Ms. Hina Faiyaz
 - vii. Ms. Saba Irfan
4. To appoint Auditors of the Company and fix their remuneration for the year ending June 30 ,2024. The retiring auditors M/s Aslam Malik & Co. Chartered Accountants have consented to be so appointed and the Board of Directors has recommended their appointment.
5. Any other business with the permission of the chair

By Order of the Board

Karachi
October 03, 2023

Company Secretary
IQBAL SHAHID

NOTES:

BOOK CLOSURE NOTICE:

The share transfer books of the Company will remain closed from 19-10-2023 to 26-10-2023 (both days inclusive). No transfer will be accepted for registration during this period. Transfers received in order at M/s. F.D Registrar Services (Pvt) Ltd, Office No. 1705, 17th Floor, Saima Tower - A, I.I Chundrigar Road, Karachi upto the close of business on 18-10-2023 will be treated in time to attend the Annual General Meeting (AGM).

ELECTION OF DIRECTORS:

Any member who seeks to contest the election to the office of directors should file a notice of his intention to offer himself/herself for election as a Director along with written consent with the Company, not later than 14 days before the date of the meeting at which elections are to be held. The consent should accompany the relevant declarations as required under the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Further, in compliance with the provisions of Regulations 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019, Election of Directors will be held in the following categories:

- Female Director
- Independent Director and
- Other directors

FOR ATTENDING THE MEETING AND APPOINTING PROXIES

1. A member entitled to attend and vote at this meeting may appoint another member as his/her proxy to attend the meeting and vote instead of him/her. Proxies in order to be effective must be received by the Company not later than 48 hours before the meeting.

2. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.

3. Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.

4. The proxy holder shall produce his original CNIC or original passport at the time of meeting.

5. In case of corporate entity, the Board of Directors' resolution/ power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

6. Shareholders are requested to provide copies of their valid CNICs, and also promptly notify any change in their addresses.

E-Voting / Postal Ballot Facility:

The members of the Company are hereby notified that pursuant to Companies (Postal Ballot) Regulations, 2018 amended through Notification dated December 05, 2022, issued by the Securities and Exchange Commission of Pakistan ("SECP"), wherein, SECP has directed all the listed companies to provide the right to vote through electronic voting facility and voting by post to the members on all businesses classified as special business. Further, the shareholders will be allowed to exercise their right to vote through E-voting/ Postal ballot subject the provision of the Companies Act, 2017 and Companies (Postal ballot) Regulations 2018, if the number of persons who offer themselves to be elected is more than the number of directors fixed under section 159 (1) of the Act.

Proxy Form

I/We

_____ of
being a member of QUICE FOOD INDUSTRIES LIMITED and holder of Ordinary shares as per
share Register Folio No. _____ and/or
CDC Participant I.D. No. _____ and Sub Account No.
_____, hereby appoint
_____ of _____ or failing him
of
as my proxy to vote for me and on my behalf at the Annual General Meeting of the Company to be held
on the 26th day of October, 2023 and at any adjournment thereof.

Signed this _____ day of _____ 2023.

WITNESSES:

- 1) Signature : _____
Name : _____
Address : _____
CNIC or : _____
Pasport Nc : _____

Signature
Signature should agree with the specimen
registered with the Company

- 2) Signature : _____
Name : _____
Address : _____
CNIC or : _____
Pasport Nc : _____

Note:

Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting. A Proxy need not be a member of the Company.

CDC Shareholders and their proxies are each requested to attach an attested photocopy of their Computerized National Identity Card or Passport with this proxy form before submission to the Company.