

Naturally Refreshing



**QUARTERLY
REPORT MARCH 2024**

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Company Information

Board of Directors

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

Audit Committee

Ms. Hina Faiyaz	Chairperson
Mr. Muhammad Siraj	Member
Ms. Saba Irfan	Member

HR & Remuneration Committee

Ms. Saba Irfan	Chairperson
Ms. Hina Faiyaz	Member
Mr. Muhammad Riaz	Member

Company Secretary

Mr. Iqbal Shahid

Bankers

United Bank Limited
Habib Bank Limited
Meezan Bank Limited
Bank Alfalah Limited
MCB Bank Limited
Habib Metropolitan Bank Limited

External Auditor

Aslam Malik & Co.
Chartered Accountants

Legal Advisor

Ahmed & Qazi
Advocates & Legal Consultants

Share Registrar

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

Registered Office

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

DIRECTORS' REPORT

The Directors of Quice Food industries Limited (the "Company") present herewith Directors' Report together with condensed Interim Financial Statements of the Company for nine months period ended March 31, 2024

Financial Highlights

Description	Nine Months period ended March 31	
	2024	2023
	-----Rupee in ` Millions'-----	
Sales	561.42	642.32
Gross profit	111.11	117.03
Profit after taxation	7.38	14.35
Earnings per share – (RS)	0.07	0.15

During the period under review, the Company has achieved sales of Rs. 561.42 million, whilst, it was 642.32 million during the same corresponding period last year.

Sales have shrunk by approximately by 12.60%, this is mainly due to reduction in consumer purchasing power due to unprecedented inflation in the Country which has severely dented Consumer disposable income.

The Company reported a profit after tax of Rs. 7.38 million, compared to profit after tax of Rs. 14.35 million in the corresponding period. A reduction of approximately 48.57%, which is primely on account of record prices of pulp, Tetrapak paper, high electricity tariff, sky high discount rate, unprecedented direct/ indirect taxes, freight, etc

Similarly, the Earnings per share is Re. 0.07, which was Re.015 during the same period last year.

FUTURE OUTLOOK

The Economic uncertainty both at economic and Political fronts, high inflation, political unrest, high raw material cost has adversely effected consumption spending particularly of our consumers. Despite, these challenges, your directors are maintaining a cautiously optimistic view for prevailing financial year.

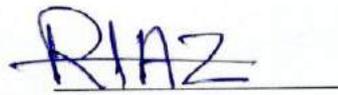
ACKNOWLEDGEMENT

We would like to place on record deep appreciation for the efforts of the executives, officers and other staff members and workers for their hard work, co-operation and sincerity to the Company in achieving the best possible results.

On Behalf of the Board of Directors



Chief Executive



Chairman

Date: 29 April, 2024

Karachi.

ڈائریکٹرز کی رپورٹ

کوئٹہ فوڈ انڈسٹریز لمیٹڈ ("کمپنی") کے ڈائریکٹرز 31 مارچ 2024ء کو ختم ہونے والی نو ماہ کی مدت کے لئے کمپنی کے جامع عبوری مالیاتی گوشواروں کے ساتھ ڈائریکٹرز کی رپورٹ کے ساتھ یہاں پیش ہیں۔

مالیاتی جھلکیاں

31 مارچ 2023	31 مارچ 2024	تفصیل
ملین روپے میں		
642.32	561.42	آمدنی
117.03	111.11	مجموعی منافع
14.34	7.38	ٹیکس کے بعد منافع
0.15	0.07	فی شیئر آمدنی (روپے)

زیر جائزہ مدت کے دوران، کمپنی نے روپے کی فروخت حاصل کی ہے۔ 561.42 ملین، جبکہ گزشتہ سال اسی مدت کے دوران یہ 642.32 ملین تھی۔

فروخت میں تقریباً 12.60 فیصد کمی آئی ہے، اس کی بنیادی وجہ ملک میں بے مثال افراط زر کی وجہ سے صارفین کی قوت خرید میں کمی ہے جس نے صارفین کی ڈسپوزیبل آمدنی کو شدید نقصان پہنچایا ہے۔

ملین روپے کے بعد از ٹیکس منافع کے مقابلے اسی مدت میں 14.35 ملین۔ Rs. 7.38 کمپنی نے بعد از ٹیکس منافع تقریباً 48.57 فیصد کمی، جو بنیادی طور پر گودا، ٹیٹراپاک پیپر، بجلی کے اعلیٰ ٹیرف، آسمانی بلند رعایتی شرح، بے مثال براہ راست/بالواسطہ ٹیکس، مال برداری وغیرہ کی ریکارڈ قیمتوں کی وجہ سے ہے۔

اسی طرح، فی حصص کی آمدنی Re ہے۔ 0.07، جو پچھلے سال اسی مدت کے دوران 0.15 روپے تھا۔

مستقبل کا آؤٹ لک

اقتصادی اور سیاسی دونوں محاذوں پر اقتصادی غیر یقینی صورتحال، بلند افراط زر، سیاسی بے چینی، خام مال کی بلند قیمت نے خاص طور پر ہمارے صارفین کے استعمال کے اخراجات کو بری طرح متاثر کیا ہے۔ ان چیلنجوں کے باوجود، آپ کے ڈائریکٹرز موجودہ مالی سال کے لیے محتاط طور پر پرامید نظریہ برقرار رکھے ہوئے ہیں۔

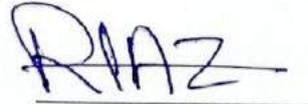
اعتراف

بہم بہترین ممکنہ نتائج حاصل کرنے میں کمپنی کے ساتھ محنت، تعاون اور خلوص کے لیے ایگزیکٹوز، افسران اور دیگر عملے کے اراکین اور کارکنوں کی کاوشوں کو ریکارڈ پر خراج تحسین پیش کرنا چاہتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



چیف ایگزیکٹو



چیئرمین

تاریخ اپریل 29 2024

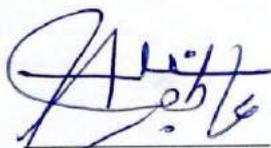
کراچی

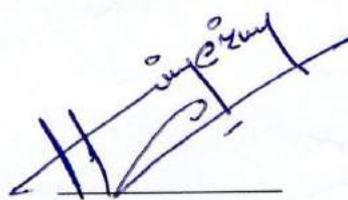
Condensed Interim Statement of Financial Position (Unaudited)

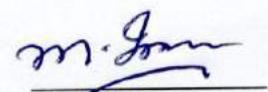
AS AT March 31, 2024

	Note	Unaudited Mar-31, 2024	Audited June-30, 2023
----- Rupees -----			
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets			
Property Plant and Equipment	5	302,199,853	322,573,099
Long term deposits		2,738,250	1,935,290
		<u>304,938,103</u>	<u>324,508,389</u>
CURRENT ASSETS			
Stores and spares		54,286,315	54,140,041
Stock-in-trade	6	847,476,797	843,106,802
Trade debts		75,021,661	53,763,859
Advances, deposits, prepayments & other receivables		103,586,221	116,719,830
Taxation - net		14,645,544	10,200,662
Cash and bank balances		2,386,823	3,143,018
		<u>1,097,403,361</u>	<u>1,081,074,212</u>
		<u>1,402,341,464</u>	<u>1,405,582,601</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
105,100,000 (30 June 2022: 105,100,000) ordinary shares of Rs 10 each		1,051,000,000	1,051,000,000
Issued, subscribed and paid up share capital and reserves			
98,461,828 (June 2022 : 98,461,828) ordinary shares of Rs.10 each		984,618,280	984,618,280
Reserves		(249,529,449)	(259,264,823)
Discount on issuance of shares		(282,788,556)	(282,788,556)
Surplus on revaluation of property, plant and equipment		26,421,078	28,773,960
Total equity		<u>478,721,353</u>	<u>471,338,861</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred liabilities		14,562,262	11,131,468
Security deposit payables		144,500,000	144,500,000
		<u>159,062,262</u>	<u>155,631,468</u>
CURRENT LIABILITIES			
Trade and other payables		764,557,849	778,612,272
		<u>764,557,849</u>	<u>778,612,272</u>
Total liabilities		<u>923,620,111</u>	<u>934,243,740</u>
TOTAL EQUITY AND LIABILITIES		<u>1,402,341,464</u>	<u>1,405,582,601</u>

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


Chief Executive Officer


Director

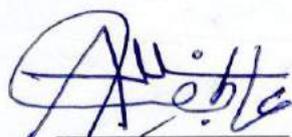

Chief Financial Officer

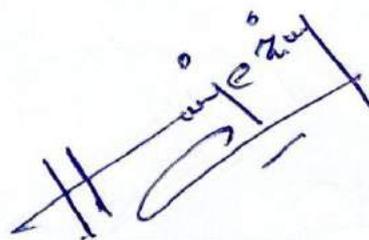
Condensed Interim Profit or Loss Account (Unaudited)

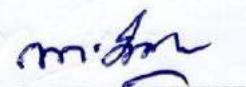
NINE MONTHS PERIOD ENDED MARCH 31 2024

	Quarter Ended		Nine months period ended	
	Mar-31, 2024	Mar-31, 2023	Mar-31, 2024	Mar-31, 2023
	---- Rupees ----		---- Rupees ----	
Sales	327,423,428	384,126,487	561,418,567	642,320,229
Cost of Sales	(258,656,759)	(309,852,517)	(450,306,781)	(525,288,082)
Gross Profit	68,766,669	74,273,970	111,111,786	117,032,147
Distribution Cost	(35,212,764)	(32,508,588)	(70,492,398)	(67,121,434)
Administrative Expenses	(7,963,934)	(6,848,520)	(29,986,682)	(29,147,792)
	(43,176,698)	(39,357,108)	(100,479,080)	(96,269,226)
Operating Profit	25,589,971	34,916,862	10,632,706	20,762,921
Other Operating Income	1,139,576	340,423	2,947,630	1,070,485
	26,729,547	35,257,285	13,580,336	21,833,406
Finance Cost	(35,760)	(39,657)	(90,735)	(116,521)
Profit Before Taxation	26,693,787	35,217,628	13,489,601	21,716,885
Taxation	(3,643,133)	(4,513,156)	(6,107,109)	(7,370,179)
Profit After Taxation	23,050,654	30,704,472	7,382,492	14,346,706
Earning Per Share	0.23	0.31	0.07	0.15

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


Chief Executive Officer


Director


Chief Financial Officer

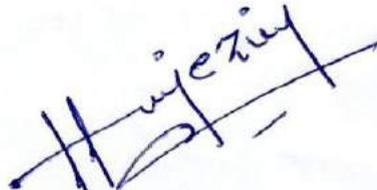
Condensed Interim Statement of Comprehensive Income (Unaudited)

NINE MONTHS PERIOD ENDED MARCH 31, 2024

	Quarter Ended		Nine months ended period	
	March-31, 2024	March-31, 2023	March-31, 2024	March-31, 2023
	---- Rupees ----		---- Rupees ----	
Profit After Taxation	23,050,654	30,704,472	7,382,492	14,346,706
<i>Other comprehensive income that cannot be classified through profit and loss</i>	-	-	-	-
Total Comprehensive Income For The Period	23,050,654	30,704,472	7,382,492	14,346,706

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


Chief Executive Officer


Director


Chief Financial Officer

Condensed Interim Cash Flow Statement (Unaudited)

NINE MONTHS PERIOD ENDED MARCH 31, 2024

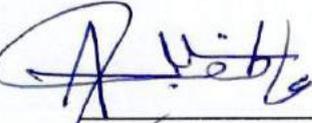
Nine Months Ended	
March-31, 2024	March-31, 2023

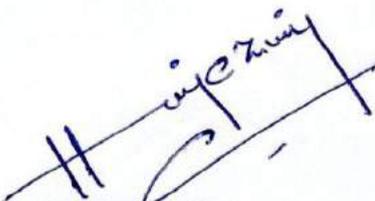
---- Rupees ----

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before taxation	13,489,601	21,716,885
Adjustment for non cash items:		
Depreciation	20,373,246	19,699,245
Provision for gratuity	3,430,749	1,254,105
	23,803,995	20,953,350
Net cash from operations before working capital changes	37,293,596	42,670,235
Working capital changes (Increase) / decrease in current assets		
Stores and spares	(146,274)	(14,702,332)
Stock-in-trade	(4,369,995)	(63,065,735)
Trade debts	(21,257,802)	3,419,507
Advances, deposits, prepayments & other receivables	13,133,609	(54,431,158)
	(12,640,462)	(128,779,718)
Increase / (decrease) in current liabilities		
Trade and other payables	(14,054,423)	89,502,539
Net working capital changes	(26,694,885)	(39,277,180)
Income tax paid	(10,551,946)	(3,819,078)
Net cash flow from operating activities	46,765	(426,023)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	-	(776,798)
Net cash used in investing activities	-	(776,798)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term deposits	(802,960)	-
Net cash flow from financing activities	(802,960)	-
Net decrease in cash and cash equivalents	(756,195)	(1,202,821)
Cash and cash equivalents at the beginning of the period	3,143,018	10,805,222
Cash and cash equivalents at the end of the period	2,386,823	9,602,402

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


Chief Executive Officer


Director

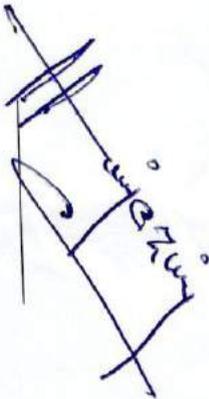

Chief Financial Officer

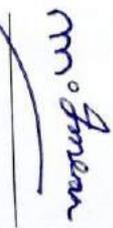
Condensed Interim Statement of Changes in Equity (Unaudited)
NINE MONTHS PERIOD ENDED MARCH 31, 2024

PARTICULARS	SHARE CAPITAL	CAPITAL			RESERVES		REVENUE	TOTAL	SHAREHOLDERS' EQUITY
		Premium on issue of share capital	Discount on issue of share capital	Surplus on revaluation of PPE	Subtotal	Accumulated loss			
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Balance as at June 30, 2022 - Audited	984,618,280	6,875,000	(282,788,556)	31,911,136	(244,002,420)	(257,840,685)	(501,843,105)	482,775,175	
Incremental depreciation transferred to retained earnings	-	-	-	(1,165,712)	(1,165,712)	1,165,712	-	-	
Net Profit for the period ended	-	-	-	-	-	14,346,706	14,346,706	14,346,706	
Balance as at March 31, 2023	984,618,280	6,875,000	(282,788,556)	30,745,424	(245,168,132)	(242,328,267)	(487,496,399)	497,121,881	
Balance as at June 30, 2023 - Audited	984,618,280	6,875,000	(282,788,556)	28,773,960	(247,139,596)	(266,139,823)	(513,279,419)	471,338,861	
Incremental depreciation transferred to retained earnings	-	-	-	(2,352,882)	(2,352,882)	2,352,882	-	-	
Net Profit for the period ended	-	-	-	-	-	7,382,492	7,382,492	7,382,492	
Balance as at March 31, 2024	984,618,280	6,875,000	(282,788,556)	26,421,078	(249,492,478)	(256,404,449)	(505,896,927)	478,721,353	

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


 Chief Executive Officer


 Director


 Chief Financial Officer

Notes to the Condensed Interim Financial Statements

NINE MONTHS PERIOD ENDED MARCH 31, 2024

1. THE COMPANY AND ITS OPERATIONS

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provision of and directives issued under the Companies Act, 2017.

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

2.2 Basis of measurement

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

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

2.3 Functional and presentation currency

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

3. ACCOUNTING POLICIES

The accounting policies and method of computation adopted in preparation of this interim financial information are the same as those applied in preparation of the annual financial statements of the Company for the year ended 30 June 2023.

4. ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT

Estimates, judgments and risk management objectives and policies are consistent with that disclosed in the audited financial statements for the year ended 30 June 2023.

Unaudited March-31, 2024	Audited June 30, 2023
-----------------------------	--------------------------

----- Rupees-----

5. PROPERTY, PLANT AND EQUIPMENT

Operating Assets - note 5.1

Capital Work-in-Progress

297,800,788	318,174,034
4,399,065	4,399,065
<u>302,199,853</u>	<u>322,573,099</u>

	Unaudited March-31, 2024	Audited June 30, 2023
----- Rupees-----		
5.1 Opening book value	318,174,034	307,328,730
Add: Cost of additions during the period / year	-	39,045,133
Less: Depreciation charged during the period / year	<u>(20,373,246)</u>	<u>(28,199,829)</u>
Disposal during the period / year	-	-
	<u>(20,373,246)</u>	<u>(28,199,829)</u>
	<u>297,800,788</u>	<u>318,174,034</u>

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

6. STOCK IN TRADE

Raw and packing materials	591,516,596	543,293,684
Finished goods	301,600,082	345,456,254
Provision for slow moving items	<u>(45,639,881)</u>	<u>(45,643,136)</u>
	<u>847,476,797</u>	<u>843,106,802</u>

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

7.1.1 Securities and Exchange Commission of Pakistan (SECP) has fined the Company and all the directors for Rupees 0.785 million (June 2023: 0.785 million) under sections 155, 233, & 245 and 74 and 476 respectively of the Companies Act, 2017. No provision has been made in this condensed interim financial information for such penalty. Directors and Company have filed appeal before SECP and expect the favorable outcome.

7.2 Commitments

There were no capital or other commitments at the balance sheet date (June 2023: Nil).

8. TRANSACTIONS WITH RELATED PARTIES

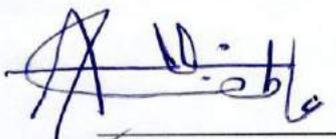
The related parties comprise of shareholders, directors of the Company, employees benefit funds and key management employees and carried out in the normal course of business. There were no other related parties transactions during the period March 31, 2024.

9. SEASONALITY

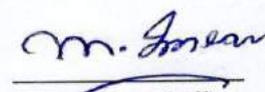
The Company's business is subject to seasonal fluctuation, with demand of its product increasing in the summer season and in the month of Ramadan and other events. Therefore, revenues and profits are not necessary indicative of results to be expected for the full year.

10. Date of Authorization

These Condensed Interim Financial Statement (Un-Audited) are approved and authorized for issuance by the Board of Directors of the company on April 29, 2024.


Chief Executive Officer


Director


Chief Financial Officer