



**22nd**  
**ANNUAL REPORT**  
**30 JUNE 2012**

**Quice Food Industries Limited**

## CONTENTS

	<b>PAGE NO.</b>
CORPORATE INFORMATION	3
NOTICE OF ANNUAL GENERAL MEETING	4
DIRECTORS' REPORT TO THE SHAREHOLDERS	5
CEO REVIEW	8
VISION & MISSION STATEMENT	9
STATEMENT OF ETHICS AND BUSINESS PRACTICES	10
STATEMENT OF COMPLIANCE	11
AUDITORS' REPORT TO THE MEMBERS	13
REVIEW REPORT	15
BALANCE SHEET	16
PROFIT & LOSS ACCOUNT	17
STATEMENT OF COMPREHENSIVE INCOME	18
CASH FLOW STATEMENT	19
STATEMENT OF CHANGES IN EQUITY	20
NOTES TO THE FINANCIAL STATEMENTS	21
PATTERN OF SHAREHOLDING	39
FORM OF PROXY	40

## CORPORATE INFORMATION

### BOARD OF DIRECTORS:

Mr. Muhammad Atif	Chief Executive
Mr. Muhammad Siraj	Director
Mr. Jawed Yamin	Director
Mr. Furqan Hussain	Director
Mr. Abu Bakar Rehmani	Director
Mr. Akhtar Rasool	Director
Mr. Sardar Iftikhar Ahmed	Director

### COMPANY SECRETARY:

Mr. Iqbal Shahid

### BANKERS:

Allied Bank Limited  
Habib Bank Limited  
MCB Bank Limited  
National Bank Limited  
United Bank Limited

### AUDITORS:

M/s. Aslam Malik & Co.  
Suit # 18-19 First Floor,  
Central Plaza, Civic Centre,  
New Garden Town, Lahore, Pakistan.

### AUDIT COMMITTEE:

Mr. Sardar Iftikhar Ahmed	Chairman
Mr. Muhammad Siraj	Member
Mr. Jawed Yamin	Member

### LEGAL ADVISOR:

M/s. Ahmed & Qazi  
Advocates & Legal Consultants  
403,404 Clifton Centre, Clifton, Karachi.

### SHARE TRANSFER OFFICE:

M/s. Technology Trade (Pvt.) Ltd.  
Dagia House, 241-C, Block-2, P.E.C.H.S.,  
Off: Shahrah-e-Quaideen, Karachi.

### REGISTERED OFFICE:

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

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 22<sup>nd</sup> Annual General Meeting of the shareholders of Quice Food Industries Limited will be held at Registered Office of the Company WS-7, Madina Palace, Faran C.H.S, Dhoraji Colony, Karachi on Tuesday, October 30, 2012 at 9:00 am to transact the following business:

1. To confirm the minutes of the 21<sup>st</sup> Annual General Meeting, held on November 15, 2011.
2. To receive, consider and adopt the audited accounts of the Company for the year ended June 30, 2012, together with the Directors' and Auditors' report thereon.
3. To appoint Auditors for the year ended June 30, 2013 and to fix their remuneration. M/s. Aslam Malik & Co., Chartered Accountants will retire and are eligible to offer themselves for re-appointment.
4. To transact any other business with the permission of the Chair.

Place: Karachi  
Date: October 09, 2012

By Order of the Board

-----sd-----

**IQBAL SHAHID**  
Company Secretary

**NOTES:**

- i) The Share Transfer Books of the Company will remain closed from 23.10.2012 to 30.10.2012 (both days inclusive)
- ii) A member entitled to attend and vote at the Meeting may appoint a proxy. Proxies in order to be effective, must be received at the Registered Office of the Company duly signed, stamped and witnessed not later than 48 hours before the Meeting. A proxy not to be a member of the Company.
- iii) Members are requested to communicate to the Company any change in their addresses.

**DIRECTORS' REPORT TO THE SHAREHOLDERS**

The Directors of your Company feel pleasure in presenting the annual report together with audited financial statements for the year ended 30 June 2012.

**1. Financial Results**

The Company made a Pre tax Profit of Rs. 34,217,510 after charging costs, expenses and provisions for the year.

	Rupees June 30, 2012	Rupees June 30, 2011
Pre Tax Profit for the year	34,217,510	1,807,536
Taxation	-	-
Profit after taxation	34,217,510	1,807,536
Accumulated Loss brought forward	(117,578,435)	(119,385,971)
Effect of Discount on Issue of shares without right	(131,916,000)	-
Effect of Incremental depreciation arising due to surplus on revaluation of fixed assets	1,919,386	-
Accumulated Loss carried to Balance Sheet	<u>(213,357,539)</u>	<u>(117,578,435)</u>

**2. Auditors**

The present auditors Messrs Aslam Malik & Co, Chartered Accountants retire and being eligible to offer themselves for re-appointment. The Board of Directors on the suggestion of Audit Committee has recommended the appointment of Messrs Aslam Malik & Co, Chartered Accountants as statutory auditors of the company till the conclusion of next Annual General Meeting.

**2.1 Auditors' Qualification**

Points raised by auditors are explained as under:

- The stock taking was carried out by the factory staff and the results were duly endorsed by the executive management. However, the visit of audit team for observing stock taking process could not be arranged due to improper law and order situation at Swat.
- A comprehensive physical verification was carried out by M/s. Sipra & Company (Pvt.) Ltd regarding the existence of fixed assets and their net book values were adjusted accordingly. The valuation report dated December 31, 2011 was made available to auditors for review.

## DIRECTORS' REPORT TO THE SHAREHOLDERS

### 3. Review of financial Affairs and Future Prospects

The Board of Directors of the company endorses the contents of the Chief Executive's Review, which is deemed to be the part of directors' report.

### 4. Pattern of Shareholding

The statement of pattern of shareholding of the company as at June 30, 2012 is annexed. This statement is prepared in accordance with Code of Corporate Governance.

### 5. Earning per share

The earning per share for the period under review is 2.22 (2011: 0.17)

### 6. Statement pursuant to clause XIX of Corporate Governance

- a) The financial statements of the Company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- b) Proper books of account of the Company have been maintained.
- c) Appropriate accounting policies have been consistently applied in the preparation of financial statements except for the changes as described in note 2.3 to the financial statements; and accounting estimates are based on reasonable and prudent judgment.
- d) International accounting standards as applicable in Pakistan have been followed in the preparation of financial statements. The departure there-from (if any) is disclosed adequately.
- e) The system of internal control is sound in design and is being consistently monitored by the internal audit department and through other such monitoring procedures. The process of monitoring internal controls will continue as an on-going process with the objective to further strengthen the controls and eliminate the weaknesses in the system, if any.
- f) The fundamentals of the Company are strong and there are no doubts about its ability to continue as a going concern.
- g) There has been no material departure from the best practices of Corporate Governance as detailed in listing regulations.
- h) Although the company is in profit for the year under review, the accumulated losses have prevented the company from declaring dividend or issuing the bonus shares.
- i) Information about taxes and levies is given in the notes to the financial statements.
- j) Transactions with Related Parties have been approved by the Audit Committee and the Board of Directors.
- k) The company operates unfunded gratuity scheme for its eligible employees. The carrying value of liability as at June 30, 2012 was Rupees 1.237 million.
- l) Attendance at 6 meetings of the Board of Directors held during the year under review were as under:

**DIRECTORS' REPORT TO THE SHAREHOLDERS**

<b>NAME OF DIRECTOR</b>	<b>MEETINGS ATTENDED</b>
Mr. Muhammad Atif CEO	6
Mr. Muhammad Siraj	6
Mr. Jawed Yamin	5
Mr. Akhtar Rasool	5
Mr. Sardar Iftikhar Ahmed	4
Mr. Furqan Hussain	1 (appointed in May 2012)
Mr. Abu Bakar Rehmani	1 (appointed in May 2012)
Mr. Muhammad Riaz	4 (resigned in May 2012)

Mr. Munawwar Ali Bhatti (resigned in May 2012) had expressed his inability to attend the meetings due to being out of city and requested for leave of absence which was granted by the Board of Directors.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,**



**MUHAMMAD ATIF**  
Chief Executive

KARACHI: October 09, 2012

## CHIEF EXECUTIVE'S REVIEW

It is my pleasure to welcome you to the 22nd Annual General Meeting of Quice Food Industries Ltd. and to present the financial statements of the Company for the year ended June 30, 2012.

It is hard to exaggerate the severity of current economic conditions but if sincere efforts are made in accomplishing the Company's objectives then the results are favorable for the Company and its members. Here are some of the steps which company took during the year showing that the Company delivered a good performance while working hard to build a platform for Long Term Growth.

The ratio of current year's cost of sales to the total sales has a major decline as compared to the last year's ratio resulting in prominent increase in the gross profit for the current year. The reason behind this change is the decrease in the Sugar price, which is a major raw material in our products. Your company was able to take advantage with this opportunity available to reduce the overall costs.

Your company successfully paid off the outstanding liability of Allied Bank Limited loan and made the full & final payment during the year. The contingent liability outstanding against the Company in last year's financial statements regarding outstanding principal amount payable to Allied Bank Limited and the remission of mark-up allowed by Allied Bank Limited, which were becoming effective on non-fulfillment of agreed conditions between the Company and Allied Bank Limited, has been successfully waived-off after making the complete payments of the principal amount in the agreed time. The Company ensured before making such payments that this big Outflow must not affect the liquidity of the company in running its operations, so same was financed by the Sponsor Director.

There is a bulging increase in the market price of share of your company betraying the improvement in the Company's progress. The Company is successfully moving towards advanced systematic way of working to achieve the planned goals more effectively and efficiently.

I would like to thank all our stakeholders on behalf of the Board of Directors for their continued support and wish for your future support to the Company.

A handwritten signature in black ink, appearing to read "Muhammad Atif".

**MUHAMMAD ATIF**  
Chief Executive Officer

KARACHI: October 09, 2012



## **QUICE FOOD INDUSTRIES LIMITED**

### **VISION STATEMENT**

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 STATEMENT**

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.

## **QUICE FOOD INDUSTRIES LIMITED**

### **STATEMENT OF ETHICS AND BUSINESS PRACTICES**

Quice Food Industries Limited conducts its operations in accordance with highest business ethical consideration complying with all statutory regulations and best accepted standards of good corporate citizen. This policy applies to all directors and employees of the Company. The Company's core values are Merit, Integrity, Teamwork, Safety, Dedication and Innovation. It is towards the end of fostering these core values in the Corporate culture of Quice Food Industries Limited 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. Quice Food Industries Limited 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, 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 Quice Food Industries Limited and its subsidiaries 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.

## QUICE FOOD INDUSTRIES LIMITED

### STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE TO THE MEMBERS

Name of Company  
Year ended

QUICE FOOD INDUSTRIES LTD  
June 30, 2012

This statement is being presented to comply with the code of corporate governance contained in regulation No.37 listing regulations of Karachi stock exchange (Guarantee) limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the code in the following manner:

1. The company encourages representation of independent non-executive directors and director representing minority interests on its Board of Director. At present the Board includes at least four independent non-executive directors and no directors representing minority shareholders.
2. The directors have confirmed that none of them is serving as a director in more than ten listed companies, including this Company.
3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFIL.
4. No casual vacancy occurred in the Board during the year except for one director.
5. Company has prepared a 'Statement of Ethics and Business Practices' which has been signed by all the Director's and Employees of the Company.
6. The Board has developed a vision / mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decision on material transaction, including appointments and determinations of remuneration and term and conditions of employment of the CEO and other executive directors, have been taken by the Board.
8. The meetings of the Board were presided over by the Chief Executive and, in his absence, by a director elected by the Board for this purpose and the Board met at least once in every quarter. Written notice of the Board meeting, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Board has not so far arranged any orientation courses for its directors during the year to apprise them of their duties and responsibilities.
10. The Board has approved appointment of CEO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment, as determined by the CEO.
11. The directors' report for this year has been prepared in compliance with the requirements of the Code and fully describes the silent matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.

**QUICE FOOD INDUSTRIES LIMITED**  
**STATEMENT OF COMPLIANCE WITH THE CODE OF**  
**CORPORATE GOVERNANCE TO THE MEMBERS**

13. The directors, CEO and executives do not hold and interest in the shares of the company other than that disclosed in the pattern of the shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the Code.
15. The Board has formed an Audit Committee. It comprises of 3 members who are non-executive directors including the chairman of the committee. The term of reference of the committee have been framed and advised to the committee for compliance.
16. The meetings of the audit committee were held at least once in every quarter prior to approval of interim and final result of the Company as required by the Code.
17. Effective internal audit function inexistence as required by the Code.
18. 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, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by Institute of Chartered Accountants of Pakistan.
19. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regards.
20. The related party transactions have been placed before the audit committee and approved by the Board of Directors alongwith pricing methods for transactions carried out on terms equivalent to those that prevail in the arm's length transactions.
21. We confirm that all other material principles contained in the Code have been complied with.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS,**

A handwritten signature in black ink, appearing to be "Muhammad Atif".

**MUHAMMAD ATIF**  
Chief Executive Officer

KARACHI: October 09, 2012

## **QUICE FOOD INDUSTRIES LIMITED**

### **AUDITORS' REPORT TO THE MEMBERS**

We have audited the annexed balance sheet of QUICE FOOD INDUSTRIES LIMITED as at June 30, 2012 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended 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 purpose of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statement in conformity with the approved accounting standards and the requirements of Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit. The financial statements of company for the year ended June 30, 2011 were audited by another firm of chartered accountants who issued a qualified report dated October 15, 2011 regarding non verification of inventories of Rupees 18,955,699/- and property, plant and equipment of Rupees 2,827,132/- and vehicles at Rs. 906,644/- as at the reporting date.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- (a) we could not observe the physical stocktaking of stores and spares of Rupees 662,900 and stock-in-trade of Rupees 25,222,475/- as at June 30, 2012 due to our late appointment.
- (b) the company had its building, plant and machinery revalued and a valuation report dated December 31, 2011 is available. Reliance was made on the valuation report submitted by M/s Sipra & Company (Pvt) Ltd Karachi regarding the existence of fixed assets and their corresponding valuation figures.

Except for the effects of matter referred to in preceding paragraphs (a) and (b), if any, we report that:

- (c) in our opinion proper books of accounts have been kept by the company as required by the Companies Ordinance, 1984;
- (d) in our opinion:
  - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of accounts and are further in accordance with the accounting policies consistently applied, except for the changes as Note 2.1(d) with which we concur;

## **QUICE FOOD INDUSTRIES LIMITED**

### **AUDITORS' REPORT TO THE MEMBERS**

- ii) the expenditure incurred during the year was for the purpose of the Company's business; and
- i) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the company;
- (e) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming parts thereof conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, 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, 2012 and of the profit, its comprehensive income, its cash flows and changes in equity for the year then ended; and
- (f) in our opinion, no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

A handwritten signature in black ink, appearing to read "Aslam Malik".

**ASLAM MALIK & CO.**  
**Chartered Accountants**

**Mohammad Aslam Malik**

KARACHI: October 09, 2012

## QUICE FOOD INDUSTRIES LIMITED

### REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

We have reviewed the Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) for the year ended June 30, 2012 prepared by the board of QUICE FOOD INDUSTRIES LIMITED (the Company) to comply with the Listing Regulation of respective Stock Exchanges, where the company is listed.

The responsibility for compliance with Code of Corporate Governance is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of Company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the company to compliance with the Code.

As part of our audit of 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's statement on internal control covers all risk and control, or to form an opinion on the effectiveness of such internal controls, the company's Corporate Governance procedures and risks.

Further, Listing Regulations of the Karachi Stock Exchange (Guarantee) and Islamabad Stock Exchange (Guarantee) requires the Company to place before the Board of Directors for their consideration and approval related party transactions, distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price, recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the Audit Committee. We are only required and have ensured Compliance of requirement to the extent of approval of related party transaction by the Board of Directors and placement of such transactions before the Audit Committee. We have not carried out any procedures to determine whether the related party transaction were undertaking at arm's length price or not.

Based on our review we report that:

- a) The company has not appointed the Head of Internal audit as required as under the code of Corporate Governance. Moreover, the internal audit reports have not been provided to us;
- b) The company has not submitted timely the quarterly and half yearly financial reports to the Securities and Exchange Commission of Pakistan;
- c) We have not been provided the evidence of placement of related party transactions before the audit committee and board of directors for approval;
- d) There is no independent director of the Company representing institutional interest as required by Section (i) (b) of the Code of Corporate Governance;

We thereby conclude that except for the matters referred in paragraph (a) (b) (c) and (d) above, nothing has come to our attention, which causes us to believe that the Statement of Compliance does not appropriately reflect the status of the Company's compliance, in all material respects with the best practices contained in the Code of Corporate Governance as applicable to the Company for the year ended June 30, 2012.



**ASLAM MALIK & CO.**  
**Chartered Accountants**

**Mohammad Aslam Malik**

KARACHI: October 09, 2012

**QUICE FOOD INDUSTRIES LIMITED**  
**BALANCE SHEET**  
**AS AT JUNE 30, 2012**

ASSETS	NOTE	2012 Rupees	2011 Rupees
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment			
Operating assets	3	56,142,090	21,405,632
Capital work in progress - plant and machinery		5,263,936	2,283,936
		<b>61,406,026</b>	<b>23,689,568</b>
<b>CURRENT ASSETS</b>			
Stores and spares	4	662,900	662,900
Stock-in-trade	5	25,222,475	18,292,799
Trade debts	6	118,700,546	48,216,103
Loans and advances		10,950,755	7,108,280
Advance income tax		20,185	20,185
Cash and bank balances	7	4,922,026	3,630,862
		<b>160,478,887</b>	<b>77,931,129</b>
<b>TOTAL ASSETS</b>		<b>221,884,913</b>	<b>101,620,697</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized share capital</b>			
42,600,000 (2011: 20,000,000) ordinary shares of Rupees 10 each		426,000,000	200,000,000
Issued, subscribed and paid up share capital	8	326,735,000	106,875,000
Reserves	9	(213,357,539)	(117,578,435)
<b>Total equity</b>		<b>113,377,461</b>	<b>(10,703,435)</b>
Surplus on revaluation of property, plant and equipment		<b>36,468,333</b>	-
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Long term financing	10	67,736,998	93,306,036
Staff retirement benefits	11	1,237,416	750,443
		<b>68,974,414</b>	<b>94,056,479</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	3,064,705	2,167,653
Current portion of long term financing		-	16,100,000
		<b>3,064,705</b>	<b>18,267,653</b>
<b>TOTAL LIABILITIES</b>		<b>72,039,119</b>	<b>112,324,132</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	13		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>221,884,913</b>	<b>101,620,697</b>

The annexed notes 1 to 28 form an integral part of these financial statements.



**Muhammad Atif**  
Chief Executive



**Muhammad Siraj**  
Director



**QUICE FOOD INDUSTRIES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	Note	2012 Rupees	2011 Rupees
<b>CONTINUING OPERATIONS</b>			
SALES		182,381,665	113,632,066
COST OF SALES	14	<u>(119,385,506)</u>	<u>(106,085,043)</u>
GROSS PROFIT		62,996,159	7,547,023
DISTRIBUTION COST	15	<u>(8,472,190)</u>	<u>(6,134,504)</u>
ADMINISTRATIVE EXPENSES	16	<u>(10,905,924)</u>	<u>(11,535,493)</u>
OTHER OPERATING EXPENSES		<u>(91,980)</u>	<u>(340,233)</u>
		<u>(19,470,094)</u>	<u>(18,010,230)</u>
		43,526,065	(10,463,207)
EFFECT OF FAIR VALUE ADJUSTMENT OF LONG TERM FINANCING		<u>(9,674,962)</u>	<u>15,151,669</u>
OTHER OPERATING INCOME		<u>361,492</u>	<u>771</u>
		<u>(9,313,470)</u>	<u>15,152,440</u>
		34,212,595	4,689,233
FINANCE COST	17	(63,505)	(28,568)
Exchange Gain/(Loss) on currency revaluation		68,420	-
PROFIT BEFORE TAXATION		<u>34,217,510</u>	4,660,665
PROVISION FOR TAXATION	18	-	-
PROFIT AFTER TAXATION FROM CONTINUED OPERATIONS		34,217,510	4,660,665
<b>DISCONTINUED OPERATIONS</b>			
LOSS FROM DISCONTINUED OPERATIONS	19	-	(2,853,129)
		<u>34,217,510</u>	<u>1,807,536</u>
EARNINGS PER SHARE- BASIC AND DILUTED (RUPEES)	20	<u>2.22</u>	<u>0.17</u>

The annexed notes 1 to 28 form an integral part of these financial statements.



**Muhammad Atif**  
Chief Executive



**Muhammad Siraj**  
Director

**QUICE FOOD INDUSTRIES LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	2012 Rupees	2011 Rupees
PROFIT AFTER TAXATION	34,217,510	1,807,536
OTHER COMPREHENSIVE INCOME	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b><u>34,217,510</u></b>	<b><u>1,807,536</u></b>

The annexed notes 1 to 28 form an integral part of these financial statements.



**Muhammad Atif**  
Chief Executive



**Muhammad Siraj**  
Director

**QUICE FOOD INDUSTRIES LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED JUNE 30, 2012**

	Note	2012 Rupees	2011 Rupees
<b>Profit before taxation</b>		<b>34,217,510</b>	<b>1,807,536</b>
<b>Adjustments for non-cash charges and other items:</b>			
Depreciation		4,153,981	2,613,041
Assets written off		6,205	2,853,129
Deficit on revaluation of property, plant and equipments		85,775	-
Provision for taxation		-	-
Imputed Interest Income under IAS-39		9,674,962	(15,151,669)
Provision for gratuity		486,973	440,505
		<u>14,407,896</u>	<u>(9,244,994)</u>
<b>Net cash (used in) / flow from operations before working capital changes</b>		<b>48,625,406</b>	<b>(7,437,458)</b>
<b>Working capital changes</b>			
(Increase) / decrease in current assets			
Stock-in-trade		(6,929,676)	(17,884,375)
Trade debts		(70,484,443)	(25,126,771)
Loans and advances		(3,842,475)	(6,951,500)
Advance income tax		-	-
		<u>(81,256,594)</u>	<u>(49,962,646)</u>
Increase / (decrease) in current liabilities			
Trade and other payables		897,052	1,152,103
		<u>897,052</u>	<u>1,152,103</u>
<b>Net cash (used in) / flow from operating activities</b>		<b>(31,734,136)</b>	<b>(56,248,001)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure		(3,574,700)	(3,675,236)
Proceeds from sale of property, plant and equipment		-	2,500,000
<b>Net cash used in investing activities</b>		<b>(3,574,700)</b>	<b>(1,175,236)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long term financing obtained during the year		53,200,000	67,544,000
Long term financing repaid during the year		(16,600,000)	(6,600,000)
<b>Net cash flow from / (used in) financing activities</b>		<b>36,600,000</b>	<b>60,944,000</b>
<b>Net increase in cash and cash equivalents</b>		<b>1,291,164</b>	<b>3,520,763</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>3,630,862</b>	<b>110,099</b>
<b>Cash and cash equivalents at the end of the year</b>	21	<b>4,922,026</b>	<b>3,630,862</b>

The annexed notes 1 to 28 form an integral part of these financial statements.



**Muhammad Atif**  
Chief Executive



**Muhammad Siraj**  
Director

**QUICE FOOD INDUSTRIES LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED JUNE 30, 2012**

PARTICULARS	SHARE CAPITAL	RESERVES			TOTAL	SHAREHOLDERS' EQUITY
		CAPITAL		REVENUE		
		Premium on issue of share capital	Discount on issue of share capital	Accumulated loss		
	Rupees	Rupees		Rupees		Rupees
Balance as at June 30, 2010	106,875,000	6,875,000	-	(126,260,971)	(119,385,971)	(12,510,971)
Comprehensive income for the year ended June 30, 2011	-	-	-	1,807,536	1,807,536	1,807,536
<b>Balance as at June 30, 2011</b>	<b>106,875,000</b>	<b>6,875,000</b>	<b>-</b>	<b>(124,453,435)</b>	<b>(117,578,435)</b>	<b>(10,703,435)</b>
Issue of right shares	219,860,000	-	-	-	-	219,860,000
Incremental depreciation transferred to retained earnings				1,919,386	1,919,386	1,919,386
Discount on Issue of right shares	-	-	(131,916,000)	-	(131,916,000)	(131,916,000)
Comprehensive income for the year ended June 30, 2012	-	-	-	34,217,510	34,217,510	34,217,510
<b>Balance as at June 30, 2012</b>	<b>326,735,000</b>	<b>6,875,000</b>	<b>(131,916,000)</b>	<b>(88,316,539)</b>	<b>(213,357,539)</b>	<b>113,377,461</b>

The annexed notes 1 to 28 form an integral part of these financial statements.



**Muhammad Atif**  
Chief Executive



**Muhammad Siraj**  
Director

**QUICE FOOD INDUSTRIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

**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 production activities are carried out only at the Swat unit. Under section 247 of the constitution of Pakistan Swat area is exempted from all taxes. The Company discontinued its Hattar unit from August 2001. During the last year, the land and building of this unit was disposed of as approved by the shareholders.

The plant and machinery that was uninstalled from Hattar unit in previous year is now being transferred to Karachi for the purpose of recommissioning. During the year, the Company has obtained a rented premises for such recommissioning of the plant and machinery. The management expects that the recommissioning would be completed and production would start at Karachi during the next year.

**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**

**a) Statement of compliance**

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

**b) 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.

**c) 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:

**Financial instruments**

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques based on assumptions that are dependent on conditions existing at balance sheet date.

**QUICE FOOD INDUSTRIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

**Useful lives, patterns of economic benefits and impairments**

Estimates with respect to residual values and useful lives and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, the Company reviews the value of assets for possible impairment on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property, plant and equipment, with a corresponding effect on the depreciation charge and impairment.

**Inventories**

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

**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.

**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.

**d) Amendments to published approved standards that are effective in current period and are relevant**

The following amendments to published approved standards are mandatory for the Company's accounting periods beginning on or after 01 July 2011:

International Accounting Standard (IAS) 1 (Amendment), 'Presentation of Financial Statements', now requires an entity to present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements. The company has preferred to present this analysis in the statement of changes in equity.

IFRS 7 (Amendments), 'Financial Instruments', emphasizes the interaction between quantitative and qualitative disclosures about the nature and extent of risks associated with financial instruments.

IAS 24 (Revised), 'Related Party Disclosures', issued in November 2009. It supersedes IAS 24, 'Related Party Disclosures', issued in 2003. The revised standard clarifies and simplifies the definition of a related party and removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities.

**e) Interpretations and amendments to published approved standards that are effective in current period but not relevant**

There are other new interpretations and amendments to the published approved standards that are mandatory for accounting periods beginning on or after 01 July 2011 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

**QUICE FOOD INDUSTRIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

**f) Standards and amendments to published approved standards that are not yet effective but relevant**

IFRS 9 'Financial Instruments' (effective for annual periods beginning on or after 01 January 2013). IFRS 9 is the first step in the process to replace IAS 39 'Financial Instruments: Recognition and Measurement'. It requires that all equity investments are to be measured at fair value while eliminating the cost model for unquoted equity investments. Certain categories of financial instruments available under IAS 39 will be eliminated. Moreover, it also amends certain disclosure requirements relating to financial instruments under IFRS 7 'Financial Instruments: Disclosures'. The management of the Company is in the process of evaluating impacts of the aforesaid standard on the Company's financial statements.

IFRS 13, 'Fair value measurement'. This standard provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. The standard is not applicable until 01 July 2013 but is available for early adoption.

IAS 1, 'Financial statement presentation' (Amendment). The main change resulting from this amendment is the requirement for entities to group items presented in Other Comprehensive Income (OCI) on the basis of whether they are potentially recycled to profit or loss (reclassification adjustments). The amendment does not address which items are presented in OCI. The company will apply these amendments from 01 July 2013.

IAS 12, 'Income Taxes' (Amendments). These are applicable on accounting periods beginning on or after January 01, 2012. IAS 12, 'Income taxes', currently requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. It can be difficult and subjective to assess whether recovery will be through use or through sale when the asset is measured using the fair value model in IAS 40, 'Investment Property'. This amendment therefore introduces an exception to the existing principle for the measurement of deferred tax assets or liabilities arising on investment property measured at fair value. As a result of the amendments, SIC 21, 'Income taxes ? recovery of revalued non-depreciable assets', will no longer apply to investment properties carried at fair value. The amendments also incorporate into IAS 12 the remaining guidance previously contained in SIC 21, which is withdrawn. The company will apply these amendments from 01 July 2012.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the company.

**e) Interpretations and amendments to published approved standards that are effective in current year but not relevant to the company**

There are other new interpretations and amendments to the published approved standards that are mandatory for accounting periods beginning on or after 01 July 2011 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

**g) Standards, interpretations and amendments to published approved standards that are not yet effective and not considered relevant to the Company**

There are other standards, amendments to published approved standards and new interpretations that are mandatory for accounting periods beginning on or after 01 July 2012 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

**QUICE FOOD INDUSTRIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

**2.2 Taxation**

**Current**

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% 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.

**Deferred**

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date. Deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which these can be utilized.

However, no provision for taxation has been made in these financial statement since the Swat Unit is exempt from all taxes (Note 18).

**2.3 Change in accounting policy - Property, plant and equipment**

Property, plant and equipment except plant and machinery and lease hold improvements are stated at cost less accumulated depreciation and accumulated impairment losses (if any). From the current period, the Company has changed its accounting policy regarding the measurement of Leasehold Improvements (at Swat) and Plant and Machinery that is now stated under revaluation model. Previously, these were stated at cost less accumulated depreciation and accumulated impairment in value, if any. Had there been no revaluation, the value of these assets would have been lower by Rupees 38.388 million. Surplus arising on revaluation is credited to surplus on revaluation of property plant and equipment. The surplus of revaluation of property plant and equipment to the extent of incremental depreciation charged on the related asset is transferred to retained earnings / loss through statement of changes in equity. Cost of property, plant and equipment consists of historical cost, borrowing cost pertaining to erection / construction period of qualifying assets and other directly attributable cost of bringing the asset to working condition.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to profit and loss account during the period in which they are incurred.

Capital work in progress is stated at cost less any recognized impairment loss.

**Depreciation**

Depreciation on property, plant and equipment is charged to profit and loss account applying the reducing balance method so as to write off the cost / appreciated value of the assets over their estimated useful lives at the rates given in Note 3. 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.

**De-recognition**

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.



**QUICE FOOD INDUSTRIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

**2.4 Impairment**

**a) Financial assets**

A financial asset is considered to be impaired if objective evidence indicates that one or more events had a negative effect on the estimated future cash flow of that asset.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as a difference between its carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of available for sale financial asset is calculated with reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

**b) Non-financial assets**

The carrying amounts of the Company's non-financial assets are reviewed at each balance sheet 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:

**a) 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.

**b) 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.

**2.6 Revenue recognition**

Revenue from sales is recognized when significant risks and rewards of ownership are transferred to the buyer.

**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 balance sheet date except for liabilities covered under forward exchange which are translated at the contracted rates.

**QUICE FOOD INDUSTRIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

**2.8 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. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of instrument. Initial recognition is made at fair value plus transaction costs directly attributable to acquisition, except for "financial instrument at fair value through profit or loss" which is measured initially at fair value.

Financial assets are de-recognized when the Company loses control of the contractual rights that comprise the financial asset. The Company loses such control if it realizes the rights to benefits specified in contract, the rights expire or the Company surrenders those rights. Financial liabilities are de-recognized when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on subsequent measurement and de-recognition is charged to the profit or loss currently.

**a) Trade Debts**

Trade debts are recognized at invoice value less provision for uncollectible amount. Provision for doubtful debts is based on management assessment of customers outstanding and credit worthiness. Bad debts are written off when there is no realistic prospects of recovery.

**b) Trade and other payables**

Creditors, accrued and other liabilities for trade and other amounts payable are measured at cost which is the fair value of the consideration to be paid in the future for goods and services.

**c) 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.

**2.9 Related party transaction**

All transaction with related parties are entered into arm's length basis determined in accordance with "Comparable Uncontrolled Price Method".

**2.10 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.

**2.11 Staff retirement benefits**

The company operates an unfunded gratuity scheme covering all its employees . The Company have made provision for gratuity on the basis of actuarial valuation as required by IAS 19. The benefit is calculated on following basis:

Length of service	Benefit calculation
Less than one year	No benefits
One year or more	Last drawn gross salary for each completed year of service

**QUICE FOOD INDUSTRIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

**2.12 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.

**2.13 Offsetting of financial instruments**

Financial assets and financial liabilities are set off and only the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognized amount and the company intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

**2.14 Share Capital**

Ordinary shares are classified as equity.

**2.15 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 date of acquisition, if any.



**QUICE FOOD INDUSTRIES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED JUNE 30, 2012**

3.2 Revaluation of leasehold improvements (at Swat) and the plant and machinery was carried out by an independent evaluator Sipra & Company (Private) Limited as at 31 December 2011. The independent evaluator reported the fair values of revalued assets as under:

	Rupees
Lease hold improvements	2,600,000
Plant and machinery	54,521,995
	<b>57,121,995</b>

The written down value of Leasehold Improvements (at Swat) and Plant and Machinery on cost basis as at the reporting date was Rupees 2,685,775 and Rupees 16,134,276 respectively.

**4. STORES AND SPARES**

	2012 Rupees	2011 Rupees
Store and spares	1,347,825	1,347,825
Provision for slow moving Items	(684,925)	(684,925)
	<b>662,900</b>	<b>662,900</b>

**5. STOCK IN TRADE**

Raw and Packing materials	9,629,825	11,160,313
Finished goods	15,592,650	7,132,486
	<b>25,222,475</b>	<b>18,292,799</b>

**6. TRADE DEBTS - UNSECURED**

Considered good	118,700,546	48,216,103
Considered bad and doubtful	69,458,591	69,458,591
	188,159,137	117,674,694
Provision for bad and doubtful debts	69,458,591	69,458,591
	<b>118,700,546</b>	<b>48,216,103</b>

6.1 As per management's estimate, an amount of Rupees 69.459 million (30 June 2011: Rupees 69.459 million) is doubtful.

6.2 The above balances considered good include Rupees 20.245 million past due but not impaired. Their aging fall from 3 months to 6 months.

**7. CASH AND BANK BALANCES**

Cash in hand	104,576	5,954
Cash at bank-current accounts	4,817,450	3,624,908
	<b>4,922,026</b>	<b>3,630,862</b>

**8. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL**

**(NUMBER OF SHARES)**

4,954,366	4,954,366		49,543,660	49,543,660
		Ordinary shares of Rs.10 each fully paid in cash		
433,888	433,888	Ordinary shares of Rs.10 each fully paid in cash to NIT and ICP	4,338,880	4,338,880
3,576,424	3,576,424	Ordinary shares of Rs.10 each fully paid in cash to general public	35,764,240	35,764,240
1,722,822	1,722,822	Ordinary shares of Rs.10 each issued as bonus shares	17,228,220	17,228,220
21,986,000		Ordinary shares of Rs.10 each issued at a discount of Rs. 4 per Share issued to Convert Part of the Directors Loan into Fully Paid Shares	219,860,000	-
<b>32,673,500</b>	<b>10,687,500</b>		<b>326,735,000</b>	<b>106,875,000</b>

## QUICE FOOD INDUSTRIES LIMITED

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2012

#### 8.2 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.

#### 9 RESERVES

Composition of reserves is as follows:

##### Capital

Premium on issue of share capital (Note 9.1)

Discount on issue of share capital

##### Revenue

Accumulated loss

2012	2011
Rupees	Rupees
6,875,000	6,875,000
(131,916,000)	-
(88,316,539)	(131,379,795)
<u>(213,357,539)</u>	<u>(124,504,795)</u>

9.1 This reserve can be utilized by the Company only for the purposes specified in section 83(2) of the Companies Ordinance, 1984.

#### 10. LONG TERM FINANCING

From banking companies - secured	10.1	-	-
From directors - non-interest bearing - unsecured	10.2	67,736,998	93,306,036
		<u>67,736,998</u>	<u>93,306,036</u>

##### 10.1 From banking companies - secured

Demand finance		16,100,000	22,100,000
Repaid during the period		(16,100,000)	(6,000,000)
		-	16,100,000
Current portion		-	7,100,000
Overdue		-	9,000,000
		-	16,100,000
		<u>-</u>	<u>-</u>

##### 10.2 From directors - non-interest bearing - unsecured

As at 30 June		91,600,000	126,844,000
Fair value adjustment under IAS-39		(23,863,002)	(33,537,964)
		<u>67,736,998</u>	<u>93,306,036</u>

10.2.1 The Chief Executive Officer and Directors had given their consent to sub-ordinate their loans given to the Company. The loans are unsecured and interest free the date of repayment is beyond one year. Fair value of long-term financing from directors has been estimated under IAS-39 "Financial Instruments: Recognition and Measurement" at the present value of all future cash flows discounted using estimated open market rate of 13 % per annum.

10.2.2 Pursuant to the approval by board of directors of the Company in their meeting dated 24 March 2011, the members of the Company in their extra ordinary general meeting dated 25 April 2011, have resolved that the Company may issue 31,711,000 ordinary shares having face value of Rupees 10 each under the provisions of section 84 and 86 of the Companies Ordinance, 1984 subject to the approval of Securities and Exchange Commission of Pakistan(SECP) at the discounted price of Rupees 4 each against the long term financing of directors amounting to Rupees 126,844,000. However, SECP has approved the issue of 21,986,000 shares at the discounted price of Rupees 4 each against term financing of Rupees 87,944,000.

## QUICE FOOD INDUSTRIES LIMITED

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	<b>2012</b>	<b>2011</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>11. STAFF RETIREMENT BENEFITS</b>		
<b>Staff gratuity scheme -unfunded</b>		
Present value of defined benefit obligation	1,034,756	715,942
Add: Unrecognized actuarial gain / (loss)	202,660	34,501
	1,237,416	750,443
<b>11.1 General description</b>		
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 30 June 2012.		
<b>11.2 Movement in present value of defined benefit obligation</b>		
Balance at beginning of the year	715,942	384,714
Current service cost	386,741	387,078
Interest cost	100,232	46,166
Actuarial (gain) / loss	(168,159)	(102,016)
Balance as at end of the year	1,034,756	715,942
<b>11.3 Movement in balances</b>		
Balance at beginning of the year	750,443	309,938
Expense during the year	486,973	440,505
	1,237,416	750,443
<b>11.4 Charge for the year</b>		
Current service cost	386,741	387,078
Interest cost	100,232	46,166
Actuarial (gain) / loss	-	7,261
	486,973	440,505
<b>11.5 Experience Adjustments</b>		
Experience adjustment arising on plan liabilities (gains) / losses	(168,159)	(102,016)
Present value of defined benefits obligation	1,034,756	715,942
<b>11.6 Principal actuarial assumption</b>		
Following principal actuarial assumptions were used for the valuation:	<b>2012</b>	<b>2011</b>
Estimated rate of increase in salary of the employees	12% per annum	13% per annum
Discount rate	13% per annum	14% per annum
<b>12. TRADE AND OTHER PAYABLES</b>	<b>Rupees</b>	<b>Rupees</b>
Accrued Liabilities	1,545,234	1,802,420
Workers' profit participation fund	-	340,233
Other liabilities	1,519,471	25,000
	3,064,705	2,167,653

## QUICE FOOD INDUSTRIES LIMITED

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2012

#### 13. CONTINGENCIES AND COMMITMENTS

##### 13.1 Contingencies

**13.1.1** 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 Ordinance, 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.

**13.1.3** Sales Tax Department has raised a liability amounting to Rupees 35.089 million, being principle amount of sales tax under Sales tax ACT 1990, against which the company has filed an appeal. The company expects the favorable results of such appeal.

**13.1.4** Various civil suits for recovery have been filed and executed against the company for Rupees 20.000 million. The company is confident that out come of the above cases are expected to be in favour of the company.

##### 13.2 Commitments

There were no capital or other commitments at the balance sheet date (2011: Nil).

	2012	2011
	Rupees	Rupees
<b>14. COST OF SALES</b>		
Finished stock - opening	7,132,486	206,126
Add: Cost of goods manufactured	127,845,670	113,011,403
	134,978,156	113,217,529
Less: Finished stock - closing	15,592,650	7,132,486
	119,385,506	106,085,043
<b>Cost of goods manufactured</b>		
Raw material and packing material consumed (Note 14.1)	117,543,144	104,139,777
Store and spares consumed	-	233,475
Salaries, wages and other benefits	4,739,841	3,920,636
Freight and octroi	751,139	688,990
Factory rent	120,000	120,000
Fuel and power	119,187	343,214
Water charges	53,411	83,790
Repair and maintenance	65,250	663,121
Depreciation (Note 3.1)	3,903,410	2,553,830
Miscellaneous expenses	550,288	264,570
	127,845,670	113,011,403
<b>14.1 Raw material and packing material consumed</b>		
Opening stock	11,160,313	202,298
Add: Purchased during the year	116,012,656	115,097,792
	127,172,969	115,300,090
Less: Closing stock	9,629,825	11,160,313
	117,543,144	104,139,777
<b>15. DISTRIBUTION COST</b>		
Salaries and other benefits	7,081,873	4,793,401
Outward freight and handling	1,390,317	1,341,103
	8,472,190	6,134,504



## QUICE FOOD INDUSTRIES LIMITED

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2012 Rupees	2011 Rupees
<b>16. ADMINISTRATIVE EXPENSES</b>		
Directors remuneration (Note 26)	1,103,156	1,103,156
Salaries and other benefits	1,604,957	1,786,947
Conveyance expenses	130,350	97,424
Vehicle repair and maintenance	-	127,915
Legal expenses	228,000	1,593,380
Postage and Telegram	99,156	27,379
Rent	360,000	655,000
Printing and stationery	261,240	444,720
Repair and maintenance	167,957	298,468
Entertainment	341,990	375,014
Auditors' remuneration (Note 16.1)	450,000	300,000
Depreciation (Note 3.1)	250,571	59,211
Miscellaneous expenses	1,329,610	1,086,205
Advertisement and publicity	2,116,799	2,803,564
Fee and subscription	1,861,287	463,269
Fuel and petrol	51,080	147,092
Traveling expenses	549,771	166,749
	10,905,924	11,535,493
<b>16.1 Auditors' remuneration</b>		
Audit fee	375,000	250,000
Half yearly review	75,000	50,000
	450,000	300,000
<b>17. FINANCE COST</b>		
Bank charges and commission	63,505	28,568
<b>18. PROVISION FOR TAXATION</b>		
All the operations of the Company are in Swat. Under section 247 of the Constitution of Pakistan, Swat area is exempted from all taxes. Accordingly, no provision for current and deferred tax has been made.		
<b>19. DISCONTINUED OPERATIONS</b>		
The company discontinued its Hattar unit from August 2001. During previous years, its entire plant and machinery was transferred to Swat unit. Currently, only Swat unit is operating. Last year, the company also sold its entire land and building at Hattar, as disclosed in Note 3 to the financial statements.		
<b>20. EARNINGS PER SHARE - BASIC AND DILUTED</b>		
There is no dilutive effect on the basic earnings per share which is based on:		
Profit attributable to ordinary shares	(Rupees) <u>34,217,510</u>	<u>1,807,536</u>
Weighted average number of ordinary shares	(Numbers) <u>15,385,878</u>	<u>10,687,500</u>
Earnings per share	(Rupees) <u>2.22</u>	<u>0.17</u>
<b>21. CASH AND CASH EQUIVALENTS</b>		
Cash and bank balance	4,922,026	3,630,862
	4,922,026	3,630,862

## QUICE FOOD INDUSTRIES LIMITED

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2012

22. TRANSACTIONS WITH RELATED PARTIES	2012	2011
	Rupees	Rupees
The related parties comprise directors, sales distributor and major suppliers..		
Long term financing from directors during the year	53,200,000	67,544,000
Long term financing repaid to directors during the year	700,000	600,000
Sales	179,448,295	113,632,066
Purchases	116,012,656	115,097,792
Trade debts	115,698,756	48,216,103
Loans and advances	10,950,755	7,108,280

#### 23. CAPACITY AND PRODUCTION

In view of varying manufacturing process and multiple products, the annual capacity of the plant is 176,000 dozens bottles based on double shift of sixteen hours a day. Working days for syrup and HHP are in 300 days. The fact for under utilization is due to lack of sufficient funds and normal maintenance.

Capacity	2012	2011
Rated capacity		
<b>Syrup</b>		
Dozen bottles of 800 ml each-150 days per annum single shift	120,000	120,000
<b>HHP</b>		
Dozen bottles of 440 gm each-300 day per annum double shift	56,000	56,000
<b>Actual Production</b>		
<b>Syrup</b>		
Dozen bottles - 800 ml	66,250	66,250
<b>HHP</b>		
Dozen bottles - 440 gm	2,769	2,769

#### 24. FINANCIAL RISK MANAGEMENT

##### 24.1 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 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.

## QUICE FOOD INDUSTRIES LIMITED

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2012

The company is not exposed to this risk because there were no receivables and payables in any foreign currency as at the reporting date.

#### Sensitivity analysis

Sensitivity analysis of functional currency at reporting date is not required due to nil foreign currency nominated financial assets and financial liabilities at the reporting date.

#### (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:

	2012 Rupees	2011 Rupees
Trade debts	118,700,546	48,216,103
Loans and advances	10,950,755	7,108,280
Bank balances	4,817,450	3,624,908
	134,468,751	58,949,291

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			2012	2011
	Short Term	Long term	Agency	Rupees	Rupees
<b>Banks</b>					
MCB Bank Limited	A1+	AA+	PACRA	24,420	24,420
Allied Bank Limited	A1+	AA	PACRA	1,936,513	1,866,235
Habib Bank Limited	A1+	AA+	JCR-VIS	2,850,517	1,734,253
National Bank of Pakistan	A1+	AAA	JCR-VIS	5,000	-
United Bank Limited	A1+	AA+	JCR-VIS	1,000	-
				4,817,450	3,624,908

## QUICE FOOD INDUSTRIES LIMITED

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2012

The Company's exposure to credit risk and impairment losses related to trade debts is disclosed in Note 8.

Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the Company. Accordingly the credit risk is minimal.

#### (c) Liquidity risk

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 2012 the Company had Rupees 4.922 million (2011: Rupees 3.631 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 2012

	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
Long term financing	91,600,000	91,600,000	-	-	-	91,600,000
Trade and other payables	3,064,705	3,064,705	2,043,137	1,021,568	-	-
	<u>94,664,705</u>	<u>94,664,705</u>	<u>2,043,137</u>	<u>1,021,568</u>	<u>-</u>	<u>91,600,000</u>

Contractual maturities of financial liabilities as at 30 June 2011

	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
Long term financing	142,944,000	142,944,000	15,000,000	1,100,000	-	126,844,000
Trade and other payables	2,167,653	2,167,653	1,445,102	722,551	-	-
	<u>145,111,653</u>	<u>145,111,653</u>	<u>16,445,102</u>	<u>1,822,551</u>	<u>-</u>	<u>126,844,000</u>

#### 24.2 Fair values of financial assets and liabilities

Fair value is an amount for which an asset could be exchanged or a liability settled between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying value and fair value estimates.

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.

## QUICE FOOD INDUSTRIES LIMITED

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED JUNE 30, 2012

#### 24.3 Financial instruments by categories

##### As at 30 June 2012

##### Assets as per balance sheet

Trade debts

Loans and advances

Cash and bank balances

Loans and receivables	Total
Rupees	Rupees
118,700,546	118,700,546
10,950,755	10,950,755
4,922,026	4,922,026
<u>134,573,327</u>	<u>134,573,327</u>

##### Liabilities as per balance sheet

Long term financing

Trade and other payables

Financial liabilities at amortized cost
Rupees
91,600,000
<u>3,064,705</u>
<u>94,664,705</u>

##### As at 30 June 2011

##### Assets as per balance sheet

Trade debts

Loans and advances

Cash and bank balances

Loans and receivables	Total
Rupees	Rupees
48,216,103	48,216,103
7,108,280	7,108,280
3,630,862	3,630,862
<u>58,955,245</u>	<u>58,955,245</u>

##### Liabilities as per balance sheet

Long term financing

Trade and other payables

Financial liabilities at amortized cost
Rupees
142,944,000
<u>2,167,653</u>
<u>145,111,653</u>

#### 25. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on October 09, 2012 by the Board of Directors of the Company.

#### 26. CHIEF EXECUTIVE OFFICER'S, DIRECTORS' AND EXECUTIVES' REMUNERATION

##### Chief Executive Officer

Managerial remuneration and other benefits

House rent and utilities

Number

##### Directors

Managerial remuneration

Housing and utilities

Number

	2012 Rupees	2011 Rupees
	474,000	474,000
	43,916	43,916
	<u>517,916</u>	<u>517,916</u>
	<u>1</u>	<u>1</u>
	480,000	480,000
	105,240	105,240
	<u>585,240</u>	<u>585,240</u>
	<u>2</u>	<u>2</u>

**QUICE FOOD INDUSTRIES LIMITED**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED JUNE 30, 2012**

**26.1** The chief executive officer is provided with free use of company maintained cars. Two (2011: Two) other directors are also provided with the company maintained car.

**27. CORRESPONDING FIGURES**

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

**28. GENERAL**

Figures have been rounded off to the nearest Rupee unless otherwise stated.

A handwritten signature in black ink, appearing to read "Muhammad Atif".

**Muhammad Atif**  
Chief Executive

A handwritten signature in black ink, appearing to read "Muhammad Siraj".

**Muhammad Siraj**  
Director

## PATTERN OF SHARE HOLDING

### As On 30 June 2012

No. Of Share Holders	Shareholding		Total Shares Held
	From	To	
254	1	100	13,946
809	101	500	205,307
887	501	1000	604,921
462	1,001	5000	1,038,078
63	5,001	10000	494,742
26	10,001	15000	317,581
14	15,001	20000	253,934
16	20,001	25000	373,719
4	25,001	30000	115,500
7	30,001	35000	216,515
6	35,001	40000	233,175
7	45,001	50000	345,572
2	55,001	60000	116,600
1	60,001	65000	62,500
2	65,001	70000	136,987
3	70,001	75000	219,700
1	75,001	80000	77,188
2	80,001	85000	168,700
2	90,001	95000	185,159
2	110,001	115000	227,866
1	115,001	120000	120,000
1	120,001	125000	123,000
1	130,001	135000	130,604
1	135,001	140000	139,000
1	175,001	180000	177,000
1	190,001	195000	193,700
2	195,001	200000	397,400
1	225,001	230000	225,402
1	250,001	255000	252,000
1	295,001	300000	300,000
1	300,001	305000	301,480
1	360,001	365000	360,200
1	535,001	540000	536,725
1	1,275,001	1280000	1,280,000
1	2,245,001	2250000	2,250,000
1	2,300,001	2305000	2,302,089
1	2,995,001	3000000	3,000,000
1	15,175,001	15180000	15,177,210
<b>2,589</b>	<b>Total</b>		<b>32,673,500</b>

S.No.	Categories Of Shareholders	No. of Shareholders	Total Shares Held	%
1	CEO	1	500	0.00
2	Directors	6	15,187,960	46.48
3	General Public	2551	12,428,536	38.04
4	Sponsors And Family Members	2	149,200	0.46
5	Investment Companies	2	117,238	0.36
6	Insurance Companies	1	77,188	0.24
7	Modarabas and Mutual Funds	3	3,759,089	11.51
8	Others	23	953,789	2.92
	<b>Total</b>	<b>2,589</b>	<b>32,673,500</b>	<b>100.00</b>

**PROXY FORM**

I/We

of (full address)

being a member of QUICE FOOD INDUSTRIES LIMITED hereby appoint

of

(full address) or failing him/her

of

(full address)

as my/our Proxy to attend and vote for me/us and on my / our behalf at the 22nd Annual General Meeting of the company to be held on October 30, 2012

As witness my/our hand this day of 2012

Signed by

in presence of

Signature and address of witness

Please affix  
Rs. 5/- revenue  
stamp

Signature of Member

Shareholder's Folio no.

Number of Shares held

1. A member entitled to attend and vote at a General Meeting is entitled to appoint a proxy to attend and vote instead of him;

2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorized in writing, if the appointer is a corporation, under its common seal or the hand of an officer or attorney duly authorised. A proxy need not be a Member of the company.

3. The instrument appointing a proxy, together with the Power of Attorney if any under which it is signed or a notarially certified copy there of, should be deposited at the Registered Office WS7, Madina Palace, Mezzanine Floor, Faran Co-operative Society, Behind Jamal Noor Hospital, Dhoraji Colony, Karachi-74800, Pakistan.