

**NINE MONTH AND  
THIRD QUARTER REPORT  
MARCH 31, 2012**

**EcoPack Ltd**  
Manufacturers Of Quality PET Bottles and Preforms

**Head Office**

19, City Villas, Near High Court  
Road, Rawalpindi  
Tel: (051) 5974098 & 99  
Fax: (051) 5974097

**Registered Office and Factory**

112-113, Phase V, Hattar Industrial  
Estate Hattar, District Haripur  
Khyber Pakhtunkhwa  
Tel: (0995) 617720-23, 617347  
Fax: (0995) 617074  
[www.ecopack.com.pk](http://www.ecopack.com.pk)



# Contents

- Company Information
- Directors' Report
- Condensed Interim Balance Sheet
- Condensed Interim Profit & Loss Account
- Condensed Interim Statement of Comprehensive Income
- Condensed Interim Statement of Changes in Equity
- Condensed Interim Cash Flow Statement
- Notes to the Condensed Interim Financial Information

## ■ **Mission Statement**

To Systematically and cost effectively manufacture and supply consistently high products and services thus achieving customer satisfaction, profitably and thereby ensuring the financial well being of the company and maximum returns to the shareholders.

## ■ **Corporate Strategy**

Retain market share leadership through quality and price competitiveness while creating value as a low cost producer.

## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Hussain Jamil	Chairman/Chief Executive Officer
Mr. Shahid Jamil	
Mrs. Deborah Jamil	
Mrs. Ayesha Khan	
Ms. Laila Jamil	
Mr. Asad Ali Sheikh	
Mr. Mohammad Raza Chinoy	

### AUDIT COMMITTEE

Mrs. Ayesha Khan	Chairperson	Non-Executive Director
Mr. Asad Ali Sheikh	Member	Non-Executive Director
Ms. Laila Jamil	Member	Non-Executive Director

### CHIEF FINANCIAL OFFICER

Mr. Muhammed Ali Adil

### COMPANY SECRETARY

Mr. Muhammed Ali Adil

### BANKERS

Askari Bank Limited  
Habib Bank Limited  
Allied Bank Limited  
JS Bank Limited  
Faysal Bank Limited

### AUDITORS

Rahman Sarfaraz Rahim Iqbal Rafiq  
Chartered Accountants

### LEGAL ADVISOR

M/s. Ebrahim Hosain  
Advocate & Corporate Counsel

### REGISTERED OFFICE AND FACTORY

112-113, Phase V, Hattar Industrial  
Estate Hattar, District Haripur  
Khyber Pakhtunkhwa  
Tel: (0995) 617720-23, 617347  
Fax: (0995) 617074  
www.ecopack.com.pk

## DIRECTORS' REPORT

The Board of Directors of the company is pleased to present the Directors Report along with the un-audited accounts for the 9-Month period ended 31st March 2012:

### Overview :

As expected, the 3rd quarter of the financial year always falls in the winter season and is hence assumed to be a loss making one as sales are traditionally low in line with the slow beverage sales. Like the Beverage industry in the country, especially in the northern hemisphere where winters are quite severe, this is a time for the annual 'repair & maintenance' in timely preparation for the advent of the Spring and Summer months of high beverage sales. Your company also undertook this effort while running at a minimal capacity utilization. The unabsorbed fixed costs therefore contributed to the losses for the 9-months upto 31st March 2012. Traditionally the last quarter is set to be a profitable one as summer season sales dramatically increase and losses are substantially reduced, provided inflationary costs are in reasonable limits and are passed on to customers with minimum lag time.

### Sales & Financial Highlights:

The company's emphasis was to improve margins in a widely inflationary environment. The sales in value terms increased by a significant 14% for Bottles and 15% for Preforms, reflecting both improved margins as well as higher PET resin prices, compared to the same prior period. Gross Profit increased from 3.5% to 3.7% comparatively while the Operating Loss reduced to 0.4% as compared to 1.4% in the corresponding period last year due to tighter management controls leading to lower Administrative costs. Consequently, the Operating Loss has been reduced by Pkr 10 million i.e. to a loss of Rs.5.1 million versus Rs.15.3 million in the corresponding 9-month period last year. The company has spent Rs. 12 million more than last year to get the machines & equipments well maintained for the upcoming summer season. While this has, in the short run, depressed the bottom line but it will have a positive impact at the end of the current fiscal year.

### Future Outlook:

The company continues in its endeavors to preserve its working capital which is under pressure from the dual impact of firstly the inflation in its raw & packing materials, utility costs and freight charges and secondly the continuous outflow of cash to service its long term debt (LTD) obligations. To counter this effectively, your company's management has successfully concluded a re-scheduling of its LTD repayments tenor, as well as restructured a part of short term borrowing into a term-loan payable over an extended time frame, thereby allowing space to manage its operations more effectively. This combined with an improved seasonal sale and collection cycle is helping the company make positive strides toward profitability in the current last quarter of this financial year.

### Management & Employee Relations :

Management and employee relations remain positive as your company continually strives to further reduce administrative and operational costs to become an even more lean and efficient manufacturing outfit.

For and on behalf of the Board of Directors

Dated :April 26, 2012

**Hussain Jamil**  
Chief Executive Officer



**CONDENSED INTERIM BALANCE SHEET**  
AS AT MARCH, 31, 2012Un-audited  
Mar 31,  
2012  
Audited  
Jun 30,  
2011

.....(Rupees in '000 ),.....

**ASSETS****NON-CURRENT ASSETS**Property, Plant & Equipment  
Long term security deposits

5

1,161,133	1,237,519
8,090	8,274
1,169,222	1,245,793

**CURRENT ASSETS**Stores, Spares and loose tools  
Stock in trade  
Trade debts - Unsecured considered good  
Loans and advances  
Short term deposits, prepayments & other receivables  
Sales tax refundable  
Taxation recoverable - Net  
Cash and bank balances

53,753	51,423
121,836	168,292
99,726	146,759
42,540	43,549
8,927	8,500
3,978	3,978
26,317	24,669
7,663	10,129

364,740	457,299
---------	---------

**TOTAL ASSETS**

1,533,962	1,703,092
-----------	-----------

**EQUITY AND LIABILITIES****SHARE CAPITAL AND RESERVES****Share Capital**Authorised  
50,000,000 ( June 2011 : 50,000,000) Ordinary  
shares of Rs. 10 each

500,000	500,000
---------	---------

Issued, subscribed and paid-up Capital  
Unappropriated Loss

229,770	229,770
(179,388)	(101,661)

50,381	128,109
--------	---------

Surplus on revaluation of  
Property, Plant & Equipment

225,255	240,988
---------	---------

**NON-CURRENT LIABILITIES**Long term Loans  
Liabilities against assets subject to finance lease  
Deferred liabilities

334,088	159,999
15,590	20,650
156,734	161,653

**CURRENT LIABILITIES**Trade and other payables  
Accrued Mark-up on Loans  
Short term borrowings  
Current portion of long term liabilities

389,700	411,939
33,779	9,060
234,026	391,028
94,409	179,666
751,915	991,693

**CONTINGENCIES AND COMMITMENTS**

7

**TOTAL EQUITY AND LIABILITIES**

1,533,962	1,703,092
-----------	-----------

The annexed notes from 1 to 13 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)**  
FOR THE NINE MONTHS & QUARTER ENDED  
MARCH 31, 2012

NOTE

Jul - Mar 2012	Jul - Mar 2011	Jan - Mar 2012	Jan - Mar 2011
-------------------	-------------------	-------------------	-------------------

.....(Rupees in '000'),.....

**Sales - Net**

8

1,233,047	1,074,026	275,403	324,681
-----------	-----------	---------	---------

**Less: Cost of sales**

9

(1,187,340)	(1,036,384)	(274,101)	(323,461)
-------------	-------------	-----------	-----------

**Gross Profit**

45,707	37,642	1,302	1,220
--------	--------	-------	-------

**Operating expenses:****Administrative**

(29,268)	(30,781)	(9,731)	(9,402)
----------	----------	---------	---------

**Distribution cost**

(32,534)	(33,372)	(7,505)	(10,777)
----------	----------	---------	----------

**Other Operating Expenses**

-	(94)	-	(68)
---	------	---	------

**Other Operating Income**

10,914	11,304	1,308	800
--------	--------	-------	-----

(50,889)	(52,942)	(15,929)	(19,446)
----------	----------	----------	----------

**Operating Loss**

(5,182)	(15,300)	(14,627)	(18,226)
---------	----------	----------	----------

**Finance Cost**

(85,376)	(79,487)	(34,896)	(28,547)
----------	----------	----------	----------

**Loss Before Taxation**

(90,557)	(94,787)	(49,522)	(46,773)
----------	----------	----------	----------

**Taxation - Current**

(12,016)	(10,838)	(2,354)	(3,253)
----------	----------	---------	---------

**- Deferred**

639	3,016	-	2,323
-----	-------	---	-------

(11,377)	(7,822)	(2,354)	(930)
----------	---------	---------	-------

**Loss After Taxation**

(101,934)	(102,609)	(51,877)	(47,704)
-----------	-----------	----------	----------

**Loss per share - basic and diluted**

(4.44)	(4.48)	(2.26)	(2.10)
--------	--------	--------	--------

The annexed notes from 1 to 13 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME**  
(UN-AUDITED)  
**FOR THE NINE MONTHS & QUARTER ENDED**  
**MARCH 31, 2012**

	Jul - Mar 2012	Jul - Mar 2011	Jan - Mar 2012	Jan - Mar 2011
	.....(Rupees in '000').....			
Loss for the period	(101,934)	(102,609)	(51,877)	(47,704)
Other comprehensive income	-	-	-	-
Total comprehensive income	(101,934)	(102,609)	(51,877)	(47,704)
for the period transferred to equity				(47,704)

The annexed notes from 1 to 13 form an integral part of these financial statements

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
(UN-AUDITED)  
**FOR THE NINE MONTHS ENDED**  
**MARCH 31, 2012**

	SHARE CAPITAL	UNAPPROPRIATED PROFIT	TOTAL
	.....(Rupees in '000').....		
Balance as at July 1, 2010	229,770	(49,315)	180,455
Total comprehensive income for the nine months ended March 31, 2011	-	(102,609)	(102,609)
Transfer from surplus on revaluation of property, plant & equipment - net of deferred tax	-	13,056	13,056
Balance as at March 31, 2011	<u>229,770</u>	<u>(138,868)</u>	<u>90,902</u>
Balance as at April 1, 2011	229,770	(138,868)	90,902
Total comprehensive income for the quarter ended June 30, 2011	-	22,866	22,866
Transfer from surplus on revaluation of property, plant & equipment - net of deferred tax	-	14,341	14,341
Balance as at June 30, 2011	<u>229,770</u>	<u>(101,661)</u>	<u>128,109</u>
Balance as at July 1, 2011	229,770	(101,661)	128,109
Total comprehensive income for the nine months ended March 31, 2012	-	(101,934)	(101,934)
Transfer from surplus on revaluation of property, plant & equipment - net of deferred tax	-	24,207	24,207
Balance as at March 31, 2012	<u>229,770</u>	<u>(179,388)</u>	<u>50,382</u>

The annexed notes from 1 to 13 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

# CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2012

Note	Jul - Mar 2012	Jul - Mar 2011
	(Rupees in '000')	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(90,557)	(94,87)
<b>Adjustment</b>		
Depreciation	71,330	70,596
Impairment on property, plant & equipments	8,090	-
Loss / (gain) on disposal of property, plant & equipment	-	(602)
Provision for gratuity	6,598	8,098
Finance cost	85,376	79,487
	<b>171,393</b>	<b>157,578</b>
<b>Cash flow before working capital changes</b>	<b>80,835</b>	<b>62,792</b>
<b>(Increase) / decrease in current assets :</b>		
Store, spares & loose tools	(2,330)	559
Stock in trade	46,456	102,356
Trade debts	47,033	(11,403)
Loans & advances	1,009	(7,800)
Short term deposits, prepayments & other receivables	(427)	(6,766)
Net (increase) / decrease in current assets	<b>91,741</b>	<b>76,946</b>
<b>Increase / (decrease) in current liabilities:</b>		
Trade and other payables	(22,239)	13,687
Finance cost paid	(60,656)	(48,295)
Gratuity paid	(2,406)	(3,130)
Taxes paid	(13,618)	(3,743)
	<b>(76,681)</b>	<b>(55,169)</b>
<b>Net cash (Outflow) / inflow from operating activities</b>	<b>73,657</b>	<b>98,256</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(2,623)	(5,001)
Capital work-in-progress	(455)	526
Proceeds from disposal of Fixed Assets	-	715
Long term security deposits	<b>184</b>	<b>-</b>
<b>Net cash outflow from investing activities</b>	<b>(2,893)</b>	<b>(3,760)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of long term finance	(82,168)	(69,437)
Conversion of short term loan into long term	171,000	-
Re payment of finance lease	(5,060)	(8,352)
<b>Net cash outflow from financing activities</b>	<b>83,772</b>	<b>(77,790)</b>
Net increase in cash and cash equivalents	<b>154,535</b>	<b>16,705</b>
Cash and cash equivalents at the beginning of the period	<b>(380,899)</b>	<b>(340,257)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(226,364)</b>	<b>(323,552)</b>
	<b>10</b>	

The annexed notes from 1 to 13 form an integral part of these financial statements.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

# NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS & QUARTER ENDED MARCH 31, 2012 (UN-AUDITED)

## 1 STATUS AND NATURE OF BUSINESS

The company was incorporated on 25 August 1991 as a private limited company under the Companies Ordinance, 1984. It was converted as a public limited company on April 29, 1992 and subsequently in March 1994 was listed at Karachi Stock Exchange. The principal activity of the company is to manufacture and sell of Poly Ethylene Terephthalat (PET) bottles and preforms for beverage and non-beverage industry. The Company's manufacturing facility and registered office is situated at 112-113, Phase-V, Industrial Estate Hattar, district Haripur, Khyber Pakhtunkhwa.

## 2 BASIS OF PREPARATION

This condensed interim financial information is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan and provisions of, and directives issued under the Companies Ordinance 1984; in case, where the requirements of the International Accounting Standard differ, the provisions of, and directives issued under the Companies Ordinance 1984, have been followed. This interim financial information has however been subject to limited scope review by the auditors, as required by the Code of Corporate Governance. The interim financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2011.

The comparative balance sheet presented in these interim financial information has been extracted from the audited financial statements of the Company for the year ended June 30, 2011, whereas the comparative profit and loss account, statement of changes in equity, statement of comprehensive income and cash flow statement are extracted from the unaudited interim financial information for the nine months ended March 31, 2011.

## 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the Company in the preparation of these interim financial information are the same as those applied in preparation of the preceding published financial statements of the Company for the year ended June 30, 2011.

### 3.1 Adoption of new accounting standards

The company has adopted the following amended IFRS and related interpretations which became effective during the period:

IAS 24: Related Party Disclosures (Revised)  
IFRIC 14: Prepayments of a Minimum funding Requirement (Amendment)

In May 2010, International Accounting Standards Board (IASB) issued amendments to various standards primarily with a view to removing inconsistencies and clarifying wording. These improvements are listed below:

- IFRS 7: Financial Instruments Disclosures
- Clarification of disclosures
- IAS 1: Presentation of Financial Statements
- Clarification of changes in equity
- IFRIC 13: Presentation of Financial Statements
- Fair Value of award credits

The adoption of the above standards, amendments, interpretations and improvements did not have any effect on these condensed interim financial statements.

The adoption of the above standards, amendments / improvements and interpretations did not have any material effect on the condensed interim financial information of the company.



For the Nine Months Ended		For the Quarter Ended	
Jul - Mar 2012	Jul - Mar 2011	Jan - Mar 2012	Jan - Mar 2011

.....(Rupees in '000 ).....

<b>8</b>	<b>NET SALES</b>			
Sales	1,423,816	1,251,953	319,472	385,180
<b>Less :</b>				
Sales tax	(190,769)	(165,360)	(44,069)	(55,196)
Special Excise Duty	-	(11,782)	-	(5,302)
Sales return/discount/commission	-	(784)	-	-
	(190,769)	(177,927)	(44,069)	(60,498)
	1,233,047	1,074,026	275,403	324,681

**9 COST OF SALES**

Raw material consumed	872,206	691,986	185,023	213,632
Packing material consumed	40,936	33,908	9,114	9,156
Salaries, wages & other benefits	56,135	59,626	17,589	19,078
Travelling & conveyance	1,192	2,363	318	529
Professional charges	430	757	64	538
Vehicle repair & maintenance	5,345	5,576	1,430	1,992
Rent, rate & taxes	7,469	9,050	2,326	2,277
Repair & maintenance	3,490	3,951	863	1,456
Communication charges	858	844	265	39
Printing, postage & stationery	761	691	100	183
Entertainment	292	1,837	84	581
Advertisement	19	50	-	49
Insurance	4,608	4,673	1,536	1,536
Electricity, gas & water	64,612	52,667	20,060	17,180
Freight, octroi & toll tax	1,670	4,125	444	1,947
Depreciation	67,763	67,081	22,314	22,664
Transportation factory workers	6,077	4,940	1,950	1,613
Consumable store	19,889	7,236	2,735	2,099
Lab tests	294	554	87	161
Impairment loss on Fixed Assets	8,090	-	-	-
	1,162,135	951,914	266,301	296,709

<b>Work in process</b>				
Opening	58,023	102,009	42,123	65,404
Closing	(28,559)	(42,324)	(28,559)	(42,324)
	29,464	59,685	13,564	23,080

**COST OF GOODS MANUFACTURED**

<b>Finished goods</b>				
Opening	51,870	79,936	50,365	58,823
Closing	(56,130)	(55,150)	(56,130)	(55,150)
	(4,260)	24,786	(5,765)	3,673
<b>COST OF SALES</b>	1,187,340	1,036,384	274,101	323,461

**10 CASH & CASH EQUIVALENT**

	March 31, 2012	March 31, 2011
Cash & Bank Balances	7,663	7,348
Short Term Borrowings	(234,026)	(330,900)
	(226,363)	(323,552)

Total		For the Nine Months Ended		For the Quarter Ended	
		JUL-MAR 2012	JUL-MAR 2011	JAN-MAR 2012	JAN-MAR 2011
	(Rupees in '000)				
Sales - Net	720,617	626,313	138,299	174,090	512,430
Cost of sales	(693,727)	(599,257)	(136,315)	(166,633)	(493,613)
Gross Profit	26,890	27,057	1,984	7,457	18,817
Operating expenses:					
Administrative	(17,105)	(17,950)	(5,148)	(5,041)	(12,163)
Distribution cost	(19,014)	(19,461)	(3,796)	(5,778)	(13,521)
	(36,119)	(37,410)	(8,944)	(10,819)	(25,684)
Operating Profit / (Loss)	(9,229)	(10,353)	(6,960)	(3,363)	(6,867)
Finance costs	(85,376)	(79,487)	(34,896)	(28,547)	(85,376)
Exchange Gain	-	-	-	-	-
Other expenses	-	(94)	-	(68)	-
Other income	10,914	11,304	1,308	800	10,914
	(74,462)	(68,277)	(33,588)	(27,815)	(74,462)
Loss before taxation	(90,557)	(94,786)	(49,522)	(46,773)	(90,557)
Taxation - Current	(12,016)	(10,838)	(2,354)	(3,253)	(12,016)
- Deferred	639	3,016	-	2,323	639
	(11,377)	(7,822)	(2,354)	(930)	(11,377)
Loss after taxation	(101,934)	(102,609)	(51,877)	(47,704)	(101,934)

**11 SEGMENT REPORTING**

INJECTION		For the Nine Months Ended		For the Quarter Ended	
		JUL-MAR 2012	JUL-MAR 2011	JAN-MAR 2012	JAN-MAR 2011
	(Rupees in '000)				
Sales - Net	720,617	626,313	138,299	174,090	512,430
Cost of sales	(693,727)	(599,257)	(136,315)	(166,633)	(493,613)
Gross Profit	26,890	27,057	1,984	7,457	18,817
Operating expenses:					
Administrative	(17,105)	(17,950)	(5,148)	(5,041)	(12,163)
Distribution cost	(19,014)	(19,461)	(3,796)	(5,778)	(13,521)
	(36,119)	(37,410)	(8,944)	(10,819)	(25,684)
Operating Profit / (Loss)	(9,229)	(10,353)	(6,960)	(3,363)	(6,867)

BLOWING		For the Nine Months Ended		For the Quarter Ended	
		JUL-MAR 2012	JUL-MAR 2011	JAN-MAR 2012	JAN-MAR 2011
	(Rupees in '000)				
Sales - Net	720,617	626,313	138,299	174,090	512,430
Cost of sales	(693,727)	(599,257)	(136,315)	(166,633)	(493,613)
Gross Profit	26,890	27,057	1,984	7,457	18,817
Operating expenses:					
Administrative	(17,105)	(17,950)	(5,148)	(5,041)	(12,163)
Distribution cost	(19,014)	(19,461)	(3,796)	(5,778)	(13,521)
	(36,119)	(37,410)	(8,944)	(10,819)	(25,684)
Operating Profit / (Loss)	(9,229)	(10,353)	(6,960)	(3,363)	(6,867)

Finance costs

Exchange Gain

Other expenses

Other income

Loss before taxation

Taxation - Current

- Deferred

Loss after taxation



**12 DATE OF AUTHORIZATION**

These financial statements have been authorized for issue on **April 26, 2012** by the Board of Directors of the Company.

**13 GENERAL**

Figures have been rounded off to the nearest thousand rupees for better presentation.

#### 4 ESTIMATES AND JUDGMENTS

The preparation of the condensed interim financial information in conformity with approved accounting standards require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing the condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the preceding published annual financial statements of the Company as at and for the year ended June 30, 2011.

#### 5 PROPERTY, PLANT & EQUIPMENT

	March,31 2012	June 30, 2011
<b>5.1 Additions in property, plant &amp; equipment during the period</b>	.....( Rupees in '000 ).....	
Factory building	-	-
Plant & Machinery	-	-
- Local	517	-
- Imported	496	7,391
Factory Equipment	133	3,124
Furniture & Fixture	6	85
Office Equipment	153	542
Vehicles	-	-
Computer Accessories	190	-
Capital Spares	1,128	-
Capital Work in Progress	-	-
	<b>2,623</b>	<b>11,142</b>

**5.2** The additions disclosed are inclusive of transfers from capital work in progress amounting to Rs. 763 thousand.

#### 6 LONG TERM LOANS

Long term loans worth Rs. 82.16 million have been repaid during the period.

#### 7 CONTINGENCIES AND COMMITMENTS

Contingencies as at March 31,2012 remain same as disclosed in the audited financial statements for the year ended June 30, 2011.