

**23<sup>RD</sup>  
ANNUAL REPORT  
2010-2011**

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**JAUSS POLYMERS LIMITED**

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**BOARD OF DIRECTORS**

**Dildeep Singh Sethi**  
Chairman and Managing Director

**Kamal Singh Mehra**  
Non Executive Independent Director

**Debashish Bhattacharya**  
Non Executive Independent Director

**AUDITORS**

**V. K. Dhingra & Co.**  
**Chartered Accountants**  
E-1/15, Jhandewalan  
New Delhi-110055

**INTERNAL AUDITORS**

**H. Kumar & Associates**

**REGISTERED OFFICE**

4A/35 ,Old Rajinder Nagar,  
New Delhi-110060

**WORKS :**

Village - Malpur, Baddi,  
Hadbast No. 189, Paragna Dharpur,  
Tehsil Nalagarh, Baddi (H.P.) (India)

# JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

## NOTICE

Notice is hereby given that the 23RD Annual General Meeting of the members of Jauss polymers Ltd., will be held on Friday, 30th December, 2011 at Sanatan Dharam Mandir, Moti Nagar, New Delhi-110015. at 4.30 P.M. to transact the following business.

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company prepared for the period of fifteen months as ended on 30th June, 2011 Together with the Profit & Loss Account on that date along with the Auditors & Directors Report thereon.
2. To appoint a Director in place of Mr. Debashish Bhattacharya, Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company to hold office from the Conclusion of this meeting until the conclusion of the next Annual General Meeting at a remuneration to be decided by the Board of Directors, M/s. V.K. Dhingra & Co., Chartered Accountants, New Delhi retire at this Annual General Meeting and being eligible, offer themselves for reappointment

### SPECIAL BUSINESS

4. **To consider, and if thought fit to pass with or without modifications the following resolution as ORDINARY RESOLUTION.**

**RESOLVED THAT** subject to the approval of the Central Government, if required, and such other consents, permissions and approvals as may be required, and pursuant to the provisions of Section 198, 309, 310 & 311 and all the other Applicable provisions of the Companies Act, 1956 (herein after referred to as the Act) read with Schedule XIII of the Act, the Company hereby accords its approval to make an increase in the remuneration being paid to Mr. Dildeep Singh Sethi, Managing Director of the Company, as set out in the Explanatory Statement which shall be payable, if approved, to him with effect from 1st January 2011."

**"FURTHER RESOLVED THAT** in the event where in any financial year during the tenure of Mr. Dildeep Singh Sethi, the Company has no profits or the profits are inadequate, it may pay a remuneration to Mr. Dildeep Singh Sethi the total of which should not exceed the ceiling limit as specified in Section II of part II of the Schedule XIII of the Companies Act 1956."

**ALSO RESOLVED THAT** all other terms and conditions of Mr. Dildeep Singh Sethi's appointment as contained in his Agreement with the Company and in the Notice and Explanatory Statement which has been approved by the shareholders at their 23rd Annual General Meeting of the Company held on 30.12.2012 shall remain in full force."

5. **To consider and if thought fit, to pass, with or without modification(s) the following resolution as an ordinary Resolution :**

**RESOLVED THAT** Mr. Kamal Singh Mehra who was appointed as Additional Director of the Company by the Board of Directors of the Company and who can hold the office of the Director up till the conclusion of this Annual General Meeting and in respect of whom the Company has received a request from a member along with a deposit of Rs 500, signifying his intention to propose the candidature of Mr. KAMAL SINGH MEHRA to be appointed as the Director of the Company, be and is hereby appointed as a Director of the Company, whose period of the office shall be liable to determination by retirement of Directors by rotation."

By the Order of Board

Place New Delhi  
Date: 18 November, 2011.  
Regd Office:  
4A/35 OLD RAJINDER NAGAR  
NEW DELHI, 110060

(Dildeep Singh Sethi )  
Managing Director

## JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

### NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
- The Register of Members and the Share Transfer Books of the Company shall remain closed from 29/12/2011 to 2/01/2012 (both days inclusive).
- Members attending the meeting are requested to bring their own copy of the Annual Report and attendance slips sent herewith duly filled and signed.
- Members are requested to notify change in address, if any, to the Company at its Registered Office, quoting correct folio number(s).
- In the case of Joint holders, if more than one holder intend to attend the meeting they must obtain additional admission slips on request from the Registered Office of the Company.
- Details under Clause 49 of the Listing Agreement with the Stock Exchanges in Respect of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting is separately annexed hereto.
- The Company has paid the Listing Fees for the year 2011-2012 to The Bombay Stock Exchange Limited at which the Company's securities are presently listed. The Company has applied to the Delhi, Ludhiana, Jaipur & Kolkatta Stock Exchanges for the delisting of its equity shares.

### Details of the Directors seeking appointment/ re-appointment in Annual General Meeting fixed on 30th December, 2011. (In Pursuance of Clause 49 of the Listing Agreement)

<b>Name of Directors</b>	<b>Mr. Debashish Bhattacharya</b>
Date of Birth	28.06.1962
Date of Appointment	28/12/2001
Expertise in specific Functional area	Twenty Years experience in Accounts & Finance
Qualifications	Graduate
Lists of Outside Directorship held	NIL
Chairman /Member of the committee of the Board of Directors of the company.	Member of 1. Audit Committee 2. Shareholders/Investors Grievance Committee
Chairman/Member of the Committee of the Board of Directors of other company	NIL
<b>Name of Directors</b>	<b>Mr. Kamal Singh Mehra</b>
Date of Birth	01.10.1971
Date of Appointment	19/01/2011
Expertise in specific Functional area	15 Years Administration
Qualifications	Graduate
Lists of Outside Directorship held	NIL
Chairman /Member of the committee of the Board of Directors of the company.	Chairman of Shareholders/Investors Grievance Committee
Chairman/Member of the Committee of the Board of Directors of other company	NIL

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT 1956**

**ITEM NO.4**

At a meeting of the remuneration committee held on 30th April 2011 the committee recommended that Mr. Dildeep Singh Sethi the founder promoter & Managing Director of the Company has taken several positive measures in turning around the company and it was now necessary to increase the remuneration package beyond the present Remuneration limit From Rs 7,20,000 P.A to 10,20,000. P.A.

While considering the increase in remuneration of Mr. Dildeep Singh Sethi, the Committee considered his initiatives to restructure and re-engineered the operations of the company to compete in the profoundly competitive market. The Committee also noted that Mr. D.S.SETHI is a veteran with more than 25 years of experience and is running the company since its inception. The committee also took into consideration the future challenges he is likely to face and his abilities ,background, experience, past performance ,past remuneration and the trend in the polymer industry as a whole. The Committee tried its level best to bring objectivity in determining the revised remuneration package of Mr. Dildeep Singh Sethi and at the same time strike a balance between the Company , the shareholders and immediate need to bring in financial operating discipline in the Company at all levels.

The Committee recommended the following revised remuneration package for Mr. Dildeep Singh Sethi.

Emoluments form : W.E.F 01.01.2011

Subject to the overall limits as prescribed in the Schedule XIIIth of the Companies Act, 1956 .

**1. Fixed Salary**

A Rs 85000 P.M. with a provision for increase in salary of not more than 20% per annum over the previous year. (The Remuneration Committee may review and determine from time to time and recommend to the Board necessary changes in salary during the tenure of appointment.

Mr Dildeep Sing Sethi may be deemed to be concerned or interested in this resolution.

No other Director is interested in this resolution .

The Board recommends passing of this resolution .

**The above should also be considered as an abstract of the terms of appointment of Mr. Dildeep Singh Sethi and a Memorandum as to the nature of concern or interest of the Director in the said appointment ,as required under Section 302 of the Companies Act 1956.**

**ITEM NO 5**

On 19TH JANUARY,2011 the Board of Directors of the Appointed Mr. Kamal Mehra as Additional Director of the Company under Section 260 of the Companies Act 1956 to hold office until the next Annual General Meeting of the Company .

The Company received a notice in writing from a member proposing the candidature of Mr. Mehra as Director of the Company liable to retire by rotation in terms of Section 257 of the Companies Act, 1956. Brief profile Mr. Kamal Singh Mehra is enclosed at the end of this notice.

None of the Directors except Mr. Kamal Mehra is interested in this resolution .

# JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

## DIRECTORS' REPORT

TO THE MEMBERS

### JAUSS POLYMERS LIMITED.

Your directors hereby present the 23RD Annual Report together with the Audited Accounts of the company for the Period of Fifteen Months ended on 30.06.11.

#### 1. FINANCIAL PERFORMANCE

PARTICULARS	<i>(Rs. in Lacs)</i>	
	30.06.2011 (CURRENT YEAR) 15 MONTHS	31.03.2010 (PREV YEAR) 12 MONTHS
<b>INCOME</b>		
Sales & Job Work (Net)	757.69	476.77
Other Income	2.71	0.87
Increase/(Decrease) in Stock	(0.31)	-4.67
<b>Total Income</b>	<b>760.09</b>	<b>472.97</b>
<b>EXPENDITURE</b>		
Material Cost	84.85	2.24
Manufacturing Expenses	320.54	205.25
Payment & Benefits to Employee	170.09	86.14
Administrative, Selling & Other Expenses	39.18	83.84
<b>Total</b>	<b>614.66</b>	<b>377.47</b>
Profit Before Depreciation & Interest	145.43	95.50
Less: Depreciation	(79.21)	(67.21)
Less: Interest & Financial Charges	(5.72)	(3.84)
Earning before Tax & Extraord. Adj.	60.50	(24.45)
Extraordinary items / Prior Period adj.	174.45	20.45
Earning before Tax	234.95	44.90
Less: Provision for F.B.T.	—	(0.88)
E.A.T.	234.95	44.02

#### 2. OPERATIONS:

As it appears from the figures given above that your Company maintained the trend of higher production and sales and the capacity utilization were maintained close to the maximum level. The total turnover for the period ended on 30.06.2011 was Rs. 757.69 Lacs as compared to Rs. 476.77 (12 months period) and the net profit before depreciation & Financial Charges was Rs. 145.43 Lacs as compared to Rs. 95.50 Lacs for the previous year (12 Months period). Also With regard to Sales and the customers satisfaction, your company continues to enjoy support from the customers due to the excellent quality of its products from the Unit situated at Baddi . The Company's thrust is to increase the domestic market share and to explore the profitable export possibilities.

#### 3. FUTURE OUTLOOK:

The use of the PET in India is continuously increasing in the packaging market and most of the segments are growing steadily. It is estimated that the PET market will double by itself within the next 4 to 5 years. Accordingly your company can reasonably be sure that it will be able to maintain its operational performance at current levels and at the same time the Company's focus is aimed towards, increase in production and maintain the market share, will continue. Further the company has a lot of potential to develop and manufacture international standard quality of PET Jars. To achieve greater operational efficiency , saving in cost and to exploit the inherent strength of the existing infrastructure, various measures have been introduced.

**4. INSURANCE**

All the Properties of the Company including its buildings Plant & Machinery and stocks are adequately insured

**5. BOARD OF DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 and the Articles Of Association of the Company Mr. Debasshish Bhattacharya, Director who will be retiring by rotation, being eligible offers himself for re- appointment.

Further during the year under review Mr. Manoj Pandey , Director tendered his resignation from the Directorship of the Company. The Board placed on record its appreciation for the services rendered by Mr. Pandey during his tenure as Director. The Brief resume of the Director seeking re-appointment at this Annual General Meeting alongwith his expertise and other details as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges are given in the Annexure to the Notice Convening the 23rd Annual General Meeting .

**6. CORPORATE GOVERNANCE REPORT**

Your Directors reaffirms their continued commitment to good Corporate Governance practices . Your Company adheres to all major stipulations laid down in this regard , as provided in Clause 49 of the Listing Agreement entered into with the Stock Exchanges which relates to Corporate Governance. Report on Corporate Governance along with the Certificate from the Practicing Company Secretary M/s Lekhraj Bjaj & Co. certifying the due compliance with the said requirements, forms the part of this report.

**7. DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF THE COMPANIES ACT, 1956.**

On the basis of the compliance certificate received from the concerned executive of the Company , subject to the disclosures in the Annual Accounts and also on the basis of the discussions with the Statutory Auditors of the Company from time to time Your directors hereby confirm:

- i) that in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and
- iii) prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for that period. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) That the directors had prepared the annual accounts on a going concern basis.

**8. FIXED DEPOSITS:**

During the period under review the Company has not accepted / renewed . any Fixed Deposits within the meaning of Section 58A of the Companies Act,1956.

**9. LISTING ON STOCK EXCHANGE**

The Companies Share continues to be listed on Mumbai Stock Exchange and the Annual Listing Fees has been paid uptill 2011-12. Your Company initiated necessary action to delist its equity shares from the Ludhiana, Delhi, Jaipur and Kolkatta Stock Exchanges pursuant to the Special Resolution passed at the Annual General Meeting held on 30.09.2004 and the same is still under consideration by them.

**10. INTERNAL CONTROL SYSTEMS**

The Company has an effective system of accounting and administrative controls which ensure that all assets of the company are safe guarded and protected against loss from unauthorized use or disposition. The Company has a well defined organizational structure with clear functional authority limits for the approval of all the transactions.

## **JAUSS POLYMERS LTD.**

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

The company has a strong reporting system, which evaluates and forewarns the management on issues related to compliance. The performance is regularly reviewed by the Board of Directors and the Audit Committee to ensure that it is in keeping with the overall corporate policy and in line with the Companies objectives.

### **11. AUDITORS**

M/s V.K. Dhingra & Co., Chartered Accountants, the Auditors of the Company hold office until the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The necessary certificate as required u/s 224 (2B) of the Companies Act, 1956 has been received from the above named auditors.

### **12. PARTICULARS OF EMPLOYEES U/S 217 (2A) OF THE COMPANIES ACT, 1956.**

During the year under review, no employee whether employed for the whole year or part of the year, was drawing remuneration exceeding the limits as laid down under section 217(2A) of the Companies Act, 1956. Therefore, the information as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not required to be given.

### **13. CEO/CFO Certificate**

As required by the Clause 49 of the Listing Agreement, the CEO/CFO certificate on the accounts is attached and forms part of the Annual Report.

### **14. CASH FLOW STATEMENT**

Cash Flow Statement in accordance with Accounting Standard (AS-3) issued by the Ministry of Corporate Affairs also forms the part of this report.

### **15. PERSONNEL**

The industrial relations scenario continued to be stable during the year under review. The Company has been taking various initiatives for the HR development and this continues in this ensuing year as well.

### **16. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS Rs. Nil (P.Y. Rs. Nil) AND OUT-GO. Rs. 65,323/- (P.Y. Rs. Nil)**

The information pertaining to the captioned areas are briefed in the ANNEXURE to this report.

### **17. APPRECIATION**

Your Directors wish to place on record their appreciation for the valued Co-operation and assistance extended by various Government Agencies, Bankers of the Company, IDBI, loyal & dynamic executive staff and other workers of the Company. The Board also takes this opportunity to express its deep gratitude for the continuous support received from the shareholders of the Company.

### **18. DECLARATION REGARDING COMPLIANCE BY THE BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that all the members of the Board of Directors of the Company and Senior Management Personnel have affirmed their COMPLIANCE WITH THE Code of Conduct laid down by the Board of Directors of the Company as on 30th June, 2011.

This CERTIFICATE IS BEING GIVEN IN COMPLIANCE WITH THE REQUIREMENTS OF CLAUSE 49(1)(D) OF THE Listing Agreement entered into with the Stock Exchanges.

**For and on behalf of the Board**

Place : New Delhi  
Date : 18.11.2011

**(Dildeep Singh Sethi)**  
Managing Director



# JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

## CORPORATE GOVERNANCE REPORT OF JAUSS POLYMERS LTD. for the year ended 30TH JUNE, 2011.

### 1. Philosophy of Corporate Governance

The Company philosophy of Corporate Governance is to enhance the long term shareholders value, achieve operational efficiencies and business results in all areas of company's operations, with compliance of all statutory and regulatory provisions. The believes in transparency, openness and disclosure of information consistent with the business environment in which the company operates

### 2. Composition of Board Of Directors ( As on 30.06.2011)

The Composition of the Board of Directors of the Company is in line with Clause 49 of the Listing Agreement, it has one Managing Director and three Non Executive Independent Directors. The Composition of the Board of Directors of the Company as on 30TH June, 2011 was as under :-

S. NO.	NAME	STATUS	Number of Directorship/ Held in Other Companies
1	Sh. Dildeep Singh Sethi	Promoter & Managing Director	2
2	Sh. D. Bhattacharya	Non-Executive Independent Director	NIL
3	Sh. Kamal Mehra	Non-Executive Independent Director	1

#### (a) Details of Board Meetings

Twelve Board Meetings were held during the period under review. The Maximum gap between the two Board Meetings was less than 3 Months These Meetings were held on 30th April,2010, 15th July,2010, 30th July,2010, 3rd September,2010, 15th September,2010,30th October,2010,15th November,2010, 19th January,2011,25th January,2011,30th January,2011,30th April,2011,15th June,2011:

Name	No. of Board Meetings Attended	Attended Last AGM
Sh. Dildeep Singh Sethi	12	YES
Sh. D. Bhattacharya	12	YES
Sh. Manoj Pandey	08	YES
Sh.Kamal Singh Mehra	04	NO

As mandated by the revised clause 49, all the independent Directors on the Company's Board are Non-Executive and:

Do not have any material pecuniary relationships or transactions with the Company, its promoters, its Directors, its senior management and associates, which may affect independence of the Directors.

Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board.

Have not been Executive of the company in the immediately preceding three Financial years of the Company.

Are not partner or executive of the or were not partner or executive of the Statutory Audit Firm or the Internal Audit Firm and legal Firms, Consulting Firms, which have association with the Company.

Are not material suppliers, services providers customers or lesser or lessee of the Company, which may affect independence of the Directors

Are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.

### Board Committees

#### 3. Audit Committee

The Audit Committee comprises of two members viz. Mr. Debashish Bhattacharya, who is non-executive and independent Director, is the Chairman of the Audit Committee. Mr. Kamal Singh Mehra, non-executive independent Director is the other member of the Audit Committee. The Audit Committee met Six times on 30th April 2010, 30th July 2010, 3rd September,2010,30th October 2010, 30th January 2011 and 30th April, 2011.

# JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

The terms of reference of Audit Committee are in conformity with the requirements of the Clause 49 of the listing agreement and also Section 292A of the Companies Act, 1956.

#### 4. Remuneration Committee

The terms of reference of remuneration Committee consists of reviewing the compensation policy , service agreements and other employment conditions of the Managing Director.

The Company pays managerial remuneration to its Managing Director, the only executive Director, as approved by the Board of Directors, shareholders. The details thereof are given in the note to the Accounts. No remuneration is paid to any other Director

The Company has constituted a Remuneration Committee Which consists of two Non Executive Independents Directors viz. Shri Debashish Bhattacharya, Shri Kamal Singh Mehra

The details of remuneration paid to Sh. Dildeep Singh Sethi during the period ended on 30.06.2011 is given as follows.

NAME	ANNUAL SALARY	PERQUISITES
Sh. Dildeep Singh Sethi	Rs.9,00,000/-	NIL

No sitting fees was paid to any directors for attending the Board or any Committee Meetings.

#### 5. Shareholders Grievances cum Share Transfer Committee

The investor/Shareholders grievances Committee deals with various matters relating to transfer/ Transmissions of Shares, issues of duplicate share certificates, Exchange of new Certificates in lieu of old certificates and all other related matters, monitors expeditious redressal of investors grievances and all other matters related to shares .

Mr. Debashish Bhattacharya is the Chairman of the Shareholders Grievances Cum Share Transfer Committee. Mr. Kamal Singh Mehra and Mr. Dildeep Singh Sethi are the Other Members of the Committee. All the complaints have been disposed off to the satisfaction of the shareholders. Moreover, all the valid requests for share transfer received during the year have been processed within 30 days by the company and no such transfer is pending as on 30th June, 2011. Mr Dildeep Singh Sethi, Managing Director of the Company is the Compliance Officer of the company. and M/s Lekhraj & Associates, practicing Company Secretary during the year 2010-11 have carried out quarterly Secretarial Audit.

#### 6. Subsidiary Companies

The Company does not have any subsidiary Company

#### 7. Compliance Certificate

Compliance Certificates for Corporate Governance from M/s Lekhraj & Associates, Secretarial Auditor of the Company is annexed herewith.

#### 8. General Body Meeting

Location and time of last three Annual General Meetings are as under:

Year	Place	Date	Time	No. of Resolution
2010	Sanatan Dharam Mandir, Moti Nagar New Delhi-15	30.09.2010	9.30 A.M.	Nil
2009	Sanatan Dharam Mandir, Moti Nagar New Delhi-15	30.09.2009	9.30 A.M.	Nil
2008	Sanatan Dharam Mandir, Moti Nagar New Delhi-15	29.12.2008	9.30 A.M.	Nil

A) Whether Special Resolution were put through postal ballot last year ? No

B) Is Special Resolution put through Postal Ballot this year? No

#### 9. Disclosures:

##### a. Related Party Transactions

No transaction was entered by the Company with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the company at large.

# JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

**b. Penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority**

There has not been any non-compliance by the Company and no penalties or structures have been imposed on the company by the stock exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. However, the Company's share has been suspended by the Bombay Stock Exchange in the Financial year 2004-05 and the efforts are being made to revoke the suspension and the Company is quite hopeful of the revocation of suspension at the earliest.

**c. Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent possible.

**d. Proceeds from the issue of Equity Shares/ Warrants/ FCCBs**

During the year under review the has not issued any Equity Shares/ Warrants /FCCBs.

**e. Management Discussion and Analysis**

A Management Discussion Analysis Report forms part of this Annual Report and includes discussions on various matters specified under Clause 49 (IV)(F) of the Listing Agreement.

**f. Particulars Of Directors to be appointed/re-appointed**

Information pertaining to particulars of Directors to be appointed and re-appointed at the forthcoming Annual General Meeting is being included in the Notice convening the Annual General Meeting.

**g. Disclosures of Risk Management**

The Company has laid down procedures to inform the members of the Board about the risk assessment and minimization procedures. A Risk Management Committee consisting of senior Executives of the Company periodically reviews these procedures to ensure that executive management controls risk through properly defined framework. The Company has framed the risk assessment and minimization procedure, which is periodically reviewed by the Audit Committee and the Board.

**8. MEANS OF COMMUNICATION**

The Company is not sending half-yearly report to each household of shareholders. The quarterly, half yearly and annual results are generally published by the Company in Millennium Post & Millennium Darpan Delhi. The Company have its WEB Site i.e. [www.jausspolymers.com](http://www.jausspolymers.com). The Company does not display official news releases. The Management Discussion and Analysis Report forms part of this Directors report.

**9. GENERAL SHAREHOLDER INFORMATION**

**Annual General Meeting to be held**

Date and Time : 30th December 2011 at 4.30 P.M.  
Venue : Sanatan Dharam Mandir  
Moti Nagar, New Delhi-110015

**10. Financial Calender 2011-2012 (tentative)**

(Unaudited Financial Results)

Results for the quarter ending 30th June 2011	30th July, 2011
Results for the quarter ending Sep.30, 2011	30 October, 2011
Results for the quarter ending Dec 31, 2011	Last week of January, 2012.
Results for the quarter ending March, 2012	Last week of April, 2012
Book Closure Date	: 29th December, 2011 to 2nd January, 2012
Dividend Payment Date :	No Dividend has been recommended by the Board of Directors of the Company during the period under review.

# JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

## 11. Listing on Stock Exchange:

The Company's shares are listed on the Stock Exchange, Mumbai  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001

### Delisting Status

1. Delhi Stock Exchange Ass. Ltd.	Delisting Approval Awaited
2. The Stock Exchange, Ahmedabad	Do
3. The Calcutta Stock Exchange.	Do
4. The Ludhiana Stock Exchange.	Do
5. The Jaipur Stock Exchange.	Do

## 12. DEMATERERIALISATION OF SHARES

The Members may please note that till date the Company's share is still in physical form only.

**Market Price Data:** During the year under review the shares of the Company were not traded on any stock exchange.

## 13. Performance in Comparison to BSE Sensex, CRISIL index: Not Applicable

## 14. Registrar and share Transfer Agent :

During the year under review M/s Beetel Financial Management Services Ltd were the Registrar & Transfer Agent of the Company, but Since August 2011 all Share Transfer work is being done at the Registered Office of the Company

## 15. Share Transfer Operations : Presently Shares received for transfer are transferred within 10-12 days from the date of receipt subject to the documents being valid in all respects.

## 16. Distribution of Shareholders as on 30.06.2011:

SHARES HOLDING OF NOMINAL VALUE OF RS RS		SHAREHOLDERS		SHARE AMOUNT IN RS	% TO TOTAL
		NUMBER	TOTOTAL (%)		
Upto	2,500	13747	95.018	10719170	37.277
2,501	5,000	456	3.213	1881500	6.543
5,001	10,000	149	1.050	1093500	3.803
10,001	20,000	52	0.366	736500	2.561
20,001	30,000	12	0.085	291500	1.014
30,001	40,000	2	0.014	63000	0.219
40,001	50,000	3	0.021	147000	0.511
50,001	1,00,000	31	0.028	834000	0.796
1,00,001	& Above	3	0.204	14191580	47.276
<b>** TOTAL **</b>		<b>14455</b>	<b>100.000</b>	<b>36255750</b>	<b>100.000</b>

## 17. Dematerialisation: The shares of the company are in physical form and steps are being taken to get establish the connectivity with NSDL & CDSL

## 18. Outstanding GDRs / ADRs /Warrants or any Convertible Instruments: Not Applicable

## 19. Plant Location:

Village Malpur, (Baddi) Hadbast No.189, Paragna Dharampur, Tehsil Nalahagarh Baddi H.P.

## 20. Address for Correspondence:

The Investors may address their Communication/ Grievances /queries/suggestions to:

**Registered Office:** 4A/35 ,Old Rajinder Nagar, New Delhi-110060

The above report was placed before the Board at its meeting held on 18.11.2011 and the same was approved.

For JAUSS POLYMERS LTD

PLACE : New Delhi  
DATE : 18.11.2011

(Dildeep Singh Sethi)  
Managing Director

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**MANAGEMENT DISCUSSION AND ANALYSIS****1. Business Review**

The year goneby was a remarkable year for India. For the forth year in succession ,year end GDP growth have exceeded the initial expectation.. With robust performance from manufacturing & services sectors , Indian GDP expended by about 8.2% in the year 2010-11, to register. The INDIA Growth story continues to hog the headlines around the world. The High growth phase of the economy was reflected in a steady improvement in the infrastructure, increase in planned expenditure and capacity addition in different sectors.

India is the worlds largest democracy with a population of over 1.2 billion and has fast growing consumer market. The retail sector in India is growing at a fast pace and India is emerging as a nation where shopping trends and style are undergoing a radical change s. It is in this context that the Printing & Packaging Industry in India assumed growing significance. The Indian packaging Industry is itself growing at a 15 to 20% annually . The growth rate is expected to double in the next couple of years. Our company is primarily involved in the business of manufacturing of PET JARS. Which are used to pack Chewing Gums and other confectionery items. Consumers demand for PET packaging products is expanding in almost every area. The PET finds its use in packaging of food tea, coffee, spices, chewing Tobacco, bakery, confectionery, oil and in certain other non -food applications such as households detergents, health and personal care, soaps shampoos etc.

**2. Opportunities and threats**

In markets where plastic and paper compete as packaging materials, plastic is expected to make continued, albeit, slower, inroads at the expense of paper and paper board, increasing its share of poundage to 52 percent in 2010. Plastic has made the greatest advances in primary packaging but remains far less significant than paper in secondary packaging and shipping industry. Material improvements and heightened requirements for products protection and stability will create further opportunities for plastic over papering number of areas including protective packaging as well as produce ,pet food ,candy and confectionery, frozen food and foodservice applications. Plastic packaging demand will increase more rapidly based on good opportunities for both flexible and rigid packaging.

Despite growing competition which may cause downward pressure on the prices and profit margins , the Company is expected to grow its sale and overall profits in future from its PET packaging material due to its excellent product quality ,low cost of production, ability to offer competitive rates , wide range of moulds & designs ,aggressive marketing strategy and innovative product structures for better suitability to its customers in market.

The growing globalization of of the manufacturing process of packaging industry may have adverse impact on the demand of the products in the international market. The industry may also face stiff competition from the low cost markets in Asia such as China

**3. Industry Structure and Business**

JPL is a manufacturer and supplier of Polyethylene Terephthalate (PET) (Bottle and Super Bright Textile Grade) and has its production facility located at Baddi Himachal Pradesh. Company's PET Jars finds application in the packaging of Confectionery items like Chewing Gum, Toffes etc PET is very inert material that is resistant to attack by micro-organisms and does not react with food products. On account of attributes like hygiene, strength, light weight, unbreakable and economical, 'PET has become the world's packaging choice. Health-safety agencies around the world approve PET as safe for packaging foods and beverages.

**4. Economic Scenario and Outlook**

Despite the relative sluggishness of the past years, PET remains the packaging choice for new products or for conversion from other packaging materials, due to its excellent mechanical and barrier properties and its good recycling capability. Emergence of new applications, changing lifestyles have also added to the rising demand of plastics & particularly that of the plastic packaging. During the year under review, demand for Pet in India is estimated at around 550k TPA against total World Pet Resin demand of 16,529k TPA. With increasing population, urbanization and health awareness among the people around the world, global PET resin demand is expected to clock a growth rate of around 7% by 2015, from a growth rate of 2% in 2008. However, relentless increase in feedstock purified terephthalic acid (PTA) and monoethylene glycol (MEG) values has resulted in a hike in PET spot prices around the world. Opportunity and Threats Pet packaging industry has grown and the consumption of PET is projected to increase owing to its cost, convenience, energy saving benefits and changing demand dynamics. The Indian PET packaging industry is presently at about USD 1 bn, growing at 22%-25% per year & is expected to sustain the growth rate due to wider scope of increased penetration in carbonated soft drinks, mineral water, fruit juices, health care and agro chemical segments. Some of the key threats to PET industry include sharp fluctuation in crude prices and PTA/MEG prices, which are the primary raw materials for the PET resin industry.

**5. Risk and Concerns**

Risks and prospects are indivisible components of the Company's business. The Directors and the Management of your Company keep this in mind in taking all decisions such that the stakeholders' interests are not adversely affected. The Company has also put in place a risk management framework to identify, assess, prioritize and alleviate risk. The risks are periodically assessed and reviewed and corrective actions are taken to mitigate effects.

**6. Internal Control System**

JPL 's internal control system is commensurate with the nature of its business and the size & complexity of its operations. The system is designed to ensure that the assets of the Company are safeguarded and protected against loss and that all the transactions are properly authorized, recorded and reported. The internal audit function team comprises of well-qualified experienced professionals who control regular audits across the Company's operations. The management duly considers and takes appropriate action on the recommendations made by the Statutory Auditors, Internal Auditors and the Independent Audit Committee of the Board of Directors. Further the CEO/ CFO certification also confirms the adequacy of internal control system and procedures in the Company

**7. Human Resource/ Industrial Relation**

During the year, the Company continued with its initiatives to foster people development, harness their creativity and ensure a motivated and contented work team. The requirement of professionally qualified and trained personnel is regularly reviewed to obtain optimum results in all spheres of its activity. The Company also accentuate on training and development of its human resources and makes sincere efforts to ensure numerous opportunities for their growth in the organization. As on 30th June, 2011, the Company had employee strength of 74 employees. The Industrial relations at all levels of the Company have remained cordial during the year.

**8. COMPANY'S FINANCIAL PERFORMANCE & ANALYSIS****A. FIXED ASSETS**

The composition of assets are as under:

## JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

### B. Results Of Operations

The summary of operating performance for the year is given below:

<b>PARTICULARS</b>	<b>Ended on 30.06.2011 (CURRENT YEAR) 15 Months</b>	<b>Ended on 31.03.2010 (previous YEAR) 12 Months</b>
<b>INCOME</b>		
Sales & Job Work (Net)	757.69	476.77
Other Income	2.71	0.87
Increase/(Decrease) in Stock	(0.31)	-4.67
<b>Total Income</b>	<b>760.09</b>	<b>472.97</b>
<b>EXPENDITURE</b>		
Material Cost	84.85	2.24
Manufacturing Expenses	320.54	205.25
Payment & Benefits to Employee	170.09	86.14
Administrative, Selling & Other Expenses	39.18	83.84
<b>Total</b>	<b>614.66</b>	<b>377.47</b>
Profit Before Depreciation & Interest	145.43	95.50
Less: Depreciation	(79.21)	(67.21)
Less: Interest & Financial Charges	(5.72)	(3.84)
Earning before Tax & Extraord. Adj.	60.50	(24.45)
Extraordinary items / Prior Period adj.	174.45	20.45
Earning before Tax	234.95	44.90
Less: Provision for F.B.T.	—	(0.88)
E.A.T.	234.95	44.02

### 9. ENVIORMANT ,OCCUPATIONAL HEALTH AND SAFETY

Your Company is committed to conducting its operations with due regard to the enviorment and providing a safe and healthy work place for employees. The collective endeavor of your company's employees at all levels is directed towards sustaining and continuously improving standards of enviorment, occupational health and safety in a bid to attain and exceed international benchmarks .

### 10. CAUTIONARY STATEMENT

Certain statements in this section may be forward looking and be based on expectations/projections about the future. Company's actual results, performance could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any of such statements on the basis of subsequent developments, information or events.

## **JAUSS POLYMERS LTD.**

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

### **CEO / CFO CERTIFICATION IN TERMS OF CLAUSE 49(V) OF THE LISTING AGREEMENT**

To the Board of Directors  
JAUSS POLYMERS LTD  
4A/35, OLD RAJINDER NAGAR,  
NEW DELHI-110060

Dear Sir,

1. I Dildeep Singh Sethi, Chairman and Managing Director of the Company hereby certify that I have reviewed the Balance Sheet, Profit & Loss Account and all its Schedules and Notes and Accounts as well the Cash Flow Statement as at 30TH JUNE 2011 and certify that to the best of our knowledge and belief:
  - 1) These Statements do not contain any materially untrue statement of omit any Material fact or contain any Statement that might be misleading :
  - 2) These Statements read together present a true and fair view of Companies affair and are in Compliance with existing Accounting Standards ,applicable laws and regulations.
2. We further certify that , to the best of our knowledge and belief , no transactions have been entered into by the company during the year under review which are fraudulent, illegal or voliative of the Company's Code of Conduct.
3. We are responsible for establishing and maintaining disclosure control s and procedures and internal controls over financial reporting for the Company and we have:
4.
  - a) designed such disclosure controls and procedures to ensure that material information relating to the Company is made known to us by others within the Company, particularly during the period in which this report is being prepared.
  - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision , to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
  - c) evaluated the effectiveness of the Company's disclosures, controls and procedures.
  - d) disclosed in the report any change in the Company's internal control over financial reporting that occurred during the Company's most recent financial year that has materially affected, or is reasonably likely or materially affect, the Company's internal control over financial reporting.
5. We have disclosed based on our most recent evaluations, wherever applicable, to the Company's auditors and the Audit Committee of The Company 's Board (and performing the equivalent functions )
  - a) all deficiencies in the design or operation of the internal controls , which could adversely affect the Company's ability to record ,process ,summaries and report financial data, and have identified for the Company's auditors, any material weakness in internal controls over financial reporting including any corrective actions with regard to deficiencies.
  - b) Significant changes in internal controls during the year covered by this report.
    - a) All the significant changes in accounting policies during the year , if any. And that the
    - b) same have been disclosed in the notes to the financial statements.
    - c) Instances of significant fraud of which we are aware, that involve management or other
    - d) employees who have a significant role in the Company's internal controls system.

Place: New Delhi  
Date:18th November, 2011

**Dildeep Singh Sethi**  
Managing Director



## **JAUSS POLYMERS LTD.**

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

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### **CERTIFICATE OF CORPORATE GOVERNANCE**

To the Members of  
**JAUSS POLYMERS LTD.**

1. We have examined the compliance of conditions of Corporate Governance by JAUSS POLYMERS LTD for the Period ended on 30th June, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.
2. The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an Audit nor expression of opinion on the financial statement of the company.
3. In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the Conditions of Corporate Governance as stipulated in the mentioned Listing Agreements.
4. We state that no investor grievance is pending for a period exceeding one month against the company as per the records maintained by the Shareholders Grievance - Cum - Share Transfer Committee.
5. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness

Place : Delhi  
Date : 15/11/2011

For Lekhraj & Associates  
( Lekhraj)  
C.P.No. 3716

# JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

## AUDITORS' REPORT

The Members

**JAUSS POLYMERS LTD.**

1. We have audited the attached Balance Sheet of **JAUSS POLYMERS LIMITED** as at 30th June, 2011, the Profit & Loss Account and the Cash Flow Statement of the Company for the period from 1st April, 2010 to 30th June, 2011 annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks of books and records of the Company as we consider appropriate and according to the information and explanations given to us during the course of audit, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
  - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of Section 211 of the Companies Act, 1956, to the extent applicable to the Company under the circumstances;
  - e) On the basis of written representations received from directors, as on 30th June 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 30th June 2011 from being appointed as a director in terms of clause (g) of subsection (1) of Section 274 of the Companies Act, 1956.
  - f) Without qualifying our report, attention is drawn to the following Notes of Schedule 'M':
    - i) Note No.5 (b) - regarding increase in remuneration of Managing Director which is subject to the approval of members.
    - ii) Note No. 7 - regarding unconfirmed/unreconciled balances in some of the parties accounts.
    - iii) Note No.18- regarding the accounts of the Company being prepared on going concern basis.
  - g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with the significant accounting policies and other notes thereon as per Schedule 'M', give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 30th June, 2011;
    - ii) in the case of the Profit and Loss Account, of the Profit of the Company for the period ended on that date; and
    - iii) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

**For V. K. DHINGRA & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration No. 000250N**

**PLACE: NEW DELHI**  
**DATED: OCTOBER 21, 2011**

**(V.K.DHINGRA)**  
**PARTNER**  
**M. No. : 014467**

**ANNEXURE TO THE AUDITORS' REPORT****REFERRED TO IN PARAGRAPH (3) OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF JAUSS POLYMERS LIMITED FOR THE PERIOD ENDED ON 30th JUNE, 2011**

- i) a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- b) Major portion of the fixed assets have been physically verified by the management during the period as per the phased programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such verification.
- c) There was no disposal of fixed assets during the period.
- ii) a) The inventory has been physically verified during the period by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. No material discrepancies were noticed on verification between the physical stocks and the book records.
- iii) a) The Company has not granted any loan-secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the clauses 4(iii) (b) to (d) of the Order are not applicable.
- b) The terms and conditions of unsecured interest free loans taken during the period from the parties covered in the register maintained under Section 301 of the Companies Act, 1956 are not prima facie, prejudicial to the interest of the Company.
- There were unsecured loans of ₹5.84 Lacs outstanding as on 30th June, 2011 in case of six parties covered in the register maintained u/s 301 of the Companies Act, 1956, the maximum amount due during the period was ₹84.79 Lacs. The repayment of principal amount of those loans was regular wherever stipulated.
- iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory and fixed assets and with regard to the sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have not come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- v) According to the information and explanations given to us, no contracts or arrangements were entered into during the period as referred to in Section 301 of the Companies Act, 1956. Therefore, the provisions of clause (v) of the said Order are not applicable to the Company under the circumstances.
- vi) The Company has not accepted any deposits from the public during the period to which the directives issued by the Reserve Bank of India and the provisions of Sections 58 A and 58 AA of the Companies Act, 1956 and the rules framed there under are applicable.
- vii) The Company has an internal audit system which, in our opinion, is commensurate with the size of the Company and nature of its business.
- viii) The Central Government has not prescribed maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956 for any of the product of the Company.

## **JAUSS POLYMERS LTD.**

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

- ix) a) According to the records of the Company examined by us, the Company is generally regular during the period in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income tax, Wealth tax, Sales Tax, Cess and other statutory dues applicable to it. The extent of arrears of such dues as on 30th June, 2011 for a period of more than six months was ₹ 19.21Lacs which have been paid subsequently.
- b) According to the information and explanation given to us and the records of the Company examined by us, there was no disputed amount payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance Fund, Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty and Cess as at 30th June, 2011.
- x) The accumulated losses of the Company as at 30th June, 2011 were more than fifty percent of its net worth. The Company has not incurred cash losses during the period covered by our audit and in the immediately preceding financial year.
- xi) On an examination of the records of the Company and according to information and explanation given to us, the Company has not defaulted in the repayment of dues to any bank or financial institutions during the period.
- xii) Based on our examination of documents and records, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit/societies are not applicable to the Company.
- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the period.
- xvi) According to the information and explanations given to us, the Company applied term loans and the same were utilised for the purpose for which the loans were obtained.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short term basis have not been used for long term investment.
- xviii) In our opinion and according to the information and explanations give to us, the price at which the Company has made the preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956, during the period was not prima facie prejudicial to the interest of the Company.
- xix) The Company has not issued any debentures during the period.
- xx) The Company has not raised any money through public issue during the period.
- xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the period, nor have we been informed of such case by the management.

**For V. K. DHINGRA & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration No. 000250N**

**PLACE: NEW DELHI**  
**DATED: OCTOBER 21, 2011**

**(V.K.DHINGRA)**  
**PARTNER**  
**M. No. : 014467**

**JAUSS POLYMERS LTD.**

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

**BALANCE SHEET AS AT 30th JUNE , 2011**

	SCHEDULE No.	AS AT 30.06.2011 (₹)		AS AT 31.03.2010 (₹)	
<b>SOURCES OF FUNDS</b>					
Share Capital	A	43,155,750		64,888,500	
Reserves & Surplus	B	4,791,677	47,947,427	36,610,039	101,498,539
<b>Loan Fund</b>					
Secured Loans	C	32,412,370		44,607,978	
Unsecured Loans	D	7,026,593	39,438,963	23,023,106	67,631,084
<b>TOTAL</b>			<b>87,386,390</b>		<b>169,129,623</b>
<b>APPLICATION OF FUNDS</b>					
<b>Fixed Assets</b>					
Gross Block	E	188,657,203		171,301,466	
Less: Depreciation		137,902,996		129,982,281	
Less: Impairment Loss		6,438,315		6,438,315	
Net Block		44,315,892		34,880,870	
<b>Current Assets, Loans &amp; Advances</b>					
Inventories		127,252		137,023	
Sundry Debtors		6,824,329		2,856,527	
Cash & Bank Balances		3,831,023		10,722,576	
Loans & Advances		21,146,748		20,151,794	
		31,929,352		33,867,920	
<b>Less: Current Liabilities &amp; Provisions</b>					
Current Liabilities	G	15,116,023		15,629,453	
Provisions		1,233,376	15,579,953	887,811	17,350,656
<b>Profit &amp; Loss Account</b>			27,490,545		116,898,097
<b>TOTAL</b>			<b>87,386,390</b>		<b>169,129,623</b>
<b>NOTES TO ACCOUNTS</b>					
	M				

Schedules referred to above form an integral part of this Balance Sheet

As per attached Report of even date

For **V.K.DHINGRA & Co.**  
CHARTERED ACCOUNTANTS**(V.K.DHINGRA)**  
PARTNER**(DILDEEP SINGH SETHI)**  
MANAGING DIRECTOR**(D.BHATTACHARYA)**  
DIRECTORPLACE : NEW DELHI  
DATE : OCTOBER 21, 2011

**JAUSS POLYMERS LTD.**

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

**PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM 01.04.2010 TO 30.06.2011**

PARTICULARS	SCHEDULE NO.	FOR THE PERIOD ENDED ON 30.06.2011 (₹)	FOR THE YEAR ENDED ON 31.03.2010 (₹)
<b>I. INCOME</b>			
Sales (Jars)		14,629,352	—
Job Work Income (TDS ₹2,52,164, Previous Year- ₹89,973 /-)		60,839,477	47,073,808
Sales - Scrap		299,775	360,000
Other Income	H	271,248	769,307
<b>TOTAL</b>		<b>76,039,852</b>	<b>48,203,115</b>
<b>II. EXPENDITURE</b>			
Materials Consumed	I	8,516,332	—
Manufacturing Expenses	J	35,976,662	19,877,190
Selling & Distribution Expenses		3,917,685	2,673,723
Other Expenses	K	13,086,100	10,765,243
Financial Charges	L	572,182	737,365
<b>TOTAL</b>		<b>62,068,962</b>	<b>34,053,521</b>
Profit before Depreciation		13,970,891	14,149,594
Depreciation		7,920,715	7,021,543
Profit for the period before Tax & Extraordinary Items/Prior Period Adjustments		6,050,176	7,128,051
Extraordinary Items/ Prior Period Adjustments (Refer Note 17 of Schedule M)		17,444,817	17,113,989
<b>Profit before Tax</b>		<b>23,494,993</b>	<b>24,242,040</b>
<b>Profit after Tax</b>		<b>23,494,993</b>	<b>24,242,040</b>
<b>APPROPRIATIONS</b>			
Transfer from Share Capital Account upon reduction(Refer Note 23(c) of Schedule M)		28,755,750	—
Transfer from Share Forefited account (Refer Note 23(c) of Schedule M)		2,977,000	—
Transfer from Capital Reserve account (Refer Note 23(c) of Schedule M)		28,579,809	—
Transfer from Free Reserve (Refer Note 23(c) of Schedule M)		5,600,000	—
(Loss) as per Last Year		(116,898,097)	(141,140,137)
<b>(Loss) carried over to Balance Sheet</b>		<b>(27,490,545)</b>	<b>(116,898,097)</b>
<b>NOTES TO ACCOUNTS</b>			
	<b>M</b>		
<b>Earnings per Share (See Note No.-19)</b>			
<b>Basic (After exceptional item in ₹)</b>		<b>3.94</b>	<b>4.01</b>
<b>Basic (Before exceptional item in ₹)</b>		<b>1.01</b>	<b>1.18</b>
<b>Diluted (After exceptional item in ₹)</b>		<b>2.79</b>	<b>3.74</b>
<b>Diluted (Before exceptional item in ₹)</b>		<b>0.72</b>	<b>1.10</b>
<b>Face Value per Share in ₹</b>		<b>10</b>	<b>10</b>

As per attached Report of even date

**For V.K.DHINGRA & Co.**

CHARTERED ACCOUNTANTS

**(V.K.DHINGRA)**  
PARTNER**(DILDEEP SINGH SETHI)**  
MANAGING DIRECTOR**(D.BHATTACHARYA)**  
DIRECTOR

PLACE : NEW DELHI

DATE : OCTOBER 21, 2011

**JAUSS POLYMERS LTD.**

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

	AS AT 30.06.2011 (₹)	AS AT 31.03.2010 (₹)
<b>SCHEDULE: A - SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
a) 7500000 Equity shares of ₹ 10/- each	75,000,000	75,000,000
b) 50,000 10% Cumulative Convertible Preference share of ₹ 100/- each	5,000,000	5,000,000
<b>TOTAL</b>	<b>80,000,000</b>	<b>80,000,000</b>
<b>ISSUED</b>		
a) 36,25,575 (P.Y.-67,43,450) Equity shares of Rs. 10/- each	36,255,750	63,465,500
b) 44,000 ( Previous Year10% Cumulative Convertible Preference Shares) Convertible Preference shares of Rs. 100/- each	4,400,000	4,400,000
c) 20,00,000 Share Warrants of Rs. 5/- each	10,000,000	—
<b>TOTAL</b>	<b>50,655,750</b>	<b>67,865,500</b>
<b>SUBSCRIBED &amp; PAID UP</b>		
a) 36,25,575 (P.Y.63,46,550) Equity shares of Rs. 10/- each	36,255,750	63,465,500
Less: Allotment Money in Arrear	—	2,977,000
b) 44,000 (Previous Year-10% Cumulative Convertible Preference Shares) Convertible Preference shares of Rs. 100/- each	4,400,000	4,400,000
c) 20,00,000 Share Warrants of Rs. 5/- each	10,000,000	—
Less: Allotment Money in Arrears	7,500,000	2,500,000
<b>TOTAL</b>	<b>43,155,750</b>	<b>64,888,500</b>
<b>NOTE:</b> 10% Cumulative Convertible Preference Shares are convertible into Equity Shares at par at the option of the Shareholders and subject to the approval of relevant authorities		
<b>SCHEDULE: B- RESERVES &amp; SURPLUS</b>		
<b>General Reserve</b>		
Balance as Per Last Account	—	5,600,000
<b>Capital Reserve</b>		
Subsidy from Director of Industries, Punjab	1,500,000	1,500,000
Subsidy from Director of Industries, Uttar Pradesh	930,230	930,230
Central Interest Subsidy from Government of India	—	630,000
Waiver of Principal Loan by Financial Institutions/Bank	—	27,949,809
Central Capital Investment Subsidy	2,361,447	—
<b>TOTAL</b>	<b>4,791,677</b>	<b>36,610,039</b>
<b>SCHEDULE : C - SECURED LOANS</b>		
Tata Motors Finance Limited	571,370	66,978
O.K. Play India Limited	31,841,000	44,541,000
<b>TOTAL</b>	<b>32,412,370</b>	<b>44,607,978</b>

**NOTES:**

1. Loan from Tata Motors Finance Limited is secured against Hypothecation of vehicle.

## JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

### NOTES:

- "2. Secured loan from O.K. Play India Ltd. is payable over a period of five years from the cut off date (i.e. 31-03-2010) "alongwith interest @ 12.5% accruing after one year from the date of sanction of Scheme as per the order of Board for "Industrial and Financial Reconstruction(BIFR). Refer Note No.23 of Schedule'M"."
3. Loan from O.K. Play India Ltd. is secured against the assignment of all rights of financial institutions including hypothecation of movable assets and deposit of title deeds of immovable properties in favour of O.K. Play India Ltd. upon one time settlement of all dues of the company with these financial institutions.

	AS AT 30.06.2011 (₹)	AS AT 31.03.2010 (₹)
<b>SCHEDULE : D - UNSECURED LOANS</b>		
From Companies	4,976,544	10,717,004
From a Director	388,409	2,730,955
From Others	1,661,640	9,575,147
<b>TOTAL</b>	<b>7,026,593</b>	<b>23,023,106</b>

### SCHEDULE - E FIXED ASSETS

(Figures in ₹)

	GROSS BLOCK			DEPRECIATION			Impair- ment Loss	WRITTEN DOWN VALUE	
	AS AT 01.04.2010	ADDITIONS DURING THE YEAR	TOTAL AS AT 30.06.2011	AS AT 01.04.2010	FOR THE CURRENT YEAR	TOTAL AS AT 30.06.2011		AS AT 30.06.2011	AS AT 31.03.2010
1 Land	1,067,276	—	1,067,276	—	—	—	—	1,067,276	1,067,276
2 Building	11,744,795	151,452	11,896,247	4,796,210	96,174	4,892,384.00	5,256,117	1,747,746	1,692,468
3 Plant & Machinery	105,949,276	12,876,399	118,825,675	81,273,336	5,640,484	86,913,820.00	—	31,911,855	24,675,940
4 Moulds	42,071,441	3,345,127	45,416,568	37,069,917	1,836,726	38,906,643	—	6,509,925	5,001,524
5 Furniture & Fixture	3,280,540	—	3,280,540	2,172,752	18,141	2,190,893	774,946	314,701	332,842
6 Cables & Power Equipments	1,084,941	—	1,084,941	889,638	—	889,638	—	195,303	195,303
7 Electrical Equipment	284,869	—	284,869	225,611	—	225,611	—	59,258	59,258
8 Vehicles	886,259	970,259	1,856,518	320,445	156,060	476,505	—	1,380,013	565,814
9 Office equipments	1,866,158	—	1,866,158	1,163,894	88,643	1,252,537	—	613,621	702,264
10 Air conditioner	923,912	—	923,912	314,088	6,529	320,617	407,252	196,043	202,572
11 Computers	2,141,999	12,500	2,154,499	1,756,390	77,958	1,834,348	—	320,151	385,609
<b>TOTAL</b>	<b>171,301,466</b>	<b>17,355,737</b>	<b>188,657,203</b>	<b>129,982,281</b>	<b>7,920,715</b>	<b>137,902,996</b>	<b>6,438,315</b>	<b>44,315,892</b>	<b>34,880,870</b>
<b>PREVIOUS YEAR</b>	<b>164,419,926</b>	<b>6,881,540</b>	<b>171,301,466</b>	<b>122,960,738</b>	<b>7,021,543</b>	<b>129,982,281</b>	<b>6,438,315</b>	<b>34,880,870</b>	<b>35,020,873</b>



**JAUSS POLYMERS LTD.**

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

	AS AT 30.06.2011 (₹)		AS AT 31.03.2010 (₹)	
<b>SCHEDULE : F - CURRENT ASSETS, LOANS &amp; ADVANCES</b>				
<b>A) CURRENT ASSETS</b>				
<b>I) INVENTORIES</b> (As taken, valued and certified by the management)				
Raw Materials - Preforms	106,088		137,023	
Packing Materials	21,164	127,252	—	137,023.00
<b>II) SUNDRY DEBTORS</b> (Unsecured considered good)				
Debts outstanding for a period not exceeding six months	6,824,329	6,824,329	2,856,527	2,856,527
<b>III) CASH &amp; BANK BALANCE</b>				
Cash in hand	349,274		475,126	
Balance with Scheduled Banks in				
- Current Accounts	3,481,749		247,450	
- Cheques-in-hand	—	3,831,023	10,000,000	10,722,576
<b>B) LOANS &amp; ADVANCES</b> (Unsecured considered good unless otherwise stated)				
I) Advances Recoverable in Cash or in kind or for value to be received	1,172,663		1,362,564	
II) Other Loans & Advances				
Advance against Capital Assets	16,094,971		15,062,949	
III) Security Deposits				
a) With Government departments	913,731		913,731	
b) With Others	2,408,999		2,508,999	
IV) Balance with Excise	1,135		1,135	
V) Input Credit	669		—	
VI) Income Tax Deducted At Source	554,580	21,146,748	302,416	20,151,794
<b>TOTAL</b>		<b>31,929,352</b>		<b>33,867,920</b>
<b>SCHEDULE : G - CURRENT LIABILITIES &amp; PROVISIONS</b>				
<b>A) CURRENT LIABILITIES</b>				
I) Sundry Creditors		5,326,245		5,444,927
II) Advance from Customers		5,590,500		375,951
III) Due to Directors-in current account		150,609		21,609
IV) Other Liabilities		4,010,732		9,783,971
V) Book overdraft		37,937		2,995
<b>B) PROVISIONS</b>				
i) For Gratuity		796,216		637,286
ii) For Leave Encashment		437,160		250,525
<b>TOTAL</b>		<b>16,349,399</b>		<b>16,517,264</b>

**JAUSS POLYMERS LTD.**

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

	PERIOD ENDED 30.06.2011 (₹)	YEAR ENDED 31.03.2010 (₹)
<b>SCHEDULE : H - OTHER INCOME</b>		
Misc. Receipts	51,596	12,361
Liabilities Written back	219,652	756,946
<b>TOTAL</b>	<b>271,248</b>	<b>769,307</b>
<b>SCHEDULE : I - MATERIALS CONSUMED/COST OF GOODS SOLD</b>		
<b>Material Consumed :</b>		
Opening Stock		
Raw Materials-Preforms	137,023	—
	<b>137,023</b>	<b>—</b>
Add: Purchases		
Raw Materials-Preforms	8,485,397	137,023
	<b>8,485,397</b>	<b>137,023</b>
Less: Closing Stock		
Raw Materials-Preforms	106,088	—
<b>TOTAL</b>	<b>8,516,332</b>	<b>—</b>
<b>SCHEDULE : J - MANUFACTURING EXPENSES</b>		
Wages and Other Benefits to Workers	8,041,589	3,408,733
Contribution to Provident & Other Funds	392,937	251,522
Freight & Cartage	480,907	68,946
Repair & Maintenance (Machinery)	2,299,048	1,605,539
Power & Fuel	12,760,996	8,297,429
Rent - Genrator	1,480,645	1,297,755
Rent - Machinery	840,000	840,000
Rent Factory	4,357,499	2,758,622
Repairs & Maintenance (Building)	806,387	469,367
Stores Consumed	4,516,654	547,820
Job Charges Paid	—	331,458
<b>TOTAL</b>	<b>35,976,662</b>	<b>19,877,190</b>

**JAUSS POLYMERS LTD.**

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

	PERIOD ENDED 30.06.2011 (₹)	YEAR ENDED 31.03.2010 (₹)
<b>SCEDULE : K - OTHER EXPENSES</b>		
Salaries & Allowances	6,183,746	4,098,510
Contribution to provident & other funds	157,061	146,586
Staff Welfare Expenses	570,693	570,777
Rent Paid	250,116	345,850
Security Service Expenses	672,725	616,388
Managing Directors Remuneration	990,000	720,000
Auditors Remuneration		
- Audit Fees	137,875	88,240
- Tax Audit Fees	22,060	22,060
Legal & Professional Charges	1,638,223	801,874
Insurance	60,543	93,149
Postage, Telegram & Telephone	343,891	227,131
Repair & Maintenance (Others)	285,177	342,115
Travelling & Conveyance Expenses	892,090	1,036,070
Miscellaneous Expenses	670,045	404,688
Fees & Taxes	203,855	399,001
Amount Written Off	8,000	852,804
<b>TOTAL</b>	<b>13,086,100</b>	<b>10,765,243</b>

**SCHEDULE : L - FINANCIAL CHARGES****Interest paid :**

To Financial Institutions	—	332,315
To Others	544,900	360,867
Bank Charges	27,282	44,183
<b>TOTAL</b>	<b>572,182</b>	<b>737,365</b>

**SCHEDULE - M - NOTES ON ACCOUNTS****NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 30th JUNE, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED ON THAT DATE****1. SIGNIFICANT ACCOUNTING POLICIES**

## a) General

The Company generally follows accrual basis of accounting, except otherwise stated specifically and wherever it is not possible to determine the quantum of accrual with reasonable certainty e.g. insurance/other claims, overdue interest payable/receivable and liquidated damages, these continue to be accounted for on settlement basis.

## b) Revenue Recognition

Revenue (income) is recognized where no significant uncertainty as to determination or realization exists. Sales are recognized ex works and are including of excise duty but net of trade discounts and sales tax.

## c) Inventories

Inventories are valued at lower of cost or net realisable value.

Cost is determined on First in First out (FIFO) method basis.

## d) Fixed Assets / Depreciation

i) Fixed assets are stated at cost less accumulated depreciation.

ii) Depreciation on fixed assets is provided on straight line method as per Schedule-XIV of the Companies Act, 1956 except on building constructed on leased premises which is depreciated over the lease period.

iii) Depreciation is provided on pro-rata basis from the date on which assets are put to use in case of addition and provided upto the date of sale/disposal in case of sale/disposal.

## e) Retirement and Other Employee Benefits

i) Company's contribution to Government administered Provident Fund and Employee's State Insurance Corporation are charged to Profit & Loss Account.

ii) Defined benefit contributions in respect of gratuity and leave encashment are provided on the basis of actuarial valuation made at the end of the financial year. Actuarial gains or loss arising from such valuations are charged to revenue in the year in which they arise.

iii) Short term employee benefit obligations are measured on an undiscounted basis and charged to the Profit & Loss Account on accrual basis.

## f) Contingencies &amp; Provisions

A provision is made based on a reasonable estimate. It is probable that an outflow of resources embodying economic benefits will be realised to settle an obligation. Contingent liabilities, if material, are disclosed by way of notes to accounts. Contingent assets are not recognised or disclosed in the financial statement.

## g) Impairment of Assets

Impairment loss assessment is done at the balance sheet date to determine whether there is any indication of impairment and in the carrying amount of the company's fixed assets. If any such indication exists, the assets recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. After recognition of impairment loss, the depreciation charge for the assets is adjusted in future periods to allocate the assets revised carrying amount, less its residual value (if any), on straight line basis over its remaining useful life.

## JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

### 2. CONTINGENT LIABILITIES EXIST IN RESPECT OF

	AS ON 30.06.2011 (₹)	AS ON 31.03.2010 (₹)
Claims against the Company not acknowledged as debt.	NIL	NIL

3. In view of unabsorbed losses, no provision for income tax has been considered necessary.
4. Estimated amount of contracts remaining to be executed on capital accounts and not provided for, net of advances, if any paid - NIL/- (Previous Year- ₹21,50,219).
5. a) Legal and professional charges include the amount paid / payable to auditors: (including service tax wherever applicable)

	AS ON 30.06.2011 (₹)	AS ON 31.03.2010 (₹)
For Income Tax Matters	14,891	16,545

- b) Managerial Remuneration under section 198 of the Companies Act, 1956 to the Managing Director (Minimum Remuneration)

	AS ON 30.06.2011 (₹)	AS ON 31.03.2010 (₹)
Salary & Allowances	9,90,000	7,20,000
<b>Total</b>	<b>9,90,000</b>	<b>7,20,000</b>

The increase in monthly remuneration from ₹60,000/- per month to ₹75,000/- per month with effect from 01-01-2011 is subject to the approval of the members in the forthcoming annual general meeting of the company.

6. Based on an overall assessment of the fixed assets, in the opinion of the management there is no impairment of cash generating assets during the year in terms of AS-28 'Impairment of Assets' issued by the Institute of Chartered Accountants of India.
7. Balances standing to the account of few parties are subject to confirmation/reconciliation and consequential adjustments if any, upon confirmation/reconciliation.
8. Particulars regarding capacity, production, sales and stocks:

	UNIT	As on 30.06.2011	As on 31.03.2010
a) Licensed capacity		N.A.	N.A.
b) Installed capacity*	(in M. Tons)	1760	1760
* (As certified by the management but not verified by the Auditors being technical matter)			
<b>c) Actual production:</b>			
(Job Work in Pcs.)			
- Pet Bottles/Jars		2,67,00,303	1,82,58,349
- Caps		2,31,62,448	76,14,925

## JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

**d) FINISHED GOODS**

Description	As on 30.06.2011		As on 31.03.2010	
	Quantity (Pcs.)	Value (₹)	Quantity (Pcs.)	Value (₹)
<b>Sales</b>				
PET Jars	5,68,182	14,629,352	—	—

**e) RAW MATERIALS & COMPONENTS CONSUMED:**

Description	As on 30.06.2011		As on 31.03.2010	
	Quantity (Pcs.)	Value (₹)	Quantity (Pcs.)	Value (₹)
Materials Consumed	601888	85,16,332	—	—
Stores Consumed	—	45,16,654	—	5,47,820

**9. VALUE OF IMPORTED & INDIGENOUS RAW MATERIALS AND STORES CONSUMED & PERCENTAGE OF EACH TO TOTAL CONSUMPTION:**

Unit	As on 30.06.2011		As on 31.03.2010		
	Percentage	Amount (₹)	Percentage	Amount (₹)	
Materials consumed	Indigenous	100	8516332	—	—
Stores consumed:	Indigenous	100	4516654	100	5,47,820
<b>Total</b>		<b>100</b>	<b>1,30,32,986</b>	<b>100</b>	<b>5,47,820</b>

10. In the opinion of management, the value on realization of current assets, loans and advances in the ordinary course of business shall not be less than the amount at which they are stated in the balance sheet (except expressly disclosed elsewhere in the notes) and provision for all known liabilities has been made and contingent liabilities disclosed properly.
11. Directors have waived off their right to sitting fee in respect of meetings of Board of Directors attended by them.
12. Accounting Standard 15-"Employee Benefits"(Revised), the disclosures of Employee Benefits as defined in the accounting standard are given below:

**a) Defined Contribution Plan :**

- i) Employer's contribution to provident fund paid ₹3,97,225/- (previous year ₹3,12,607/-) has been recognized as expense for the year.
- ii) Employer's contribution to Employees State Insurance paid ₹152,773/- (previous year ₹85,501/-) has been recognized as expense for the year.

**b) Defined Benefit Plan :**

Present value of gratuity and leave encashment obligation based on actuarial valuation using the projected unit credit method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each units separately to built up the final obligation. The company has made provision as per Actuarial Valuation in accordance with Accounting Standard 15-"Employee Benefits" (Revised).

# JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

(₹)

## I. Changes in present Value of obligations\*

	Gratuity (Unfunded) 2010-2011	Gratuity (Unfunded) 2009-2010	Leave Encashment (Unfunded) 2010-2011	Leave Encashment (Unfunded) 2009-2010
Present Value Obligation at the beginning of the I.V.P.	637,286	634,813	250,525	243,930
Interest Cost	50,780	48,699	21,063	18,286
Current Service Cost	260,822	112,639	196,241	81,193
Benefits Paid	(318,704)	(123,765)	(104,577)	(57,590)
Actuarial (Gain)/Loss on obligation	166,032	(35,100)	73,908	(35,294)
Present Value Obligation at the end of the I.V.P.	796,216	637,286	437,160	250,525

## II. Amount to be recognized in the balance sheet\*

Present Value of obligation at the end of I.V.P.	796,216	637,286	437,160	250,525
Fair Value of Plan Assets at the end of the I.V.P.	—	—	—	—
Funded Status	(796,216)	(637,286)	(437,160)	(250,525)
Unrecognized Actuarial (Gain) / Loss at the end of the I.V.P.	—	—	—	—
Net Asset/(Liability) Recognized in the Balance Sheet	796,216	637,286	437,160	250,525

## III. Expenses recognized in the statement of P & L A/c\*

Current Service Cost	260,822	112,639	196,241	81,193
Interest Cost	50,780	48,699	21,063	18,286
Expected Return on Plan Assets	(—)	(—)	(—)	(—)
Net Actuarial (Gain)/ Loss recognized for the year	166,032	(35,100)	73,908	(35,294)
Expenses recognized in the statement of P & L A/c	477,634	126,238	291,212	64,185

## IV. Movements in the Liability recognized in Balance Sheet\*

Opening Net Liability	637,286	634,813	250,525	243,930
Expenses as above	477,634	126,238	291,212	64,185
Contribution paid	(318,704)	(123,765)	(104,577)	(57,590)
Closing Net Liability	796,216	637,286	437,160	250,525

## V. Actuarial assumptions\*

Mortality Table	LIC 1994-96 (ultimate)	LIC 1994-96 (ultimate)	LIC 1994-96 (ultimate)	LIC 1994-96 (ultimate)
Attrition Rate	2.00%	5.00%	2.00%	5.00%
Imputed rate of interest	8.50%	8.50%	8.50%	8.50%
Salary Rise	9.50%	5.00%	9.50%	5.00%
Return on Plan Assets	N.A.	N.A.	N.A.	N.A.
Remaining Working Life	24.05 years	24.87 years	24.05 years	24.87 years

## JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

### 13. Related party disclosures :

Related parties and their relationship as identified by the management and relied upon by the auditors are hereunder:

- i) Enterprise over which Key Management Personnel and their relatives are able to exercise significant influence : Darsh Polymers Pvt. Ltd.  
DTG India P. Ltd.  
Auram Polymers P. Ltd.
- ii) Key Management Personnel and their relatives : Mr. D. S. Sethi, Managing Director  
Mr. D. S. Sethi, HUF HUF of Mr. D. S. Sethi  
Mr. D. Bhattacharya Director  
Mr. A. S. Sethi Brother of Mr. D. S. Sethi  
Mr. H. S. Sethi Brother of Mr. D. S. Sethi  
Mrs. Shelly Sethi Wife of Mr. D. S. Sethi  
Mrs. Paramjeet Kaur Sethi Mother of Mr. D. S. Sethi  
Mrs. G.K. Sethi Wife of Mr. H. S. Sethi  
Mrs. Puja Sethi Wife of Mr. A. S. Sethi  
Mrs. Paramjeet Kaur Sethi

Figures in ₹

Nature and Volume of Transactions	Enterprises Over which significant influence		Key Managerial Personnel and their Relatives	
	01.04.10 to 30.06.11	2009 - 2010	01.04.10 to 30.06.11	2009 - 2010
Managerial Remuneration				
a) Salaries	—	—	9,90,000	7,20,000
Salary Paid	—	—	18,00,000	4,80,000
Lease rent Paid	8,40,000	8,40,000	—	—
Equity Shares Allotted	—	—	75,00,000	—
Share Warrant Issued	18,97,000	—	6,03,000	—
Balances Debit/(Credit) (net)	1,59,31,919	1,39,00,419	(4,20,473)	(54,57,520)
Loan taken/(paid) (net)	(20,31,500)	(1,00,03,763)	(50,77,046)	29,00,680

**Note:-** Related parties and their relationship are as identified by the management and relied upon by the auditors.

14. The company has unabsorbed depreciation and carried forward losses under the Tax Laws. In the absence of virtual certainty of sufficient future taxable income, net deferred tax asset has not been recognized by way of prudence in accordance with Accounting Standard-22 "Accounting for taxes on income" issued by The Institute of Chartered Accountants of India.
15. The operations of company pre-dominantly consist of one segment i.e. Job Work and sale of PET jars and caps. Therefore, segment wise reporting as per AS -17 "Segmental Reporting" issued by Institute of Chartered Accountants of India is not applicable.
16. There are no Micro, Small & Medium Enterprises to whom the company owed dues with outstanding for more than 45 days as at 30.06.2011. This information as required to be disclosed under the Micro, Small and Medium Enterprises Developments Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.



**JAUSS POLYMERS LTD.**

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

17. Extraordinary items / Prior Period adjustments (net) represent the following :

	As on 30.06.2011(₹)	As on 31.03.2010(₹)
<u>Debits</u>		
Professional Charges	24,110	54,073
Others	26,13,174	1,92,047
<b>TOTAL (A)</b>	<b>26,37,284</b>	<b>2,46,120</b>
<u>Credits</u>		
Waiver of Interest	—	1,13,82,439
Sales- tax	36,70,869	59,77,670
Sundry creditors written back (Refer note 23(c) of Schedule M)	26,49,795	—
Unsecured loans written back (Refer note 23(c) of Schedule M)	1,37,61,437	—
<b>TOTAL (B)</b>	<b>2,00,82,101</b>	<b>1,73,60,109</b>
<b>NET (A-B) Debit /(Credit )</b>	<b>(1,74,44,817)</b>	<b>(1,71,13,989)</b>

18. The net worth of the company has become positive as on 30th June, 2011. Though the accumulated losses exceed 50 % of the net worth of the Company, the accounts have continued to be prepared on going concern basis.
19. Earning per share as per AS - 20 is as follows :

Particulars		30.06.2011	31.03.2010
Profit/(Loss) attributable to the Shareholders			
- After exceptional item ( ` )	A	2,34,94,995	2,42,42,040
- Before exceptional item ( ` )	B	60,50,178	71,28,051
Weighted average number of Equity Shares outstanding during the year*			
	C	59,69,137	60,48,850
Adjusted potential number of Equity Shares	D	84,09,137	64,88,850
Nominal value of Equity Shares ( ` )		10	10
Basic Earning per Share ( ` )			
- after exceptional item	A/C	3.94	4.01
- before exceptional item	B/C	1.01	1.18
Diluted Earning per Share ( ` )			
- after exceptional item	A/D	2.79	3.74
- before exceptional item	B/D	0.72	1.10

\*Partly paid equity shares are treated as fraction of an equity share to the extent that was entitled to participation in dividend relating to fully paid-up equity shares during the year. Consequent to the change in Share Capital due to implementation of BIFR order, the number of shares and EPS has been stated in accordance with the Accounting Standard-20 issued by the Institute of Chartered Accountants of India.

## JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

	30.06.2011 (₹)	31.03.2010 (₹)
20. i) Expenditure in Foreign Currency		
- Subscription	NIL	1,11,391
- Facility Audit Fess	65,323	NIL
ii) C.I.F. Value of Imports	NIL	NIL
iii) Earnings in Foreign Exchange	NIL	NIL
21. Directors have waived off their right to setting fee in respect of meetings of the Board of Directors and committees thereof attended by them.		
22. Loans and advances include ₹1,60,94,971/- (Previous year ₹1,39,00,419/-) being amount advanced for purchase of fixed currently being installed and used by the company, from two private companies in which a director is a director/member. Maximum balance due at any time during the year ₹1,69,28,171/- (Previous Year ₹ 2,90,23,831/-).		
23. Board for Industrial and Financial Reconstruction vide its order dated 28.03.2011 sanctioned a Rehabilitation Scheme (Sanctioned Scheme) for revival of the company under the provisions of Sick Industrial Companies (Special Provisions) Act, 1985.		
Pursuant to Sanction of the Rehabilitation Scheme, the necessary effects have been given during the year in the Accounts as under:		
(a) Secured loan from O.K. Play India Ltd. is payable over a period of five years from the cut off date (i.e.31-03-2010) alongwith interest @ 12.5% accruing after one year from the date of sanction of Scheme.		
(b) Amounts debited / credited in Profit & Loss Account under the head 'Extraordinary Items/Prior Period Adjustments':-		
	Debit (Rupees in Lacs)	Credit (Rupees in Lacs)
i) Sundry Creditors written back	NIL	26.50
ii) Unsecured loans written back	NIL	137.61
Net Credit	NIL	164.11
(c) Amounts credited to Profit & Loss Account under 'Appropriations': -		
i) Reduction in Share capital transferred to Accumulated Losses (As per Sanctioned Scheme paid up share capital of the company has been reduced by 50% and after reduction, every two equity shares of ` 5/- each fully paid up have been converted into one equity shares of ` 10/- each fully paid up.)	—	287.55
ii) General Reserve account transferred to Accumulated Losses	—	56.00
iii) Capital Reserve Account transferred to Accumulated Losses	—	285.80
iv) Forfeited Shares Account transferred to Accumulated Losses	—	29.77
	—	659.12
Aggregate Net Credits to Profit & Loss Account		823.23
(d) To give effect to the reduction in face value of paid up share capital from ₹10 to ₹5, the Equity Share Capital of the company has also been restructured from 57,51,150 equity shares of ₹10 each to equity shares of ₹5 each. Further the equity share capital after such reduction is consolidated from 57,51,150 shares of ₹5 each to 28,75,575 shares of ₹10 each fully paid up.		

## **JAUSS POLYMERS LTD.**

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

- (e) As per the Sanctioned Scheme, the promoters have to bring in further sum of ₹175 lacs by way of capital/warrants, out of which they have brought up ₹100 lacs by way of ₹ 75 lacs (including ₹49.53 lacs transferred from unsecured loans) in the form of 7,50,000 equity shares of ₹10 each fully paid and ₹ 25 lacs towards allotment of 20,00,000 share warrants of ₹5 each. The arrears of share warrant allotment of ₹75 lacs have to be brought up at the time of conversion of share warrants in 2011-12. The issue of fresh equity will, however, be subject to lock-in period of three years as per SEBI guidelines.
- (f) Apart from above, the effect of various reliefs and concessions as envisaged in the Scheme will be given as and when the requisite approvals are received.
24. Current period comprises of fifteen months i.e. period commencing from April 01, 2010 to June 30, 2011 as against corresponding previous period which comprised of twelve months from April 01, 2009 to March 31, 2010. Therefore, the current period figures may not be comparable with those of previous year's figures to that extent.
25. Previous year's figures have been regrouped/recast where-ever considered necessary to conform to the current period's classification.
26. Figures have been rounded off to the nearest rupee.

Signatures to schedules A to M annexed to and forming part of the Balance Sheet as at and Profit & Loss Account for the period ended on 30th June, 2011.

**For V. K. DHINGRA & Co.**  
CHARTERED ACCOUNTANTS

**For JAUSS POLYMERS LTD.**

**(V. K. DHINGRA)**  
PARTNER

**(DILDEEP SINGH SETHI)**  
MANAGING DIRECTOR

**(D. BHATTACHARYA)**  
DIRECTOR

PLACE : NEW DELHI  
DATE : OCTOBER 21, 2011

# JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011.

	FOR THE PERIOD ENDED 30.06.2011(₹)	FOR THE YEAR ENDED 31.03.2010(₹)
<b>A. Cash Flow from Operating activities</b>		
Net profit before tax and extra ordinary items	6,050,176	7128051
Adjustments for:		
Depreciation	7,920,715	7021543
Interest Expense	572,182	737365
<b>Profit before extra ordinary items</b>	<b>14,543,073</b>	<b>14886959</b>
Extra ordinary item	20,082,101	17360109
Prior Period Adjustments	(2,637,284)	(246119)
<b>Operating Profit before working capital changes</b>	<b>31,987,890</b>	<b>32000948</b>
<b>Adjustment for:</b>		
Trade and Other Receivables	(4,962,756)	(11578129)
Inventories	9,771	(137023)
Trade Payable & Other Liabilities	(167,865)	(7044611)
Cash Generated From Operations	26,867,040	13241185
<b>Net Cash Flow From / (Used In) Operating Activities</b>	<b>26,867,040</b>	<b>13241185</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of fixed assets	(17,355,737)	(6881540)
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(17,355,737)</b>	<b>(6881540)</b>
<b>C. Cash Flow from Financing Activities</b>		
Issue of Shares/Share Warrants	5,047,000	—
Increase/(Repayments) of Unsecured Loans ( Note : 4 )	(11,043,514)	166442
Increase/(Repayment) in Secured Loan	(12,195,608)	(6441463)
Interest paid	(572,182)	(737365)
Capital Subsidy Received	2,361,447	—
<b>Net Cash Used In Financing Activities</b>	<b>(16,402,857)</b>	<b>(7012386)</b>
<b>Net Increase/(Decrease) in cash &amp; cash equivalents (A+B+C)</b>	<b>(6,891,553)</b>	<b>(652741)</b>
<b>Cash &amp; Cash equivalents as at 01.04.2010</b>	<b>10,722,576</b>	<b>11375317</b>
<b>Cash &amp; Cash equivalents as at 30.06.2011</b>	<b>3,831,023</b>	<b>10722576</b>

Schedule 'M' - Notes on Accounts annexed to form an integral part of the Cash Flow Statement.

### NOTES:-

- The above Cash Flow Statement has been prepared under the indirect method set out in the AS-3 issued by the Institute of Chartered Accountants of India.
- Figures in the Brackets indicate Cash Outgo.
- Cash and Cash Equivalents of ₹38,31,024/-(Previous Year ₹1,07,22,576/-)as on 30th,June 2011 include balances with Schedule banks in Current A/cs ₹34,81,749/- (Previous Year ₹2,47,450/-), Cheques in hand of NIL(Previous Year ₹1,00,00,000 & Cash in Hand of ₹3,49,274/-(Previous Year ₹4,75,126/-).
- Increase / (Repayment) in Unsecured Loan includes ₹49,53,000/-(Previous year NIL ) being increase on account of adjustment of Share Application Money.
- Previous Years' figures have been regrouped/recast wherever considered necessary to conform to the current years' classification.

As per attached Report of even date

**For V.K.DHINGRA & Co.**  
CHARTERED ACCOUNTANTS

**For JAUSS POLYMERS LTD.**

**(V. K. DHINGRA)**  
PARTNER

**(DILDEEP SINGH SETHI)**  
MANAGING DIRECTOR

**(D. BHATTACHARYA)**  
DIRECTOR

PLACE : NEW DELHI

DATE : OCTOBER 21, 2011

# JAUSS POLYMERS LTD.

Regd Office: 4A/35 OLD RAJINDER NAGAR NEW DELHI, 110060

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS PER SCHEDULE VI, PART [IV] OF THE COMPANIES ACT, 1956

<b>I. REGISTRATION DETAILS</b>		
Registration No.	:	L74899DL1987PLC027007
State Code	:	55
Balance Sheet Date	:	30.06.2011
<b>II. CAPITAL RAISED DURING THE YEAR</b>		<b>(Rs. in `000)</b>
Public Issue	:	NIL
Rights Issue	:	NIL
Bonus Issue	:	NIL
Private Placement	:	10000
<b>III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS</b>		
Total Liabilities	:	87386
Total Assets	:	87386
<b>Sources of Funds</b>		
Paid-up Capital	:	43156
Reserve & Surplus	:	4792
Secured Loans	:	32412
Unsecured Loans	:	7027
<b>Application of Funds</b>		
Net Fixed Assets	:	44316
Investments	:	NIL
Net Current Assets	:	15580
Miscellaneous Expenditure	:	NIL
Accumulated Losses	:	27491
<b>IV. PERFORMANCE OF COMPANY</b>		
Turnover/Income	:	76040
Total Expenditure	:	69990
Profit/(Loss) before tax/extraordinary items & prior period adjustments	:	6050
Profit/(Loss) after tax/extraordinary items & prior period adjustments	:	23495
Earnings per share-Basic(after extraordinary items/prior period adjustments) (Rs.)	:	3.94
Dividend Rate (%)	:	NIL
<b>V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS /SERVICES OF THE COMPANY (AS PER MONETARY TERMS)</b>		
Principal Product	:	Manufacturing of Pet Bottles & Jars and PP Caps.
Item Code No.	:	3 9 2 3 3 0 0 0

PLACE: NEW DELHI  
DATED: OCTOBER 21, 2011

( DILDEEP SINGH SETHI )  
MANAGING DIRECTOR

( D.BHATTACHARYA )  
DIRECTOR

## JAUSS POLYMERS LTD.

Regd. Off. : 4A/35 ,Old Rajinder Nagar, New Delhi-110060

### PROXY FORM

I/We.....of.....in the district of.....being a member(s) of the above named company, hereby appoint Mr./Miss/Mrs..... of.....in the district of..... or failing him/her, Mr./Miss/Mrs..... of.....in the district of..... as my/our proxy to vote, for me/us on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Friday, 30th December,2011 at 4.30 P.M. or at any adjournment thereof.

No. of shares held..... Registered Folio No.....

D.P.ID No.#..... Client ID No.#.....

Signed this.....day of .....2011.

**Note:** The proxy form must be deposited duly stamped, completed and signed at the Registered Office of the company not less than 48 hours before the time for holding the meeting.

# For members holding shares in dematerialised mode.

## JAUSS POLYMERS LTD.

Regd. Off. : 4A/35 ,Old Rajinder Nagar, New Delhi-110060

### ATTENDANCE SLIP

Name of the shareholders : .....  
(IN BLOCK LETTERS)

Registered Folio No. : .....

D.P.ID No.#.....Client ID No.#.....

I hereby record my presence at the 23rd Annual General Meeting on Friday, 30th December,2011 at 4.30 P.M. at Sanatan Dharam Mandir, Moti Nagar, New Delhi-110015. I certify that I am a registered shareholder/proxy\* for the registered shareholder of the company.

.....  
(Name of the Proxy)

.....  
(Signature of the member/proxy\* to be signed at the attendance counter)

\*Delete whichever is not applicable

#For members holding shares in dematerialised mode.

#### Notes:

1. For their own convenience, the members are requested to deliver their attendance slips at the attendance counter in a queue.
2. Incomplete attendance slips will not be accepted at the attendance counter. For any problem or information, please contact the enquiry counter, before proceeding to attendance counter.
3. **No gifts/coupons shall be distributed at the meeting.**

**BOOK - POST**

*If undelivered, please return to :*

**JAUSS POLYMERS LTD.**

4A/35 ,Old Rajinder Nagar,  
New Delhi-110060