

**ANNUAL REPORT OF
JITF ESIPL CETP (SITARGANJ)
LIMITED
FOR THE FINANCIAL YEAR
2010-11**

NOTICE

JITF ESIPL CETP (SITARGANJ) LIMITED

Notice is hereby given that the **Fourth Annual General Meeting** of the shareholders of the Company JITF ESIPL CETP (Sitarganj) Limited will be held at the Registered Office of the Company at 28, Shivaji Marg, New Delhi – 110 015 on Monday, the 26th September, 2011 at 3.30 PM to transact the following business :

AS ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2011 and Profit & Loss Account for Financial Year ended on 31st March, 2011 together with Schedules and Notes on Accounts and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Amit Bajpai who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors of the Company. The retiring auditors M/s. N.C. Aggarwal & Company, Chartered Accountants, are eligible for reappointment.

AS SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mr. Ashish Kukreja who was appointed as an Additional Director by the Board under section 260 of the Companies Act, 1956 and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received Notice in writing, under section 257 of the Companies Act, 1956 from a member signifying his intention to propose him as a candidate for the office of a Director of the Company, be and is hereby appointed as Director of the Company.”

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-

**AMIT BAJPAI
DIRECTOR**

PLACE: NEW DELHI
DATED: 29th July, 2011

NOTE:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxy in order to be effective must be received by the Company not less than 48 hours before the meeting.

2. Explanatory Statement under Section 173(2) of the Companies Act, 1956 relating to Special Business to be transacted at the Meeting is annexed hereto.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

ITEM NO. 4

The Board of Directors of the Company had appointed Mr. Ashish Kukreja as an Additional Director as per section 260 of the Companies Act, 1956 w.e.f. 18.09.2010 and as such he holds office upto the date of this Annual General Meeting. A notice under Section 257 of Companies Act, 1956 has been received by the Company from a member signifying his intention to propose the candidature of Mr. Ashish Kukreja for appointment as Director in this behalf.

None of the Directors except Mr. Ashish Kukreja himself is concerned or interested in the Resolution.

The Board of Directors recommends passing of the proposed resolution as an Ordinary Resolution.

BY ORDER OF THE BOARD OF DIRECTORS

Sd/-

**AMIT BAJPAI
DIRECTOR**

Place: New Delhi
Dated: 29th July, 2011

JITF ESIPL CETP (SITARGANJ) LIMITED
(Formerly Jindal ESIPL CETP (Sitarganj) Limited)

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Fourth Annual Report of the Company together with the Audited Statement of Accounts comprising of Balance Sheet as at 31st March, 2011 and Profit & Loss account as on that date.

Change of Name

The Company changed its name from Jindal ESIPL CETP (Sitarganj) Limited to **JITF ESIPL CETP (Sitarganj) Limited** w.e.f. 11th November, 2010.

Financial Results

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Paid up Capital	10,568,010	7,302,710
Share Application Money pending allotment	18,071,375	9,167,275
Reserves & Surplus	20,136,020	13,605,420
Secured Loans	73,502,104	50,330,000
Capital Work in Progress	89,897,827	70,291,933
Current Assets	21,083,472	7,071,079
Current Liabilities	962,899	2,183,446
Miscellaneous Expenditure (to the extent not written off)	56,294	56,294
Profit/ (Loss) before taxation	(336,196)	(274,682)

Dividend

Commercial operations have not yet been started, therefore, no dividend is being recommended.

Fixed Deposits

The Company has not accepted any Deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

Reorganization of Authorized Share Capital

The Shareholders of the Company viz. JITF Water Infrastructure Ltd. (formerly Jindal Water Infrastructure Ltd.) and Eldeco Sidcul Industrial Park Ltd. have executed an Amendment to the Shareholders Agreement for re-organizing the authorized share capital by creating Redeemable Cumulative Preference Share Capital and reducing the Equity portion of the present authorized capital structure.

The Authorized Share Capital of the Company Rs. 1,50,00,000/- (Rupees One Crore and Fifty Lacs) is therefore divided into 12,00,000 (Twelve Lacs) equity shares of Rs.10/- (Rupees Ten) each and 30,000 (Thirty Thousand) Redeemable Cumulative Preference Shares of Rs.100 (Rupees Hundred) each.

Directors

In terms of the provisions of Section 256 of the Companies Act, 1956, Shri Amit Bajpai shall retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo.

i) Foreign Exchange Earning and Outgo

There was no transaction in the Foreign Exchange during the year under review.

ii) Conservation of Energy and Technology Absorption

The Company is conscious of the need to keep all the cost elements at the barest minimum level including the energy cost. It is also aware of the responsibility to conserve energy in an overall energy shortage situation.

Directors Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, for Financial Year ended 2010-11, your Directors report as under:-

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures (if any);
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and 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;
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this 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.

Auditors

M/s. N.C. Aggarwal & Company, Chartered Accountants, Auditors of the Company will retire at the forthcoming Annual General Meeting, and are eligible for re-appointment.

Acknowledgement

The Board of Directors of the Company wish to place on record their thanks and appreciation to all the staff members and executives for their contribution to the operations of the company. The Directors also place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the Management of the Company.

On behalf of the Board of Directors of
JITF ESIPL CETP (Sitarganj) Limited

Sd/-

Sd/-

Amit Bajpai
Director

Rakesh Baijal
Director

Place : New Delhi

Dated : 29th July 2011

AUDITORS' REPORT

To
The Members of JITF ESIPL CETP (SITARGANJ) Limited

1. We have audited the attached Balance Sheet of JITF ESIPL CETP (SITARGANJ) LIMITED (formerly known as Jindal ESIPL CETP (Sitarganj) Limited) as at 31st March, 2011 and also the Profit and Loss account and the Cash Flow Statement for the year ended on that date 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 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 misstatement. 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 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, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order, so far as applicable to the Company.
4. Further as required under section 227(4A) of the Companies Act, 1956, we report as follows:-
 - i) 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;
 - ii) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;
 - iii) The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report is in agreement with the books of accounts;
 - iv) In our opinion, the Balance Sheet, Profit and Loss Account and the Cash Flow Statement complies with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956;
 - v) On the basis of the written representations received from the directors, as on March 31, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and a fair view in conformity with the accounting principles generally accepted in India;
 - a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011.
 - b) In the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date.
 - c) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

Sd/-
per G. K. Aggarwal
Partner
Membership No. 086622
New Delhi
Date: 29.07.2011

Annexure referred to in paragraph 3 of our report of even date

Re: JITF ESIPL CETP (SITARGANJ) LIMITED

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets of the Company have been physically verified by the management during the year and we are informed that no serious discrepancies have been noticed by the management on such verification.
 - (c) No fixed assets were disposed off during the year.
- (ii) (a) The Company does not hold any inventories of finished goods, stores, spare parts and raw materials. Accordingly, paragraphs (ii) (b) and (c) of the Order are not applicable.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly paragraphs (iii) (b), (c) and (d) of the Order, are not applicable.
 - (b) The Company has not taken any loans from parties listed under the register maintained under Section 301 of the Companies Act, 1956. Accordingly, paragraphs (iii) (f) and (g) of the Order are not applicable.
- (iv) In our opinion and according to information and explanations given to us, having regard to the explanation that some of the items purchased are of special nature and suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchases of inventories, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of the contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - (b) In our opinion and according to the information and explanation given to us, the transaction with parties with whom transactions exceeds the value of Rupees five lacs have been entered during the financial year are at prices, which are reasonable, having regards to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of the business. However the same needs to be enlarged.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for the products of the Company.
- (ix) (a) To the best of our knowledge and as explained, the Company is regular in depositing with the appropriate authorities all statutory dues including provident fund, investor education and protection fund, or employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, Cess etc. where there is applicable. There are no arrears as at 31st March, 2011 for a year of more than six months from the date they become payable.
 - (b) According to the information and explanation given to us, there are no dues in respect of statutory dues, which have not been deposited on account of any dispute.
- (x) The Company's accumulated losses at the year end, i.e. as at March 31, 2011 is not more than fifty per cent of its net worth. The Company has incurred cash loss during the financial year ended March 31, 2011 and in the immediately preceding financial period.
- (xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to the bank.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

N.C. AGGARWAL & CO.
CHARTERED ACCOUNTANTS

- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) According to the records of the Company examined by us and the information and explanations given to us, the Company, during the year, has not dealt with/traded in shares, securities 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 bank or financial institutions.
- (xvi) According to the information and explanation furnished to us, the term loan taken from bank have been applied for the purpose for which they were received, other than temporary deployment pending application.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, in our opinion, there are no funds raised on short term basis which have been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Act.
- (xix) No Debentures have been issued during the year; hence clause (xix) of Order is not applicable.
- (xx) There has not been any public issue made during the year, hence clause (xx) of Order is not applicable.
- (xxi) During the course of our examination of the books and records of the company, and according to the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N

Sd/-
per G. K. Aggarwal
Partner
Membership No. 086622

New Delhi
Date: 29.07.2011

JITF ESIPL CETP (Sitarganj) Limited (Formerly known as Jindal ESIPL CETP (Sitarganj) Limited)
Balance Sheet as at March 31, 2011

	Schedules	AS AT 31.03.2011 Rs.	AS AT 31.3.2010 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	10,568,010	7,302,710
Share Application Money, pending allotment		18,071,375	9,167,275
Reserves and Surplus	2	20,136,020	13,605,420
Loan Funds			
Secured Loan	3	73,502,104	50,330,000
Total		122,277,509	80,405,405
APPLICATION OF FUNDS			
Fixed Assets			
Capital Work in Progress	4	89,897,827	70,291,933
Pre-operative expenditure pending allocation	5	11,841,619	4,869,863.00
		101,739,446	75,161,796
Investments		25,000	25,000
Current Assets, Loans and Advances			
Cash & Bank balance	6	10,592,671	450,821
Loan and Advances	7	10,490,801	6,620,258
		21,083,472	7,071,079
Less : Current Liabilities	8	962,899	2,183,446
Net Current Assets		20,120,573	4,887,633
Miscellaneous Expenditure			
(to the extent not written off or adjusted)	9	56,294	56,294
		56,294	56,294
Debit balance in profit and loss account		336,196	274,682
Total		122,277,509	80,405,405
Significant Accounting Policies & Notes to Accounts	13		

The schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date

For N. C. Aggarwal & Co.
Chartered Accountants
Firm Registration No: 003273N

For and on behalf of the Board of Directors of
JITF ESIPL CETP (Sitarganj) Limited

Sd/-
per G.K. Aggarwal
Partner
Membership No. 086622
Place: New Delhi
Date: 29th July, 2011

Sd/-
Amit Bajpai
Director

Sd/-
Rajesh Bajjal
Director

JITF ESIPL CETP (Sitarganj) Limited (Formerly known as Jindal ESIPL CETP (Sitarganj) Limited)
Profit and Loss Account for the year ended March 31, 2011

	Schedules	For the Year Ended 31.03.2011 Rs.	For the Period Ended 31.03.2010 Rs.
INCOME			
Other incomes	10	2,285	60,733
Total		2,285	60,733
EXPENDITURE			
Administrative and Other Expenses	11	63,799	246,920
Total		63,799	246,920
Loss for the year before Taxation		61,514	186,187
Add: Provision for Income Tax		-	(27,758)
Loss for the year after Taxation		61,514	158,429
Loss brought forward from previous period		274,682	116,253
Loss carried to Balance Sheet		336,196	274,682
Earning per share:	12		
Basic and Diluted (Nominal value of shares Rs. 10)		(0.08)	(0.28)
Significant Accounting Policies & Notes to Accounts	13		

The schedules referred to above and notes to accounts form an integral part of the Profit and Loss Account.

As per our report of even date

For N. C. Aggarwal & Co.
Chartered Accountants
Firm Registration No: 003273N

For and on behalf of the Board of Directors of
JITF ESIPL CETP (Sitarganj) Limited

Sd/-
per G.K. Aggarwal
Partner
Membership No. 086622
Place: New Delhi
Date: 29th July, 2011

Sd/-
Amit Bajpai
Director

Sd/-
Rajesh Baijal
Director

JITF ESIPL CETP (Sitarganj) Limited (Formerly known as Jindal ESIPL CETP (Sitarganj) Limited)**Schedules to the Accounts**

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
Schedule 1: Share Capital		
Authorised		
15,00,000 equity shares of Rs. 10/- each	15,000,000	15,000,000
Subscribed, issued and paid up		
10,56,801 (Previous Period 7,30,271) equity shares of Rs. 10/- each fully paid up (Out of above, 5,38,968 (Previous Period 372,438 equity shares of Rs. 10 each are held by JITF Water Infrastructure Limited, the Holding Company)	10,568,010	7,302,710
	10,568,010	7,302,710
Schedule 2: Reserves and Surplus		
Securities Premium Account		
As per last Balance Sheet	13,605,420	-
Addition during the year	6,530,600	13,605,420
	20,136,020	13,605,420
Schedule 3: Secured Loan		
Term Loan from Bank		
(Secured against hypotension by way of first charge of movable fixed assets of the company, both present and future, loan is also guaranteed by holding company, JITF Water Infrastructure Limited)	73,502,104	50,330,000
	73,502,104	50,330,000

JITF ESIPL CETP (Sitarganj) Limited (Formerly known as Jindal ESIPL CETP (Sitarganj) Limited)

Schedules to the Accounts

Schedule 4: Fixed Assets

(Amt in Rs.)

FIXED ASSETS	Gross Block			Depreciation	Net Block
	As at 01.04.2010	Additions	As at 31.03.2011	Upto 31.03.2011	As at 31.03.2011
Capital Work in Progress					
Civil Work	32,377,916	8,716,813	41,094,729	-	41,094,729
Plant & Machinery	37,697,525	10,889,081	48,586,606	-	48,586,606
Temporary Structure	216,492	-	216,492	-	216,492
Total	70,291,933	19,605,894	89,897,827	-	89,897,827

JITF ESIPL CETP (Sitarganj) Limited (Formerly known as Jindal ESIPL CETP (Sitarganj) Limited)**Schedules to the Accounts**

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
Schedule 5: Pre-operative expenditure pending allocation		
Opening Balance	4,869,863	-
Additions During the year		
Interest paid	6,573,839	3,160,817
Finance Charges	35,060	934,563
Legal & Consultancy Charges	182,958	410,720
Lease Rent	179,899	363,763
	11,841,619	4,869,863
Schedule 6: Cash and Bank Balance		
Cash on hand	2,925	2,874
Balances with scheduled bank:		
- On current account	10,589,746	447,947
	10,592,671	450,821
Schedule 7: Loan and Advances (Unsecured, considered good)		
Advances recoverable in cash or in kind or for which value to be received	10,423,441	6,555,183
Tax deducted at source (Net of Provision)	39,203	39,203
Interest Accrued but not due	3,157	872
Security Deposit	25,000	25,000
	10,490,801	6,620,258
Schedule 8: Current Liabilities		
Creditors	623,714	1,384,064
Other liabilities	339,185	799,382
	962,899	2,183,446
Dues to micro and small scale industrial undertakings included in Sundry Creditors	-	-
Dues to other than micro and small scale industrial undertakings included in Sundry Creditors	623,714	1,384,064
Schedule 9: Miscellaneous Expenditure (to the extent not written off or adjusted)		
Opening Balance	56,294	56,294
Less: Amortized during the year	-	-
	56,294	56,294

JITF ESIPL CETP (Sitarganj) Limited (Formerly known as Jindal ESIPL CETP (Sitarganj) Limited)**Schedules to the Accounts**

	For the Year Ended 31.03.2011	For the Period Ended 31.03.2010
	Rs.	Rs.
Schedule 10: Other Income		
Interest Income	<u>2,285</u>	60,733
	<u>2,285</u>	<u>60,733</u>
 Schedule 11: Administrative and Other Expenses		
Rates & Taxes	12,514	22,542
Miscellaneous Expenses	13,278	13,535
Security Charges	-	57,600
Bank Charges	18,153	99,715
Legal & Professional Exp.	-	40,292
Auditors' Remuneration:		
- Audit Fees	<u>19,854</u>	13,236
	<u>63,799</u>	<u>246,920</u>
 Schedule 12: Earnings per share (EPS)		
Loss for the year	61,514	158,429
Weighted average number of equity shares in calculating basic loss per share:		
Number of shares outstanding for 455 days		50,000
Number of shares outstanding for 365 days	730,271	
Number of shares outstanding for 70 days	326,530	
Number of shares outstanding for 339 days	-	680,271
Weighted average number of equity shares in calculating Basic EPS	<u>792,893</u>	556,839
Basic and Diluted loss per share	<u>0.08</u>	<u>0.28</u>

JITF ESIPL CETP (SITARGANJ) LIMITED (Formerly Known as Jindal ESIPL CETP (Sitarganj) Limited)

SCHEDULE 13: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1. Nature of Operations

JITF ESIPL CETP (Sitarganj) Limited is a Company incorporated on 28th December, 2007 with the main object to carry on the business of designing, implementing, financing, developing, constructing, operating, maintaining and managing of a Common Effluent Treatment Plant in and outside India.

2. Statement of Significant Accounting Policies

(a) Basis of preparation

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.

(b) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. All revenue expenditure direct and indirect inclusive of borrowing costs incurred till the date of completion of the project is carried to the pre-operative expenditure.

(c) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the Year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the Year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the Year attributable to equity shareholders and the weighted average number of shares outstanding during the Year are adjusted for the effects of all dilutive potential equity shares, if any.

(d) Miscellaneous Expenditure

Preliminary Expenses i.e Initial Share issue expenses will be amortized in five years from the Commencement of Business.

(e) Taxation

Deferred tax is accounted at the current rate of tax to the extent of temporary timing differences that originate in one Year and are capable of reversal in one or more subsequent Years. However, no deferred tax asset is created where there is no virtual certainty as to the sufficient future taxable profit.

3. Contingent liabilities

(Amount in Rs.)

Description	As at 31.03.2011	As at 31.03.2010
Bank Guarantees Outstanding	25,00,000	25,00,000

4. Capital Commitments

Estimated Capital commitment as at March 31, 2011 is **Rs. 3,97,51,117/-** (Previous Period Rs. **6,32,60,329/-**)

5. Related Parties Transactions

(A). List of Related Parties & Relationship (As identified by the Management)

JITF ESIPL CETP (SITARGANJ) LIMITED (Formerly Known as Jindal ESIPL CETP (Sitarganj) Limited)

SCHEDULE 13: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

(I). Holding Company

JITF Water Infrastructure Limited (Direct Holding) (Formerly Known as Jindal Water Infrastructure Limited)

Jindal ITF Limited (Indirect holding through JITF Water Infrastructure Limited)

Jindal Saw Limited (Indirect holding through Jindal ITF Limited)

(II). Fellow Subsidiaries

- JITF Waterways Limited (Formerly Known as Jindal Waterways Limited)
- JITF Shipyards Limited (Formerly Known as Jindal Shipyard Limited)
- JITF Urban Infrastructure Limited (Formerly Known as Jindal Urban Infrastructure Limited)
- JITF Infralogistics Limited (Formerly Known as Jindal Infralogistics Limited)
- Jindal Rail Infrastructure Limited
- Jindal Intellicom Limited
- Timarpur-Okhla Waste Management Company Private Limited (Indirect)
- JITF Water Infra (Naya Raipur) Limited (Formerly Known as Jindal Water Infra (Naya Raipur) Limited)
- Hexa Tradex Limited (Indirect)
- JITF Urban Infrastructure Services Limited (Indirect) (Formerly Known as Jindal Urban Infrastructure Services Limited)
- Hexa Securities & Finance Company Limited (Indirect)
- IUP Jindal Metals & Alloys Limited (Indirect)
- SV Trading Limited (Indirect)
- Jindal Saw USA, LLC (Indirect)
- Jindal Saw Holding FZE (Indirect)
- Jindal Saw Middle East FZC (Indirect)
- Jindal Saw Gulf LLC (Indirect)
- Intellicom Insurance Advisors Limited (Indirect)
- Ralael Holding Limited (Indirect)
- Jindal Saw Italia S.r.l(Indirect)

(III). Associate

Eldeco Sidcul Industrial Park Limited

(IV). Key Management Personnel

- Amit Bajpai
- Rajesh Baijal

(B). Transactions

(Amount in Rs.)

Description	Holding Company		Associate		Total	
	Current Year	Previous Period	Current Year	Previous Period	Current Year	Previous Period
Share application money received						
JITF Water Infrastructure Limited	107,04,100	45,00,000	Nil	Nil	107,04,100	45,00,000
Eldeco Sidcul	Nil	Nil	(18,00,000)	18,00,000	(18,00,000)	18,00,000

JITF ESIPL CETP (SITARGANJ) LIMITED (Formerly Known as Jindal ESIPL CETP (Sitarganj) Limited

SCHEDULE 13: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

Industrial Limited						
Amount received as Share Capital including share premium						
JITF Water Infrastructure Limited	49,95,900	1,04,08,140	Nil	Nil	49,95,900	1,04,08,140
Eldeco Sidcul Industrial Limited	Nil	Nil	48,00,000	99,99,990	48,00,000	99,99,990
Purchased of Civil Structure						
JITF Water Infrastructure Limited	87,16,813	251,33,554	Nil	Nil	87,16,813	251,13,554
Purchased of Civil Equipment						
JITF Water Infrastructure Limited	108,89,081	3,35,47,525	Nil	Nil	108,89,081	3,35,47,525
Reimbursement of expenses paid						
JITF Water Infrastructure Limited	Nil	2,74,092	Nil	Nil	Nil	2,74,092
Expenses Recovered						
JITF Water Infrastructure Limited	Nil	9,39,701	Nil	Nil	Nil	9,39,701
Balance as at 31.03.2011						
Share application money						
JITF Water Infrastructure Limited	180,71,365	7,367,265	10	1,800,010	180,71,375	91,67,275
Share Capital including share premium						
JITF Water Infrastructure Limited	156,59,040	106,63,140	150,44,990	102,44,990	307,04,030	209,08,130
Advance Recoverable/(payable)						
JITF Water Infrastructure Limited	101,77,165	62,73,847	(4,22,436)	(4,22,436)	97,54,729	58,51,411

6. Additional information required to be given pursuant to Para 4 Part II of Schedule VI of the Companies Act, 1956 has not been given as there is no such information to be given.

**JITF ESIPL CETP (SITARGANJ) LIMITED (Formerly Known as Jindal ESIPL CETP
(Sitarganj) Limited**

SCHEDULE 13: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

- Previous period figure has been regrouped/ re- arranged whenever considered necessary. Current year figures of
7. Profit and Loss account are not comparable with the previous period as the previous period figures are for fifteen months from 1st January, 2009 to 31st March, 2010.

As per our report of even date.

For N. C. Aggarwal & Co.
Chartered Accountants
Firm Registration No: 003273N

For and on behalf of the Board of Directors of JITF
ESIPL CETP (Sitarganj) Limited

Sd/-
per G. K. Aggarwal
Partner
Membership No. 086622
Place: New Delhi
Date: 29th July, 2011

Sd/-
Amit Bajpai
Director

Sd/-
Rajesh Baijal
Director

JITF ESIPL CETP (SITARGANJ) LIMITED (Formerly Known as Jindal ESIPL CETP (Sitarganj) Limited

SCHEDULE 13: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

Statement pursuant to Part IV of Schedule VI to the Companies Act, 1956

Balance Sheet Abstract and Company's General Business Profile

I	<i>Registration Details</i>			
	Registration No :	172005	State Code:	55
	Balance Sheet Date:	31/03/2011		
II	Capital Raised During The Year (Amount in Rs. Thousands)			
	Public Issue	-	Rights Issue	-
	Bonus Issue	-	Private Placement	3,265
	Share Application money	8,904		
III	Position of Mobilization And Deployment of Funds (Amount in Rs. Thousands)			
	Total Liabilities	122,278	Total Assets	122,278
	<i>Sources of Funds</i>			
	Paid-Up Capital	10,568	Reserves and Surplus	20,136
	Secured Loans	73,502	Unsecured Loans	-
	Share Application Money	18,071		
	<i>Application of Funds</i>			
	Net Fixed Assets	101,739	Investments	25
	Net Current Assets	20,120	Miscellaneous Expenditure	56
	Accumulated Losses	336		
IV	Performance of Company (Amount in Rs. Thousands)			
	Turnover (Sales & other income)	2	Total Expenditure	64
	Profit Before Tax	(62)	Profit After Tax	(62)
	Earnings Per Share - Basic Rs.	(0.08)	Dividend Rate %	-
	Earnings Per Share – Diluted Rs.	(0.08)		
V	Generic names of principal products/services of the Company (As per monetary Terms)*			
	Item Code No. (ITC Code)	NA	Product Description	NA

**Not applicable as the Company has yet to recognize sales.*

For and on behalf of the Board of Directors of JITF ESIPL CETP (Sitarganj) Limited

Sd/-
Amit Bajpai
Director

Sd/-
Rajesh Baijal
Director

Place: New Delhi

Dated: : 29th July,2011

JITF ESIPL CETP (Sitarganj) Limited (Formerly known as Jindal ESIPL CETP (Sitarganj) Limited)
Cash Flow Statement for the year ended March 31, 2011

	For the Year Ended 31.03.2011 Rs.	For the Period Ended 31.03.2010 Rs.
A. CASH FLOWS FROM OPEARTING ACTIVITIES:		
Net Profit/(loss) after Income taxes	(61,514)	(186,187)
Adjustment for:		
Interest Income	(2,285)	(60,733)
Operating profit before working capital changes	(63,799)	(246,920)
Adjustment for:		
Decrease/(Increase) in Loan and Advances	(3,868,258)	3,457,759
Increase/(Decrease) in Trade and other Payables	(1,220,547)	1,292,888
Cash generated from operations	(5,152,604)	4,503,727
Direct taxes paid	-	(24,233)
Net cash inflow/(outflow) from operating activities	(5,152,604)	4,479,494
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	-	59,861
Purchase of fixed assets(net)	(33,151,489)	(60,874,066)
Net cash inflow/(outflow) from investing activities	(33,151,489)	(60,814,205)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Shares	9,795,900	20,408,130
Proceeds from Share Application Money	8,904,100	(14,108,130)
Proceeds from Term Loan	23,172,104	50,330,000
Interest Paid	6,573,839	(3,160,817)
Net cash inflow/(outflow) from financing activities	48,445,943	53,469,183
Net increase in cash and cash equivalents	10,141,850	(2,865,528)
Cash and cash equivalents (opening balance)	450,821	3,316,349
Cash and cash equivalents (closing balance)	10,592,671	450,821
	10,141,850	(2,865,528)

As per our report of even date

For N. C. Aggarwal & Co.
Chartered Accountants
Firm Registration No: 003273N

Sd/-
per G.K. Aggarwal
Partner
Membership No. 086622
Place: New Delhi
Date:29th July, 2011

For and on behalf of the Board of Directors of
JITF ESIPL CETP (Sitarganj) Limited

Sd/-
Amit Bajpai
Director

Sd/-
Rajesh Baijal
Director