

ANNUAL REPORT OF
TIMARPUR OKHLA WASTE
MANAGEMENT COMPANY
PRIVATE LIMITED
FOR THE FINANCIAL YEAR
2010-11

NOTICE

TIMARPUR-OKHLA WASTE MANAGEMENT COMPANY PRIVATE LIMITED

Notice is hereby given that the ***Sixth Annual General Meeting*** of the shareholders of the Company Timarpur-Okhla Waste Management Company Private 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 12:00 Noon to transact the following business :

AS ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet of the Company for the Financial Year 2010-2011 ended at 31st March, 2011 and the Profit and Loss Account of the Company for the twelve months period ended on that date and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. 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. Probal Ghosal 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.”

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

“RESOLVED THAT Mr. Allard Mark Nooy 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
WHOLE TIME DIRECTOR**

New Delhi
Date:30.06.2011

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. Probal Ghosal as an Additional Director as per section 260 of the Companies Act, 1956 w.e.f. 25.03.2011 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. Probal Ghosal for appointment as Director in this behalf.

None of the Directors except Mr. Probal Ghosal himself is concerned or interested in the Resolution.

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

ITEM NO. 5

The Board of Directors of the Company had appointed Mr. Allard Mark Nooy as an Additional Director as per section 260 of the Companies Act, 1956 w.e.f. 25.03.2011 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. Allard Mark Nooy for appointment as Director in this behalf.

None of the Directors except Mr. Allard Mark Nooy 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
WHOLE TIME DIRECTOR**

New Delhi
Dated: 30.06.2011

TIMARPUR OKHLA WASTE MANAGEMENT COMPANY PVT. LTD.

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Sixth Annual Report of the Company on the affairs of the company for the Financial Year 2010-2011 ended on 31st March, 2011.

Financial Results

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Paid up Capital	116,516,660	111,900,000
Share application money pending allocation	411,800,020	74,150,000
Reserve and Surplus	10,807,079	259,922
Secured Loan	1,213,710,444	268,511,250
Fixed Assets	4,521,735	316,606
Depreciation on fixed assets	396,884	21,599
Capital Work in Progress (Including Capital advance)	1,575,841,344	116,731,621
Current Assets	246,632,960	184,740,857
Current Liabilities	321,954,127	8,153,856
Pre operative Expenditure, pending allocation	204,242,964	126,079,525

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.

Directors

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

During the year Mr. Indresh Batra and Mr. Sunil Kumar Jain has resigned w.e.f. 20.01.2011 and 25.03.2011 respectively and Mr. Probal Ghosal and Mr. Allard Mark Nooy have been appointed by the Board as the additional Director of the company w.e.f. 25.03.2011. Also notice under section 257 from a member has been received proposing to appoint Mr. Probal Ghosal and Mr. Allard Mark Nooy as directors of the Company, the resolutions for the same are embodied in the notice convening the ensuing Annual General Meeting.

Directors Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, for the Financial Year 2010-2011 ended 31st March, 2011, 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.

Conservation of Energy, Technology Absorption, Foreign Exchange Earning and outgo

- i) Foreign Exchange Earning and Outgo

No foreign exchange was earned during the year under review. The particulars regarding foreign exchange outgo during the year are as under:

Expenditure in Foreign Currency

Particulars	(Figure in INR Rs.)	
	Current Year	Previous Period
Legal Expenses	86,009	77,044
Finance Charges	Nil	18,23,680
Bank Charges	6,000,506	Nil
Insurance	270,596	Nil
Total	6,357,111	19, 00, 724

- 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.

Particulars of Employees

None of the employees of the Company is covered under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

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 are thankful to the Delhi Government, Municipal Corporation of Delhi, New Delhi Municipal Council, Bankers. 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
Timarpur-Okhla Waste Management Company Pvt. Ltd.

Sd/-

Sd/-

Probal Ghosal
Director

Amit Bajpai
Whole Time Director

Place: New Delhi
Dated: 30.06.2011

AUDITORS' REPORT

To

The Members of Timarpur-Okhla Waste Management Company Private Limited

1. We have audited the attached Balance Sheet of Timarpur-Okhla Waste Management Company Private 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, the 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, the 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 Profit 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: 30.06.2011

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

Re: Timarpur-Okhla Waste Management Company Private Limited

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.
- (c) The Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
- (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.
- (e) 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 regards 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 nature of its business with regards to purchases of inventories, fixed assets and with regard to the sale of goods and services. During the course our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations provided by the management, during the year, no contracts or arrangements with the parties referred to in section 301 of the Act have been entered into. Accordingly, paragraphs (v) (b) of the Order is not applicable.
- (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 has no accumulated losses at the year end of the financial year and has not incurred any cash losses in the current year. However, the company has incurred cash losses in the immediately preceding previous 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.
- (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.

N.C. AGGARWAL & CO.
CHARTERED ACCOUNTANTS

- (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: 30.06.2011

Timarpur-Okhla Waste Management Company Private Limited
Balance Sheet as at March 31, 2011

	Schedules	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	116,516,660	111,900,000
Share Application Money, pending allocation		411,800,020	74,150,000
Reserve and Surplus	2	10,807,079	259,922
Term Loan			
Secured Loan	3	1,213,710,444	268,511,250
Total		1,752,834,203	454,821,172
APPLICATION OF FUNDS			
Fixed assets			
Gross Block	4	4,521,735	316,606
Less: Depreciation		396,884	21,599
Net Block		4,124,851	295,007
Capital work in progress (Including Capital advance)		1,575,841,344	116,731,621
Pre-operative Expenditure, Pending Allocation	5	204,242,964	126,079,525
		1,784,209,159	243,106,153
Investments			
	6	43,868,381	35,050,188
Current Assets, Loans and Advances			
Cash and bank balances	7	217,700,104	174,668,119
Loans and advances	8	28,932,856	10,072,738
		246,632,960	184,740,857
Less : Current Liabilities and Provisions			
Current Liabilities	9	321,954,127	8,153,856
Net Current Assets		(75,321,167)	176,587,001
Miscellaneous Expenditure			
(to the extent not written off or adjusted)	10	77,830	77,830
		77,830	77,830
Total		1,752,834,203	454,821,172
Significant Accounting Policies & Notes to Accounts	15		

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
Timarpur-Okhla Waste Management Company Private Limited

Sd/-
per G.K. Aggarwal
Partner
Membership No. 086622
Place: New Delhi
Date:30.06.2011

Sd/-
Amit Bajpai
Whole Time Director

Sd/-
Probal Ghosal
Director

Timarpur-Okhla Waste Management Company Private 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 31.03.10 Rs.
INCOME			
Other Incomes	11	2,991,797	796,056
Total		2,991,797	796,056
EXPENDITURE			
Administrative and other expenses	12	1,035,782	4,752,005
Bank Charges	13	171,164	82,245
Depreciation		375,285	5,250
Total		1,582,231	4,839,500
Profit /(Loss) for the year before taxation		1,409,566	(4,043,444)
Provision for Current Tax		-	(1,751,309)
Income Tax for previous year		95,729	-
Profit/(Loss) for the year after taxation		1,313,837	(2,292,135)
Profit /(Loss) brought forward from previous period		259,922	2,552,057
Profit/ (Loss) carried to Balance Sheet		1,573,759	259,922
Earning per share:	14		
Basic Earning Per Share (Nominal value of shares Rs. 10)		0.11	(0.20)
Diluted Earning Per Share (Nominal value of shares Rs. 10)		0.08	(0.20)
Significant Accounting Policies & Notes to Accounts	15		

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
Timarpur-Okhla Waste Management Company Private Lin

Sd/-
per G.K. Aggarwal
Partner
Membership No. 086622
Place: New Delhi
Date:30.06.2011

Sd/-
Amit Bajpai
Whole Time Director

Sd/-
Probal Ghosal
Director

Timarpur-Okhla Waste Management Company Private Limited**Schedules to the Accounts**

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
Schedule 1: Share Capital		
Authorised		
2,50,00,000 equity shares of Rs. 10/- each	<u>250,000,000</u>	250,000,000
Subscribed and paid up		
11651566 (Previous Period 1,11,90,000) equity shares of Rs. 10/- each fully paid up (Out of above, 11651566 (Previous Period 1,11,90,000) equity shares of Rs. 10 each are held by JITF Urban Infrastructure Limited, the Holding Company.)	<u>116,516,660</u>	111,900,000
	<u>116,516,660</u>	111,900,000
Schedule 2: Reserves and Surplus		
Securities Premium Account		
Addition During the year	<u>9,233,320</u>	-
Profit & Loss Account	<u>1,573,759</u>	259,922
	<u>10,807,079</u>	259,922
Schedule 3: Secured Loans		
Term loan from Banks (Secured against hypotension by way of first charges of movable fixed assets of the company, both present and future, all books debts & intangible assets and corporate guaranteed by holding company, JITF Urban Infrastructure Limited and Jindal ITF Limited)	<u>1,213,710,444</u>	268,511,250
	<u>1,213,710,444</u>	268,511,250

Timarpur-Okhla Waste Management Company Private Limited

Schedules to the Accounts

Schedule 4: Fixed Assets

(Amount in Rs.)

FIXED ASSETS	Gross Block			Depreciation			Net Block	
	As at 01.04.2010	Additions	As at 31.03.2011	As at 01.04.2010	Additions	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010
Computer	-	752,050	752,050	-	59,431	59,431	692,619	-
Office Equipment	17,310	884,384	901,694	5,112	39,316	44,428	857,266	12,198
Furniture & Fixtures	18,925	293,439	312,364	12,583	116,234	128,817	183,547	6,342
Plant & Machinery	280,371	214,500	494,871	3,904	41,768	45,672	449,199	276,467
Vehicle	-	2,060,756	2,060,756	-	118,536	118,536	1,942,220	-
Total	316,606	4,205,129	4,521,735	21,599	375,285	396,884	4,124,851	295,007
Previous Period	36,235	280,371	316,606	16,349	5,250	21,599	295,007	

Timarpur-Okhla Waste Management Company Private 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	126,079,525	73,711,092
Loan Process Charges	6,320,918	32,581,858
Consultancy Charges	9,036,247	11,892,380
Interest on Term Loan	59,776,546	2,692,612
Foreign Exchange Fluctuation	(7,293,844)	3,390,831
Miscellaneous expenditure	251,101	217,922
Rent	904,680	1,181,250
Repair & Maintenance	463,587	658,732
Office Maintenance Charges	2,070,872	-
Business Promotion	1,599,340	-
Communication Charges	161,699	-
Security Charges	870,404	-
Survey Fees	5,515	27,575
Testing Charges	121,683	93,182
Travelling and Conveyance Expenses	278,019	32,091
Insurance Expenses	1,547,931	-
Electricity & Water Charges	2,048,742	-
Less: Sale of scrap	-	(400,000)
	204,242,964	126,079,525
Schedule 6: Investments		
Current Investment (At lower of cost or market value)	43,868,381	-
Unquoted Non-Trade		
43808.298 (Previous period 25620.872) units , including 1585.987(previous period 154.968) units received as dividend at par value of Rs. 1001.3715 each, of Reliance Money Manager Fund-Institutional Option-daily dividend reinvestment option are purchased during the year.	-	25,655,176
Nil (Previous period 9384.794) units , including 51.762 (previous period 394.583) units received as dividend at par value of Rs. 1001.0888 each, of Reliance Money Manager Fund-Retail Option-daily dividend reinvestment option are sold during the year	-	9,395,012
Aggregated value of unquoted Investments	43,868,381	35,050,188
Schedule 7: Cash & Bank Balances		
Cash in Hand	20,987	13,643
Balances with scheduled banks:		
- On current accounts	217,679,117	174,654,476
	217,700,104	174,668,119
Schedule 8: Loans and Advances		
(Unsecured, Considered good)		
Advance recoverable in cash or in kind or for which value to be received	28,932,856	10,006,033
Advance Tax	-	66,705
	28,932,856	10,072,738

Timarpur-Okhla Waste Management Company Private Limited**Schedules to the Accounts**

	AS AT 31.03.2011 Rs.	AS AT 31.03.2010 Rs.
Schedule 9: Current Liabilities & Provisions		
A. Current Liabilities		
Sundry Creditors	305,945,486	5,615,623
Interest accrued but not due	14,303,885	1,863,756
Other Liabilities	1,704,756	25,786
	<u>321,954,127</u>	<u>7,505,165</u>
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	<u>305,945,486</u>	<u>5,615,623</u>
B. Provisions		
Provision for Income Tax	-	648,691
	-	<u>648,691</u>
	<u>321,954,127</u>	<u>8,153,856</u>
Schedule 10: Miscellaneous expenditure (to the extent not written off or adjusted)		
Preliminary Expenses	77,830	77,830
	<u>77,830</u>	<u>77,830</u>

Timarpur-Okhla Waste Management Company Private Limited**Schedules to the Accounts**

	For the year Ended 31.03.11 Rs.	For the period Ended 31.03.10 Rs.
Schedule 11: Other Incomes		
Exchange Gain on Hedging of advance receivable	-	-
Dividend Income	2,985,792	550,188
Interest received from bank /Income Tax Refund	6,005	245,868
	2,991,797	796,056
Schedule 12: Administrative and Other Expenses		
Directors Sitting Fees	45,000	10,000
Exchange Loss on Hedging of advance receivable	-	4,621,417
Rate and Taxes	970,928	107,352
<u>Auditors' Remuneratioin:</u>		
- Audit Fees	19,854	13,236
	1,035,782	4,752,005
Schedule 13: Bank Charges		
Bank Charges	171,164	82,245
	171,164	82,245
Schedule 14: Earnings per share (EPS)		
Profit/(Loss) for the year	1,313,837	(2,292,135)
Weighted average number of equity shares in calculating basic loss per share:		
Number of shares outstanding for 455 days		11,190,000
Number of shares outstanding for 365 days	11,190,000	-
Number of shares outstanding for 260 days	461,666	-
Weighted average number of equity shares in calculating Basic EPS	11,518,858	11,190,000
Basic earning per share	0.11	(0.20)
Weighted average number of equity shares in calculating diluted earning per share:		
Weighted average number of equity shares in calculating Basic EPS	11,190,000	-
Number of shares outstanding for 260 days	461,666	
Number of shares outstanding for 38 days	2,500,000	
Number of shares outstanding for 72 days	2,000,000	
Number of shares outstanding for 86 days	16,667	
Number of shares outstanding for 102 days	1,333,333	
Number of shares outstanding for 132 days	1,500,000	
Number of shares outstanding for 133 days	1,833,333	
Number of shares outstanding for 141 days	500,000	
Number of shares outstanding for 163 days	1,366,667	
Number of shares outstanding for 224 days	666,667	
Number of shares outstanding for 433 days	2,000,000	
Number of shares outstanding for 434 days	10,001	
Weighted average number of equity shares in calculating Diluted EPS	16,983,288	-
Diluted Earning per share	0.08	(0.20)

TIMARPUR OKHLA WASTE MANAGEMENT COMPANY PRIVATE LIMITED

SCHEDULE 15: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

1. 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) Foreign Exchange Transactions

Foreign currency transaction during the year recorded at the rate of exchange prevailing at the date of transaction. Current assets, loan other than for financing fixed assets and current liabilities in foreign currency, outstanding at the year end are translated at the rate of exchange prevailing at the close of the year and resultant gains/losses are recognized in profit and loss account of the year except (a) in cases where they are covered by specific forward foreign exchange contracts in which cases these are translated at contracted rate of exchange and resultant gains/losses recognized in profit and loss account over the life of contract .

Gain or loss on reinstatement on the forward exchange transaction or on cancellation of forward exchange contracts, if any, is reflected in the profit and loss account.

(d) Miscellaneous Expenditure

Preliminary Expenses i.e initial share issue expenses will be amortized in five years after the Commencement of Business.

(e) Investments

Current investments are valued at lower of cost or market value

(f) Taxation

Provision for Current tax is made as per the provisions of the Income Tax Act, 1961.

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.

2. The Company has entered into a concessional agreement with New Delhi Municipal Council Limited, Delhi Municipal Corporation and Delhi Power Company Limited for use of land for the purpose of construction of waste treatment power plant. According to the agreements the plant will be implemented by June 30, 2010. Accordingly, all expenditure relating to development of land including other incidental expenses are carried to preoperative expenditure, pending allocation.

3. Contingent Liabilities

Particulars	Current Year	Previous Period
Letter of Credit Outstanding	88,284,303	Nil

4. Capital Commitments

Estimated amount of contract to be executed on Capital account and note provided for (Net of Advances) Rs. 546,062,805/- (Previous period Rs. 841,203,898/-)

5. Financial and derivative

TIMARPUR OKHLA WASTE MANAGEMENT COMPANY PRIVATE LIMITED

SCHEDULE 15: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

- (a) Nominal amount of derivative contracts entered into by the company and outstanding as at 31st March, 2011 for hedging currency and interest rates related risks:

S. No.	Particulars	As at 31 st March, 2011 (Rs. In Lacs)	As at 31 st March, 2010 (Rs. In Lacs)
1	Forward Contracts		
	Secured Loan	12137.10	2685.11

- (b) Foreign Currency exposure that has not been hedged by derivative instrument or otherwise are as under

S. No.	Particulars	As at 31 st March, 2011 (Rs. In Lacs)	As at 31 st March, 2010 (Rs. In Lacs)
1	Receivables/Inflows	Nil	Nil
2	Payables/Outflows	2300.41	Nil

6. Related Parties Disclosure

- (a) As per the Accounting Standard on 'Related Party Disclosure'(AS-18) issued by the Institute of Chartered Accountants of India, the related parties are as follows

Holding Company.

- JITF Urban Infrastructure Limited (Formerly Known as Jindal Urban Infrastructure Limited) (Direct holding)
- Jindal ITF Limited (Indirect holding through JITF Urban Infrastructure Limited)
- Jindal Saw Limited (Indirect holding through Jindal ITF Limited)

Fellow Subsidiaries (Indirect)

- JITF Water Infrastructure Limited (Formerly Known as Jindal Water Infrastructure Limited)
- JITF Waterways Limited (Formerly Known as Jindal Waterways Limited)
- JITF Shipyards Limited (Formerly Known as Jindal Shipyard Limited)
- JITF Infralogistics Limited (Formerly Known as Jindal Infralogistics Limited)
- Jindal Intellicom Limited
- JITF ESIPL CETP (Sitarganj) Limited (Indirect) (Formerly Known as Jindal ESIPL CETP (Sitarganj) Limited)
- JITF Water Infra (Naya Raipur) Limited (Indirect) (Formerly Known as Jindal Water Infra (Naya Raipur) Limited)
- JITF Urban Infrastructure Services Limited (Indirect) (Formerly Known as Jindal Urban Infrastructure Services Limited)
- Jindal Rail Infrastructure Limited
- Hexa Tradex Limited (Indirect)
- 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)

TIMARPUR OKHLA WASTE MANAGEMENT COMPANY PRIVATE LIMITED

SCHEDULE 15: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

(b) Transactions

(Figures in '000')

Particulars	Holding Company	
	Current Year	Previous Period
Share Capital subscribed during the year	13,850	Nil
Share Application Money Received	337,650	63,650
Reimbursement of expenditure	414	652
Balance as on 31.3.2011		
Share Capital	125,750	111,900
Share Application Money	411,800	74,150
Amount Recoverable /(Payable)	414	511

7. Particulars	Current Year	Previous Period
CIF Value of capital goods	860,494,232	Nil

8. Expenditure in Foreign Currency (Figure in INR Rs.)

Particulars	Current Year	Previous Period
Legal Expenses	86,009	77,044
Finance Charges	Nil	18,23,680
Bank Charges	6,000,506	Nil
Insurance	270,596	Nil
Total	6,357,111	19, 00, 724

9. Capital work in progress includes capital advances of Rs. 177,936,762/- (Previous period Rs.114,321,102)

10. 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.

11. Previous period figure has been regrouped/ re- arranged whenever considered necessary. Current year figures of 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 attached

For N. C. Aggarwal & Co.
Chartered Accountants

Firm Registration No: 003273N

Sd/-
per G. K. Aggarwal
Partner

Membership No. 086622

Place: New Delhi
Date: 30.06.2011

For and on behalf of the Board of Directors of
Timarpur Okhla Waste Management Company
Private Limited

Sd/-
Amit Bajpai
Whole Time Director

Sd/-
Probal Ghosal
Director

TIMARPUR OKHLA WASTE MANAGEMENT COMPANY PRIVATE LIMITED

SCHEDULE 15: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

Balance Sheet Abstract and Company's General Business Profile

I	<i>Registration Details</i>			
	Registration No :	135146	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	4,617
	Share Application money	337,650		
III	Position of Mobilisation And Deployment of Funds (Amount in Rs. Thousands)			
	Total Liabilities	17,52,834	Total Assets	17,52,834
	<i>Sources of Funds</i>			
	Paid-Up Capital	116,517	Reserves and Surplus	10,807
	Secured Loans	12,13,710	Unsecured Loans	-
	Share Application Money	411,800		
	<i>Application of Funds</i>			
	Net Fixed Assets	17,84,209	Investments	43,868
	Net Current Assets	(75,321)	Miscellaneous Expenditure	78
	Accumulated Losses	-	Deferred Tax Assets	-
IV	Performance of Company (Amount in Rs. Thousands)			
	Turnover (Sales and other income)	2,992	Total Expenditure	1,582
	Profit Before Tax	1,410	Profit After Tax	1,314
	Earnings Per Share - Basic Rs.	0.11	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 Timarpur Okhla Waste Management Company Private Limited

Sd/-
Amit Bajpai
Whole Time Director

Sd/-
Probal Ghosal
Director

Place : New Delhi
Dated: 30.06.2011

Timarpur-Okhla Waste Management Company Private Limited
Cash Flow Statement for the year ended March 31, 2011

	For the year ended March 31, 2011 Rs	For the period ended March 31, 2010 Rs
A. CASH FLOWS FROM OPEARTING ACTIVITIES:		
Net Profit/(loss) Before Income taxes	1,409,566	(4,043,444)
Adjustment for:		
Dividend Income	(2,985,792)	(550,188)
Interest Income	(6,005)	(245,868)
Exchange Gain on Hedging of advance receivable	-	4,621,417
Depreciation	375,285	5,250
Unrealised Exchange Fluctuation	(3,098,569)	
Operating profit before working capital changes	(4,305,515)	(212,833)
Adjustment for:		
(Increase)/Decrease in Loan and Advances	(18,860,118)	33,488,291
Increase/(Decrease) in Trade and other Payables	305,814,540	213,072
Cash generated from operations	282,648,907	33,488,530
Direct taxes paid	(744,420)	(66,705)
Net cash Inflow/(Outflow) from operating activities	281,904,487	33,421,825
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	6,005	245,868
Purchase of fixed assets(net)	(1,488,995,590)	(163,488,232)
Dividend Received	2,985,792	550,188
Investments made	(8,818,193)	(35,050,188)
Net cash Inflow/(Outflow) from investing activities	(1,494,821,986)	(197,742,364)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Shares	13,849,980	-
Proceeds from Share Application Money	337,650,020	63,650,000
Proceeds from Term Loan	945,199,194	268,702,500
Interest Paid	(48,043,555)	(828,856)
Net cash Inflow/(Outflow) from financing activities	1,248,655,639	331,523,644
Net increase in cash and cash equivalents	35,738,141	167,203,105
Cash and cash equivalents (opening balance)	174,668,119	10,855,845
Exchange Difference on translation of Foreign Currency cash & cash equivalent	(7,293,844)	3,390,831
Cash and cash equivalents (closing balance)	217,700,104	174,668,119
	35,738,141	167,203,105

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
Timarpur-Okhla Waste Management Company Private Limited

Sd/-
per G.K. Aggarwal
Partner
Membership No. 086622
Place: New Delhi
Date: 30.06.2011

Sd/-
Amit Bajpai
Whole Time Director

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Probal Ghosal
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