

NOTICE

JITF MANILA WATER DEVELOPMENT COMPANY LIMITED

Notice is hereby given that the **Second Annual General Meeting** of the shareholders of the Company JITF Manila Water Development Company Limited will be held on **Monday, the 24th day of September, 2012 at 12.30 P.M.** at the Registered Office of the Company at 28, Shivaji Marg, New Delhi – 110015 to transact the following business:

AS ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet of the Company for the Financial year 2011-12 and the Profit and Loss Account of the Company for the said period ended on that date and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Indresh Batra 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. Sunil Kumar Trehan who was appointed as an Additional Director w.e.f. 23.01.2012 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. Narendra Ande who was appointed as an Additional Director w.e.f. 15.05.2012 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



**A. NARENDRA
DIRECTOR**

Place: New Delhi
Dated: 28th May, 2012

NOTES:

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. Sunil Kumar Trehan as an Additional Director as per section 260 of the Companies Act, 1956 w.e.f. 23.01.2012 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. Sunil Kumar Trehan for appointment as Director in this behalf.

None of the Directors except Mr. Sunil Kumar Trehan 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. Narendra Ande as an Additional Director as per section 260 of the Companies Act, 1956 w.e.f. 15.05.2012 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. Narendra Ande for appointment as Director in this behalf.

None of the Directors except Mr. Narendra Ande 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



**A. NARENDRA
DIRECTOR**

Place : New Delhi

Dated: 28th May, 2012

JITF Manila Water Development Company Limited

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the **Second Annual Report** of the Company together with the Audited Statement of Accounts comprising of Balance Sheet as at 31st March, 2012.

Financial Results

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Paid up Capital	19,467,600	14,470,800
Reserves & Surpluses	(17,470,792)	(5,654,749)
Current Assets	2,070,822	12,621,270
Current Liabilities	1,05,832	3,828,619
Profit/ (Loss) before tax	(11,816,043)	(5,654,749)

Shareholding Structure

The Company was incorporated as the joint venture with 50:50 with JITF Water Infrastructure Limited and Manila Water Company, Inc. However, during the year, the Shares were transferred by Manila Water Company, Inc to JITF Water Infrastructure Limited and now entire shareholding of the Company is being held by JITF Water Infrastructure Limited.

Pursuant to such transfer of shares, your Company is in the process of changing the name of the Company by the deletion of word "Manila".

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.

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

Foreign Exchange Earnings and Outgo:

Serial No.	Particulars	For the year ending 31 st March 2012	For the year ending 31 st March
(a)	Earnings	Nil	Nil
(b)	Outgo	7,022,659	Nil

Conservation of Energy

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

In the terms of the provisions of Section 256 of the Companies Act 1956, Mr. Indresh Batra shall retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Directors Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, for the year ended 31st March, 2012, 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.

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.

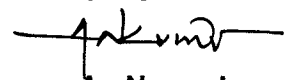
Acknowledgement

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 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
JITF Manila Water Development Company Limited**



**Sunil Trehan
Director**



**A. Narendra
Director**


**Place : New Delhi
Dated: 28th May, 2012**

AUDITORS' REPORT

To
The Members of JITF Manila Water Development Company Limited

1. We have audited the attached Balance Sheet of JITF MANILA WATER DEVELOPMENT COMPANY LIMITED as at 31st March, 2012 and Statement of Profit and Loss and also 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, Statement of Profit and Loss 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, Statement of Profit and Loss 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, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 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, 2012.
 - b) In the case of the Statement of Profit and Loss, of the Loss of the Company for the year ended on that date.
 - c) In the case of Cash flow statement, of cash flows for the year ended on that date.

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


G. K. Aggarwal
Partner
Membership No. 086622
New Delhi
Date: 28th May, 2012



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

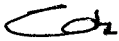
Re: JITF Manila Water Development Company Limited

- (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 any fixed assets during the year .
- (ii) 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 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) 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, paragraph (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, 2012 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 is in existence for less than five years. Hence Para (x) of the order is not applicable to the company.
- (xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken loans from banks and financial institutions or issued any debentures. Therefore, Para (xi) of the order with respect to default of repayment is not applicable to the company.
- (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.



- (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) Based on information and explanations given to us by the management, the Company has not taken any term loan.
- (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) The company has not made any public issue during the year.
- (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



G. K. Aggarwal
Partner
Membership No. 086622
New Delhi
Date: 28th May, 2012



JITF MANILA WATER DEVELOPMENT COMPANY LIMITED**Balance Sheet as at 31st March, 2012**

(Amount in Rs.)

Particulars		Note No	As at 31st March 2012	As at 31st March 2011
I.	EQUITY AND LIABILITIES			
(1)	Shareholders' Funds			
	(a) Share Capital	1	19,467,600	14,470,800
	(b) Reserves and Surplus	2	(17,470,792)	(5,654,749)
(2)	Current liabilities			
	Other current liabilities	3	105,832	3,828,619
	Total Equity and Liabilities		2,102,640	12,644,670
II.	ASSETS			
(1)	Non-current assets			
	(a) Fixed Assets	4		
	Tangible assets		31,818	23,400
(2)	Current assets			
	(a) Current investments	5	-	12,327,862
	(b) Cash and Cash Equivalents	6	2,027,152	289,225
	(c) Short-term loans and advances	7	43,670	4,183
	Total Assets		2,102,640	12,644,670

See accompanying notes to the financial statements

13

In terms of our report of even date annexed hereto

For N.C. AGGARWAL & CO.
Chartered Accountants
Firm Registration No. 003273N



G.K. AGGARWAL
Partner
M.No.086622
Place : New Delhi
Dated:28th May,2012



For and on behalf of the Board Of Directors of
JITF Manila Water Development Company Ltd.



Sunil Trehan
Director



A. Narendra
Director

JITF MANILA WATER DEVELOPMENT COMPANY LIMITED
Statement of Profit and Loss for the year ended 31st March, 2012

Particulars		Note No.	Year ended 31st March 2012	Year ended 31st March 2011
(I)	Other income	8	478,088	327,862
	Total Revenue		478,088	327,862
(II)	Expenses:			
	Employee benefits expense	9	1,379,942	2,389,112
	Depreciation and amortization expense	10	1,572	815
	Finance Costs	11	8,517	15,901
	Other Expenses	12	10,904,100	3,576,783
	Total Expenses		12,294,131	5,982,611
(III)	(Loss) before tax for the Year (I-II)		(11,816,043)	(5,654,749)
(IV)	Earnings per equity share:			
	Basic & Diluted		(7.91)	(13.58)

See accompanying notes to the financial statements

13

In terms of our report of even date annexed hereto

For N.C. AGGARWAL & CO.
Chartered Accountants
Firm Registration No. 003273N

For and on behalf of the Board Of Directors of
JITF Manila Water Development Company Ltd.

G.K.AGGARWAL
Partner
M.No.086622
Place : New Delhi
Dated:28th May,2012




Sunil Trehan
Director


A.Narendra
Director

JITF MANILA WATER DEVELOPMENT COMPANY LIMITED
Notes forming part of Balance sheet and Statement of Profit and Loss

	DESCRIPTION	As at 31st March 2012	As at 31st March 2011
1	SHARE CAPITAL		
(a)	AUTHORISED SHARE CAPITAL 2,000,000 (Previous Year 2,000,000) Equity shares of Rs.10/- each.	20,000,000	20,000,000
(b)	ISSUED, SUBSCRIBED AND PAID UP CAPITAL 1,946,760 (Previous Year 1,447,080) Equity shares of Rs. 10/- each	19,467,600	14,470,800
(c)	RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR		
	Shares outstanding at the beginning of the year	1,447,080	-
	Shares issued during the year	499,680	1,447,080
	Shares outstanding at the end of the year	1,946,760	1,447,080

(d)	SHARE OF THE COMPANY HELD BY HOLDING COMPANY:-	No of Shares	No of Shares
	JITF Water Infrastructure Limited	1,946,760	723,540

(e)	SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:				
	Name of the Shareholder	As at 31st March 2012		As at 31st March 2011	
		No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
	JITF Water Infrastructure Limited*	1,946,760	100%	723,540	50%
	Manila Water Inc			723,540	50%

* Including 6 Shares held by Person/Companies as nominee of JITF Water Infrastructure Ltd.

(f)	Terms/Rights attached to Equity Shares
	The Company has only one class of equity shares having a par value of Rs.10/- per equity share. Each equity shareholder is entitled to one vote per share.

	DESCRIPTION	As at 31st March 2012	As at 31st March 2011
2	RESERVES AND SURPLUS		
	PROFIT AND LOSS ACCOUNT		
	Profit/(Loss) Brought Forward	(5,654,749)	-
	Add:-Profit/(Loss) after tax for the year	(11,816,043)	(5,654,749)
	Closing Balance	(17,470,792)	(5,654,749)
	Total Reserve and Surplus	(17,470,792)	(5,654,749)

	DESCRIPTION	As at 31st March 2012	As at 31st March 2011
3	OTHER CURRENT LIABILITIES		
	Other payable		
	TDS Payable	1,600	3,199
	Other Outstanding Liabilities	104,232	3,825,420
	Total Other Current Liabilities	105,832	3,828,619



JITF MANILA WATER DEVELOPMENT COMPANY LIMITED

Notes forming part of Balance sheet and Statement of Profit and Loss

Note-4

FIXED ASSETS

(Amount in Rs.)

Fixed Assets	Gross Block			Accumulated Depreciation			Net Block		
	Balance as at 1st April 2011	Additions/ (Disposals)	Balance as at 31st March 2012	Balance as at 1st April 2011	Depreciation charge for the year	On disposal;	Balance as at 31st March 2012	Balance as at 31st March 2012	Balance as at 31st March 2011
Tangible Assets									
Office equipment	24,215	9,990	34,205	815	1,572	-	2,387	31,818	23,400
Total	24,215	9,990	34,205	815	1,572	-	2,387	31,818	23,400
Previous Year	-	-	24,215	-	815	-	815	23,400	-



JITF MANILA WATER DEVELOPMENT COMPANY LIMITED

Notes forming part of Balance sheet and Statement of Profit and Loss

Note- 5

INVESTMENTS

Sr. No	DETAILS OF INVESTMENTS	As at 31st March 2012			As at 31st March 2011		
		Nos.	Face Value (Rs.)	Amount (Rs.)	Nos.	Face Value (Rs.)	Amount (Rs.)
	Current Investments - Non Trade (At Cost Less Provision)						
	Reliance Liquid Fund	-	-	-	806,407	15	12,327,862
	Total	-	-	-			12,327,862



JITF MANILA WATER DEVELOPMENT COMPANY LIMITED
Notes forming part of Balance sheet and Statement of Profit and Loss

	DESCRIPTION	As at 31st March 2012	As at 31st March 2011
6	Cash and Cash Equivalents		
	Balances with Banks		
	-In Current Accounts	2,009,388	283,123
	Cash on Hand	17,764	6,102
	Total Cash and Cash Equivalents	2,027,152	289,225

	DESCRIPTION	As at 31st March 2012	As at 31st March 2011
7	Short-term loans and advances		
	Others		
	Unsecured, Considered good		
	Advance Recoverable in Cash or in kind	-	4,183
	TDS Receivable	43,670	-
	Total Short Term Loans and Advances	43,670	4,183

	DESCRIPTION	Year ended 31st March 2012	Year ended 31st March 2011
8	Other Income		
	Interest Income on Fixed deposits	436,693	-
	Dividend Income on Current Investment	41,395	327,862
	Total Other Income	478,088	327,862

	DESCRIPTION	Year ended 31st March 2012	Year ended 31st March 2011
9	Employee Benefits Expense		
	Salaries and Wages	1,377,858	2,389,112
	Staff Welfare Expenses	2,084	-
	Total Employee benefit Expenditure	1,379,942	2,389,112

	DESCRIPTION	Year ended 31st March 2012	Year ended 31st March 2011
10	Depreciation and Amortization expense		
	Depreciation on Fixed Assets	1,572	815
	Total Depreciation and Amortization Expense	1,572	815

	DESCRIPTION	Year ended 31st March 2012	Year ended 31st March 2011
11	Finance Costs		
	Bank Charges	8,517	15,901
	Total Finance Cost	8,517	15,901



JITF MANILA WATER DEVELOPMENT COMPANY LIMITED**Notes forming part of Balance sheet and Statement of Profit and Loss**

	<u>DESCRIPTION</u>	<u>Year ended</u> <u>31st March 2012</u>	<u>Year ended</u> <u>31st March 2011</u>
12	Other Expenses		
	Legal and Professional	7,275,775	670,237
	Printing and Stationary	413	-
	Travelling and Conveyance	408,772	1,703,628
	Brokerage	20,000	-
	Repair and Maintenance	44,090	112,957
	Auditor's Remuneration		
	-As Audit fees	22,472	16,545
	Rent	2,777,406	312,000
	Conference and Seminar	159,777	153,777
	Rates and Taxes	8,414	283,813
	Communication Expenses	-	37,443
	Miscellaneous Expenses	186,981	286,383
	Total Other Expenses	10,904,100	3,576,783



JITF MANILA WATER DEVELOPMENT COMPANY LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS
NOTE:13

1. Nature of Operations

JITF Manila Water Development Company Limited is a Company incorporated on 3rd May, 2010 with the main object to carry on the business of Water Infrastructure in India 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

(i) Valuation of Fixed Assets

Tangible 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.

(ii) Depreciation

Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, or at the rates prescribed under schedule XIV of the Companies Act, 1956 whichever is higher

(c) Foreign Exchange Transaction

Foreign currency during the period is recorded at the rate of exchange prevailing at the date of transaction. Monetary assets and liabilities related to foreign currency transactions remaining unsettled are translated at the period end rate. All exchange differences are dealt with in the Profit & Loss Account.

(d) Investments

Current Investments are valued at lower of cost or net realizable.

(e) 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..

(f) Taxation

(i) Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws.

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

3. The Company has not received any information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/payable as required under the said act have not been given.

4. No deferred tax asset is created in view of virtual certainty supported by convincing evidence as to the sufficient future taxable profit.

5. During the year, Joint venture agreement with Manila water Inc, Phillipines was terminated and the JITF Water Infrastructure has purchased the equity shares held by ManilaWater Inc.

6. Related Parties Transaction

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

(i) Holding Company

Jindal Saw Limited (Ultimate Holding)

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



JITF MANILA WATER DEVELOPMENT COMPANY LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS
NOTE:13

JITF Water Infrastructure Limited (Direct Holding)

(ii). Fellow Subsidiary Companies

- JITF Waterways Limited
- JITF Urban Infrastructure Services Limited
- JITF Urban Infrastructure Limited
- JITF Shipyard Limited
- Jindal Rail Infrastructure Limited
- Jindal Intellicom Limited
- JITF ESIPL CETP (Sitarganj) Limited (Direct)
- Timarpur-Okhla Waste Management Company Private Limited
- JITF Water Infra (Naya Raipur) Limited (Direct)
- JITF Coal Logistics Limited (w.e.f.16th Dec 2011)
- Jindal ITF Kobelco Eco Limited (Direct) (w.e.f. 12th Sep 2011)
- JITF Shipping & Logistics (Singapore) Pte Ltd (w.e.f. 24th May 2011)
- JITF Global Water Holding Pte. Ltd (w.e.f.31st August 2011)
- JITF Water Infra (Rajkot) Limited(Direct) (w.e.f. 23rd May 2011)
- JITF Urban Waste Management (Bathinda) Limited (w.e.f. 23rd August 2011)
- JITF Urban Waste Management (Ferozepur) Limited (w.e.f.10th Oct 2011)
- JITF Urban Waste Management (Jalandhar) Limited (w.e.f. 23rd August,2011)
- JITF Infralogistics Limited
- IUP Jindal Metals & Alloys Limited
- SV Trading Limited
- Jindal Saw USA, LLC
- Jindal Saw Holding FZE
- Jindal Saw Middle East FZC
- Jindal Saw Gulf LLC
- Intellicom Insurance Advisors Limited
- Ralael Holding Limited
- Jindal Saw Italia S.P.A
- Jindal Fittings Ltd. (w.e.f. 12th May 2011)
- Quality Iron & steel Ltd. (w.e.f. 24th June 2011)
- Green Ray Holdings(w.e.f.24th June 2011)
- Derwant Sand SARL(w.e.f.24th June 2011)

(b). Transactions

Description	Current Year	Previous Year
Share Capital received during the year from JITF Water Infrastructure Limited	2,498,400	7,235,400
Share Capital received during the year from Manila Water Co.Inc	Nil	7,235,400
<u>Expenses Reimbursement Paid to:</u>		
JITF Water Infrastructure Limited	3,823,035	3,740,965
<u>Balance as on 31.3.12</u>		
Share Capital from JITF Water Infrastructure Limited	19,467,600	7,235,400
<u>Expenses Payable-</u>		
JITF Water infrastructure Limited	-	3,740,965



JITF MANILA WATER DEVELOPMENT COMPANY LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS
NOTE:13

7. Expenditure in Foreign Exchange

Description	Current Year	Previous Year
	Amount (Rs.)	Amount (Rs.)
Legal and Professional Expenses	7,022,659	Nil
Total	7,022,659	Nil

8. Earning per share (EPS) :


Description	Year ended 31st March, 2012	Year ended 31st March, 2011
<u>Basic and Diluted</u>		
Profit/(Loss) for the year after Tax	(11,816,043)	(5,654,749)
No.of shares outstanding at the end of year	1,946,760	1,447,080
Weighted Average No of Shares outstanding for calculating EPS	1,493,498	416,283
Basic and Diluted Earning per share	(7.91)	(13.58)

9. Till the year ended 31 March 2011, pre-revised Schedule VI to the Companies Act 1956, for preparation and presentation of its financial statements was applicable to the company. During the year ended 31 March 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the company. The company has reclassified previous year figures to conform to this year's classification.

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 Manila Water Development Company Limited


G. K. Aggarwal
Partner
Membership No. 086622
Place :New Delhi
Dated: 28th May,2012




Sunil Trehan
Director

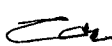

A.Narendra
Director

JITF MANILA WATER DEVELOPMENT COMPANY LIMITED
Cash Flow Statement for the year ended March 31, 2012

	For the year ended March 31, 2012	For the year ended March 31, 2011
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Profit/(loss) Before Income taxes	(11,816,043)	(5,654,749)
Adjustment for:		
Depreciation	1,572	815
Operating profit before working capital changes	(11,814,471)	(5,653,934)
Adjustment for:		
Loans & Advances	(39,487)	(4,183)
Current Liabilities	(3,722,787)	3,828,619
Cash earned from operations	(15,576,745)	(1,829,498)
Net cash (used in) operating activities	(15,576,745)	(1,829,498)
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	(9,990)	(24,215)
Investment Sale/(Purchase) in Mutual funds	12,327,862	(12,327,862)
Net cash (used in)/earned from investing activities	12,317,872	(12,352,077)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Shares	4,996,800	14,470,800
Net cash from financing activities	4,996,800	14,470,800
Net increase in cash and cash equivalents	1,737,927	289,225
Cash and cash equivalents (opening balance)	289,225	-
Cash and cash equivalents (closing balance)	2,027,152	289,225
	1,737,927	289,225

As per our report of even date

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


G.K. Aggarwal
Partner
Membership No. 086622
Place: New Delhi
Dated: 28th May, 2012



For and on behalf of the Board of Directors of
JITF Manila Water Development Co. Limited


Sunil Trehan
Director


A. Narendra
Director