

## NOTICE

Notice is hereby given that the 2<sup>nd</sup> Annual General Meeting of the members of JITF Urban Waste Management (Jalandhar) Limited will be held on Wednesday, the 25<sup>th</sup> day of September, 2013 at Jindal ITF Centre, 28, Shivaji Marg, New Delhi – 110015 at 10.00 AM to transact the following business:

### **AS ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company for the Financial Year ended on 31<sup>st</sup> March, 2013 and the statement of Profit and Loss Account of the Company for the year ended on that date along with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anuj Kumar who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration by passing the following resolution as an Ordinary Resolution with or without modification(s):

**"RESOLVED THAT M/s. N.C. Aggarwal & Co., Chartered Accountants be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting for auditing the accounts of the company for the financial year 2012-2013 at such remuneration as may be determined by the Board of Directors of the company".**

### **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. Rakesh Kumar Aggarwal who has been appointed as an Additional Director of the Company by the Board of Directors under section 260 of the Companies Act, 1956 and who holds office 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. Alok Kumar who has been appointed as an Additional Director of the Company by the Board of Directors under section 260 of the Companies Act, 1956 and who holds office 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."**

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

**"RESOLVED THAT** the consent of the Company be and is hereby granted, in accordance with Section 293(1)(d) and all other applicable provisions, if any, of the Companies Act, 1956 and the Articles of Association of the Company, to the Board of Directors of the Company, to borrow any sum or sums of money from time to time at their discretion, for the purpose of the business of the Company, which together with the monies already borrowed by the Company, (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed at any time, the aggregate of the paid-up capital of the Company and its free reserves (that is to say, reserves, not set apart for any specific purpose) by a sum not exceeding Rs. 100 Crore, and that the Board of Directors be and is hereby empowered and authorized to arrange or fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may think fit."

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

**"RESOLVED THAT** the consent of the Company be and is hereby granted, in accordance with Section 293(1)(a) and all other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors to mortgage and/or charge, in addition to the mortgages and/or charges created/to be created by the Company, in such form and manner and with such ranking as to priority and for such time and on such terms as the Board may determine, all or any of the movable and /or immovable, tangible and/or intangible properties of the Company, both present and future and/or the whole or any part of the undertaking(s) of the Company together with the power to take over the management of the business and concern of the Company in certain events of default, in favour of the lender(s), agent(s), trustee(s) for securing the borrowings of the Company availed/to be availed by way of loan(s) (in foreign currency and/or rupee currency) and securities (comprising fully/partly convertible debentures and/or non-convertible debentures with or without detachable or non-detachable warrants and/or secured premium notes and/or floating rates notes/ bonds or other debt instruments), issued /to be issued by the Company, from time to time, subject to the limits approved under Section 293(1)(d) of the Companies Act, 1956, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premia on pre-payment, remuneration of agent(s)/ trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation/revaluation /fluctuation in the rates of exchange and all other monies payable by the Company in terms of loan agreement(s), heads of agreement(s), debenture trust deed or any other document entered into/to be entered into between the Company and the lender(s)/agent(s)/trustees, in respect of the said loans/borrowings/debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board of Directors or Committee thereof and the lender(s)/ agent(s)/trustee(s)."

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board or Committee thereof be and is hereby authorized to finalize, settle and execute such documents/deeds/writings/papers/agreements as may be required and to do all acts, deeds, matters and things, as it may in its absolute discretion deemed necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage/charge as aforesaid and also to delegate all or any of the above powers to the Committee of Directors or the Managing Director or the Principal Officer of the Company

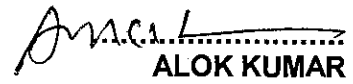
and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

8. To consider and if thought fit, to pass with or without modifications, the following Resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or reenactment thereof, for the time being in force) and subject to consent and approvals of Reserve Bank of India (RBI) under Foreign Exchange Management Act, 1999 or any other Statute, or authorities, if required and or in accordance with the guidelines and notifications issued by Government, etc. and such other approvals/ permissions as may be necessary under any other Statute for time being in force and subject to the approval/consent of such appropriate authorities, if any, the consent of the members of the company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall include any committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to make further loans or investment, in one or more tranches by subscription, purchase or otherwise in subsidiary(ies)/ any body/ bodies corporate in India or abroad (existing or which may be promoted/incorporated), in any kind of securities, or by providing of guarantee or security in connection with a loan made by any other person to any subsidiary(ies)/ any body/ bodies corporate in India or abroad (existing or which may be promoted/incorporated) for global business expansion and other growth initiatives in excess of the limits prescribed in Section 372A of the Companies Act, 1956 but subject to a maximum limit of Rs. 100 Crores (Rupees One Hundred Crores only).”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to negotiate and finalise the terms and conditions of the said investments, loans, guarantees and provision of security on behalf of the Company as it may deem fit in the interest of the Company, to take all such actions and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required to be signed, on behalf of the Company, in connection with such investments, loans, guarantees and provision of security and generally to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

BY ORDER OF THE BOARD OF DIRECTORS

  
ALOK KUMAR  
DIRECTOR

Place: New Delhi

Dated : 31<sup>st</sup> August, 2013

**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. Rakesh Kumar Aggarwal as an Additional Director w.e.f 20<sup>th</sup> February, 2013 as per section 260 of the Companies Act, 1956 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. Rakesh Kumar Aggarwal for appointment as Director in this behalf.

None of the Directors except Mr. Rakesh Kumar Aggarwal 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. Alok Kumar as an Additional Director w.e.f 31<sup>st</sup> August, 2013 as per section 260 of the Companies Act, 1956 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. Alok Kumar for appointment as Director in this behalf.

None of the Directors except Mr. Alok Kumar himself is concerned or interested in the Resolution.

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

### **ITEM NO. 6 & 7:**

As per the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company cannot, except with the permission of the Shareholders in General Meeting, borrow monies in excess of the aggregate of the paid-up capital of the Company and its free reserves.

The increasing business operations and future growth plans of the Company would necessitate restructuring of the borrowing limits by authorizing the Board of Directors to borrow monies which may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves but not exceeding Rs. 100 Crore.

The borrowings of the Company are, in general, required to be secured by suitable mortgage or charge on all or any of the movable and/ or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the lender(s).

The mortgage and/or charge by the Company of its movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company in favour of the

lenders/agent(s)/trustees, with a power to take over the management of the business and concern of the Company in certain events of default by the Company, may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 293(1)(a) of the Companies Act, 1956. Hence it is necessary to obtain approval for the same from the Shareholders voting by postal ballot.

**ITEM NO. 8:**

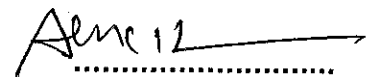
The Company is constantly reviewing opportunities for expansion of its business operations either directly or through its subsidiaries/ joint ventures/associate companies/bodies India or abroad (existing or which may be promoted) and would, therefore, be required to provide financial support by way of loan(s)/ and/or guarantee(s) and/or security(ies)/investment in securities of its subsidiaries/ joint ventures/associate companies/bodies corporate, in order to achieve greater financial flexibility and to enable optimal financial structuring to facilitate speedy implementation of various projects of such companies. Your company may be also required to extend corporate guarantee for securing the credit facilities proposed to be taken by Subsidiary/Associate Companies.

It is, therefore, proposed that the overall limit to make loans/investments or give guarantee or provide security may be fixed to Rs. 100 Crore.

Pursuant to Section 372A of the Companies Act, 1956, a company cannot, except with the permission of the Shareholders, make investment, give loan or guarantee or provide any security in excess of the limits set out therein.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution.

**BY ORDER OF THE BOARD OF DIRECTORS**

  
.....  
**ALOK KUMAR**  
**DIRECTOR**

Place: New Delhi  
Dated: 31<sup>st</sup> August, 2013

## JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED

### DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 2<sup>nd</sup> Annual Report of the Company on the affairs of the company for the financial Year ended on 31<sup>st</sup> March, 2013.

#### Financial Results

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Paid up Capital	575,560	555,560
Reserve and Surplus	(75,281)	(28,090)
Fixed Assets	51,085,324	49,847,318
Current Assets	344,164	481,465
Current Liabilities	11,57,092	29,193
Profit/ (Loss) Before Tax	(47,191)	(28,090)
Revenue	--	--
Earning Per share	(0.84)	(0.83)

#### Review of operations

Your Company has signed Concession Agreement for providing Integrated Solid Waste Management services to the Jalandhar Municipal Corporation and other 26 Urban Local Bodies. The project envisages service delivery across the entire chain of solid waste management including collection, transportation, processing and disposal of 800 tons of municipal solid waste per day. It is proposed to set up an efficient collection and transportation system as well as an integrated solid waste processing facility with an objective of maximum resource recovery and minimizing the quantity of rejects to landfill. The project has been secured through competitive bidding process and has been designed to improve the health and hygiene of general public while safeguarding environment. Fee paid by the municipal corporations for the service rendered, service charges from the end-users, revenue from the sale of products from solid waste processing, are all revenue streams for the sustenance of project.

#### Dividend

Your Company has not recommended any dividend for the year under review.

#### Public 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

During the year under review, Mr. Amit Bajpai and Mr. A.K. Nayyar has resigned from the services of the Company. The Board places on record its appreciation for the valuable services

rendered by them during their tenure with the Company.

During the year Mr. Rakesh Kumar Aggarwal and Mr. Anuj Kumar were appointed as an Additional Director during the year, whose appointment shall come to an end at the forthcoming Annual General Meeting and is proposed to be regularized in the forthcoming Annual General Meeting.

The above appointment and re-appointments will form part of the Notice of the Annual General Meeting and the Resolutions are recommended for your approval.

### **Directors Responsibility Statement**

Pursuant to Section 217 (2AA) of the Companies Act, 1956, for the Financial Year 2012-13, your Directors report as under:-

1. 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);
2. 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;
3. 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;
4. 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. A Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

### **Conservation of energy, technology absorption, foreign exchange earning and outgo.**

Under the Notification No.GSR 1029, dated 31st December, 1988, companies are required to furnish prescribed information regarding conservation of energy and technology absorption. This, however, does not apply to your Company.

However, 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.

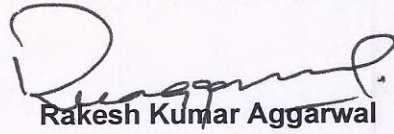
### **Particulars of Employees**

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 Municipal Corporation of Jalandhar. 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 Urban Waste Management (Jalandhar) Limited**



**Rakesh Kumar Aggarwal  
Director**

AK



**Anuj Kumar  
Director**

**Place: New Delhi  
Dated: 21<sup>st</sup> May, 2013**

## AUDITORS' REPORT

To

The Members of JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of **JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED**, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and 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 March 31, 2013;
- b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order
  
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

  
G. K. Aggarwal  
Partner  
Membership No. 086622



Date: 21<sup>st</sup> May, 2013  
Place: New Delhi

**Annexure to Auditors' Report**

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

1. As the Company has incurred only preoperative expenses and other expenses for acquisition of project. Therefore, para (i) of the order related to fixed assets is not applicable to the Company.
2. (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.
3. (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) (i) As informed to us, the Company has taken unsecured convertible debentures from its holding company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year in respect of said companies and the year end balance of such loan is Rs.49,790,640.  
  
(ii) In our opinion and according to information and explanations given to us, the rate of interest and other terms and conditions on which aforesaid convertible debentures has been taken are not, prima facie, prejudicial to the interest of the company.  
  
(iii) In respect of aforesaid convertible debenture, the party is regular in repaying the interest. The debenture would be convertible as per the Debenture Subscription agreement.
4. 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.
5. (a) According to the information and explanations provided to us 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 are not applicable.
6. The Company has not accepted any deposits from the public to which the provisions of Section 58A, 58AA or any other relevant provisions of the companies Act, 1956 and the companies(Acceptance of Deposit) Rules,1975 apply.
7. To the best of our knowledge and as explained, the Company, during the year, is not required to have an internal audit system commensurate with the size and nature of its business, as the Capital and the turnover does not exceed the limit prescribed in this regard.
8. As the company has not yet commenced operations, therefore, para (viii) of the order with regard to maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 is not applicable to the company.



9. (a) To the best of our knowledge and as explained, the Company is generally regular in depositing with the appropriate authorities all statutory dues including provident fund, income-tax, wealth-tax, service tax, customs duty, excise duty, Cess etc. where they are applicable to the company. There are no arrears as at 31st March, 2013 for a period 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 provident fund, excise duty, Service tax, entry tax, income tax, which have not been deposited on account of any dispute.
10. The company is in existence for less than five years. Hence Para (x) of the order with regard to accumulated losses of the Company more than fifty percent of net worth and losses in the current financial year and immediately preceding financial year is not applicable to the company.
11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not taken any term loan from Banks and financial institutions. Hence, para (xi) of the order is not applicable to the Company.
12. 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.
13. 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.
14. 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.
15. 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.
16. According to the information and explanation furnished to us, the Company has not taken any term loan and therefore, para (xvi) of the Order as to the application of loan for the purpose for which the loan is taken is not applicable to the Company.
17. 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.
18. 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.
19. The Company has not issued any non convertible debentures. Hence, para (ix) of the Order for creation of security on issue of debenture is not applicable to the Company.
20. The company has not made any public issue during the year.



**N.C. AGGARWAL & CO.**  
**CHARTERED ACCOUNTANTS**

21. 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  
M.No. 086622

Place: New Delhi  
Dated: 21st May, 2013

**JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED****Balance Sheet as at 31st March, 2013**


(Amount in Rs.)

Particulars		Note No	As at 31st March 2013	As at 31st March 2012
<b>I. EQUITY AND LIABILITIES</b>				
<b>(1) Shareholders' Funds</b>				
	(a) Share Capital	1	575,560	555,560
	(b) Reserves and Surplus	2	(75,281)	(28,090)
<b>(2) Non-current liabilities</b>				
	Long-term borrowings	3	49,790,640	49,790,643
<b>(3) Current liabilities</b>				
	Other current liabilities	4	1,157,092	29,193
<b>Total Equity and Liabilities</b>			<b>51,448,011</b>	<b>50,347,306</b>
<b>II. ASSETS</b>				
<b>(1) Non-current assets</b>				
<b>(a) Fixed Assets</b>				
	Capital work-in-progress	5	51,085,324	49,847,318
	(b) Other non-current assets	6	18,523	18,523
<b>(2) Current assets</b>				
	(a) Cash and Cash Equivalents	7	344,164	475,565
	(b) Short-term loans and advances	8	-	5,900
<b>Total Assets</b>			<b>51,448,011</b>	<b>50,347,306</b>

Significant accounting policies and notes to the financial statements 10


In terms of our report of even date annexed hereto

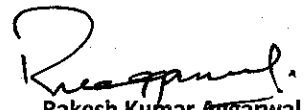
For N.C. AGGARWAL & CO.  
Chartered Accountants  
Firm Registration No. 003273N

  
**G.K.AGGARWAL**  
Partner  
M.No.086622  
Place: New Delhi  
Dated: 21st May,2013



For and on behalf of Board of Directors of  
JITF Urban Waste Management (Jalandhar) Limited

  
**Anuj Kumar**  
Director

  
**Rakesh Kumar Aggarwal**  
Director

**JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2013**

(Amount in Rs.)

Particulars		Note No.	Year ended 31st March 2013	Period ended 31st March 2012
(I)	Revenue from operations		-	-
	<b>Total Revenue</b>		-	-
	<b>Expenses:</b>			
	Other Expenses	9	47,191	28,090
(II)	<b>Total Expenses</b>		<b>47,191</b>	<b>28,090</b>
(III)	Profit/(Loss) for the Year after Tax		(47,191)	(28,090)
(IV)	Earnings per equity share:			
	Basic		(0.84)	(0.83)
	Diluted		(0.84)	(0.83)

**Significant accounting policies and notes to the financial statement:** 10

In terms of our report of even date annexed hereto

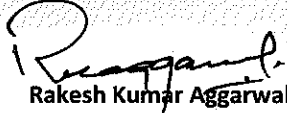
**For N.C. AGGARWAL & CO.**  
Chartered Accountants  
Firm Registration No. 003273N

  
**G.K. AGGARWAL**  
Partner  
M.No.086622  
Place: New Delhi  
Dated: 21st May,2013



For and on behalf of Board of Directors of  
JITF Urban Waste Management (Jalandhar) Limited

  
**Anuj Kumar**  
Director

  
**Rakesh Kumar Aggarwal**  
Director

**JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED**  
**Cash Flow Statement for the year ended March 31, 2013**

	For the Year ended 31st March,2013	For the Period ended 31st March,2012
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net Profit/(loss) Before Income taxes	(47,191)	(28,090)
<b>Operating profit before working capital changes</b>		
Adjustment for:		
Loans and advances and Other assets	5,900	(24,423)
Other Payables	1,127,896	29,193
<b>Cash earned from operations</b>	<b>1,086,605</b>	<b>(23,320)</b>
Direct taxes paid	-	-
<b>Net cash earned from operating activities</b>	<b>1,086,605</b>	<b>(23,320)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	(1,238,006)	(49,847,318)
<b>Net cash (used in) investing activities</b>	<b>(1,238,006)</b>	<b>(49,847,318)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from Issue of Shares	20,000	555,560
Proceeds from Debenture Application money	-	49,790,643
<b>Net cash earned from financing activities</b>	<b>20,000</b>	<b>50,346,203</b>
<b>Net increase in cash and cash equivalents</b>	<b>(131,401)</b>	<b>475,565</b>
<b>Cash and cash equivalents (opening balance)</b>	<b>475,565</b>	<b>-</b>
<b>Cash and cash equivalents (closing balance)</b>	<b>344,164</b>	<b>475,565</b>
	<b>(131,401)</b>	<b>475,565</b>

Note:

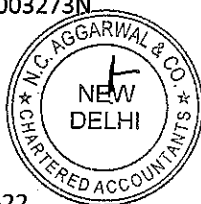
Previous Year figures have been regrouped wherever considered necessary.

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: 21st May,2013



For and on behalf of Board of Directors of  
JITF Urban Waste Management (Jalandhar) Limited



**Anuj Kumar**  
Director



**Rakesh Kumar Aggarwal**  
Director

**JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED**
**Notes forming part of Balance sheet and Statement of Profit and Loss**

(Amount in Rs.)

DESCRIPTION		As at 31st March 2013	As at 31st March 2013
<b>1</b>	<b>SHARE CAPITAL</b>		
(a)	<b>AUTHORISED SHARE CAPITAL</b> 100,000 Equity shares of Rs.10/- each.	1,000,000	1,000,000
(b)	<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b> 57,556 (Previous Year 55,556 ) Equity shares of Rs. 10/- each fully paid up	575,560	555,560
(c)	<b>RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR</b>		
	Shares outstanding at the beginning of the year	55,556	-
	Shares issued during the year	2,000	55,556
	<b>Shares outstanding at the end of the year</b>	<b>57,556</b>	<b>55,556</b>

(d) SHARE OF THE COMPANY HELD BY :-		No of Shares	No of Shares
	JITF Urban Infrastructure Limited	51,800	50,000
	Ladurner Impianpi S.R.L Italia	5,756	5,556

(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 2013		As at 31st March 2012	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
JITF Urban Infrastructure Limited*	51,800	90%	50,000	90%
Ladurner Impianpi S.R.L Italia	5,756	10%	5,556	10%

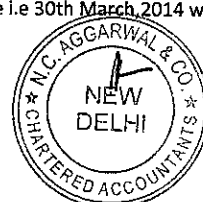
\* Including 6 Shares (Previous year 6 shares) held by Person/Companies as nominees of JITF Urban Infrastructure Limited

(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 2013	As at 31st March 2012
<b>2</b>	<b>RESERVES AND SURPLUS</b>		
	<b>PROFIT AND LOSS ACCOUNT</b>		
	Profit/(Loss) Brought Forward	(28,090)	-
	Add:-Profit/(Loss) for the year	(47,191)	(28,090)
	<b>Total Reserves and surplus</b>	<b>(75,281)</b>	<b>(28,090)</b>

DESCRIPTION		As at 31st March 2013	As at 31st March 2012
<b>3</b>	<b>LONG-TERM BORROWINGS</b>		
	<b>UNSECURED LONG TERM BORROWINGS</b>		
	Compulsorily Convertible Debentures*		
	From Related Party		
	-JITF Urban Infrastructure Limited	49,790,000	49,790,643
	Compulsorily Convertible Debentures Application Money		
	From Related Party		
	-JITF Urban Infrastructure Limited	640	-
	<b>Total Long Term borrowings</b>	<b>49,790,640</b>	<b>49,790,643</b>

\*Zero Coupon Compulsorily Convertible Debenture and application money of face value of Rs. 1000/- each is convertible into 100 equity shares of Rs. 10 each for each debenture after the period of 7 years from the date of last tranche of CCD Allotment/or long stop date i.e 30th March, 2014 whichever is earlier.



**JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED****Notes forming part of Balance sheet and Statement of Profit and Loss**

		(Amount in Rs.)	
	DESCRIPTION	As at 31st March 2013	As at 31st March 2012
4	<b>OTHER CURRENT LIABILITIES</b>		
	Other payable		
	Statutory Dues	3,792	1,103
	Audit Fee Payable	75,281	28,090
	Other Payables	6,500	-
	Payables to Related Party -JITF Urban Infrastructure Limited	1,071,519	-
	<b>Total Other Current Liabilities</b>	<b>1,157,092</b>	<b>29,193</b>



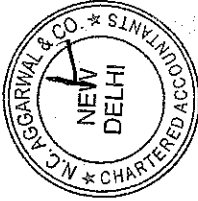
**JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED**

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

**Note-5**

**FIXED ASSETS**

	Gross Block		Accumulated Depreciation				Net Block	
	Balance as at 1st April 2012	Additions/ (Disposals)	Balance as at 1st April 2012	Depreciation charge for the year	On disposals	Balance as at 31st March 2012	Balance as at 31st March 2013	Balance as at 31st March 2012
<b>Fixed Assets</b>								
<b>Capital Work In Progress</b>								
Capital Work In Progress	48,001,370	-	-	-	-	-	48,001,370	48,001,370
Preoperative Expenditure (Pending allocation)	1,845,948	1,238,006	-	-	-	-	3,083,954	1,845,948
<b>Total</b>	<b>49,847,318</b>	<b>1,238,006</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51,085,324</b>	<b>49,847,318</b>



**JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED**  
**Notes forming part of Balance sheet and Statement of Profit and Loss**

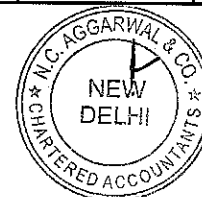
(Amount in Rs.)

	DESCRIPTION	As at 31st March 2013	As at 31st March 2012
6	<b>Other Non Current Assets</b> Miscellaneous Expenditure to the extent not written off	18,523	18,523
	<b>Total Other Non Current Assets</b>	<b>18,523</b>	<b>18,523</b>

	DESCRIPTION	As at 31st March 2013	As at 31st March 2012
7	<b>Cash and Cash Equivalents</b> Balances with Banks In Current Accounts Cash on Hand	314,941 29,223	444,280 31,285
	<b>Total Cash and Cash Equivalents</b>	<b>344,164</b>	<b>475,565</b>

	DESCRIPTION	As at 31st March 2013	As at 31st March 2012
8	<b>Short-term loans and advances</b> Advance Recoverable in Cash or in kind Unsecured, Considered good		5,900
	<b>Total Short Term Loans and Advances</b>		<b>5,900</b>

	DESCRIPTION	Year ended 31st March 2013	Period ended 31st March 2012
9	<b>Other Expenses</b> Auditor's Remuneration: As Audit Fee	47,191	28,090
	<b>TOTAL</b>	<b>47,191</b>	<b>28,090</b>



**JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS**  
**NOTE:10**

**1. Nature of Operations**

JITF Urban Waste Management (Jalandhar) Limited is a Company incorporated on 23<sup>rd</sup> August, 2011 with the main object to develop and implement a viable and environmentally sustainable MSW management to scientifically manage the collection, transportation, processing and disposal of MSW and gainfully utilize it to produce compost, Refuse Derived Fuel ("RDF") and/or power, and dispose-off the residual matter in an environmentally benign manner by Developing, Constructing, Operating and Maintaining an Integrated Municipal Solid Waste Management Projects for Jalandhar Cluster in Punjab.

**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.

Borrowing costs that are directly attributable to the acquisition / construction of the qualifying assets are capitalized as a part of the respective assets, up to the date of acquisition/ completion of construction.

**(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.

**(iii) Expenditure during construction period for new projects /expansion cum modernization projects**

Expenditures which are directly attributable to identified assets and incurred during the construction period are included under capital work-in-progress, till the completion of the project. Expenditures which are not directly attributable to an identified asset forming part of a project, including interest on borrowed funds, are carried to pre-operative expenses, till the completion of the project. On completion of the project, capital work in progress along with pre-operative expenses is carried to respective fixed assets.

**(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**

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



**JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS**  
**NOTE:10**

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.

**(1) 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 year end rate. All exchange differences are dealt with in the Profit & Loss Account

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

**4. Related Party Transactions**

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

**(i). Holding Company**

JITF Urban Infrastructure Ltd.(Direct holding)

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

Jindal Saw Limited ( Indirect holding through Jindal ITF Limited )

**(ii). Fellow Subsidiary Companies**

- JITF Waterways Limited
- JITF Water Infrastructure Limited
- JITF Shipyards Limited
- JITF Coal Logistics Limited
- JITF ES IPL CETP (Sitarganj) Limited (Indirect)
- Jindal Rail Infrastructure Limited
- Jindal Intellicom Limited
- JITF Infralogistics Limited
- Jindal ITF Kobelco Eco Limited (Indirect) ( upto 31st October 2012)
- Timarpur-Okhla Waste Management Company Private Limited
- JITF Shipping & Logistics (Singapore) Pte Ltd (Indirect)
- JITF Global Water Holding Pte. Ltd (Indirect) \*
- JITF Water Infra (Rajkot) Limited (Indirect) ( upto 29th January 2013)
- JITF Urban Waste Management (Ferozepur ) Limited
- JITF Urban Waste Management (Bathinda ) Limited
- JITF Manila Water Development Company Limited (Indirect) ( upto 6th February 2013 )
- JITF Water Infra (Naya Raipur) Limited (Indirect)
- JITF Urban Infrastructure Services Limited
- JITF Industrial Infrastructure Development company Limited ( w.e.f.2nd May 2012)
- IUP Jindal Metals & Alloys Limited (Indirect)
- S.V. 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 Holdings Limited (Indirect)
- Jindal Saw Italia S.P.A(Indirect)
- Jindal Fittings Ltd.
- Quality Iron & steel Ltd.
- Green Ray Holding
- Derwent Sand SARL(Indirect)



**JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS**  
**NOTE:10**

- Universal Tube Accessories Pvt. Limited( w.e.f.30th August 2012)
- Jindal Saw Espana SL( w.e.f.21st March 2013)
- \* *Stike off application for closure is filed on 3<sup>rd</sup> January,2013 with Accounting and Corporate Regulatory Authority, Singapore. Closure action is awaited.*

**Joint Venture**

- JWIL-SSIL JV( w.e.f.28th February,2012)
- SMC-JWIL JV( w.e.f.24th December,2012)
- JWIL-RANHILL JV( w.e.f.27th November,2012)

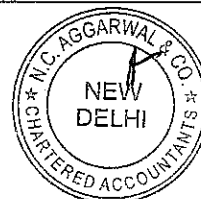
**Key Management Personnel**

- Rakesh Kumar Aggarwal

**(iii) Transactions**

**(Amount in Rs.)**

Description	Holding Company-JITF Urban Infrastructure Limited	
	Current Year	Previous Period
Share Capital received during the year	18,000	500,000
Debenture application money received during the year	Nil	49,790,643
Compulsory Convertible Debenture allotted	49,790,000	Nil
<b>Reimbursement of Expenses paid on our Behalf</b>		
Expenses reimbursed/to be reimbursed --JITF Urban Infrastructure Limited	1,071,519	Nil
<b>Balance as on 31.3.2013</b>		
Expenses Payable	1,071,519	Nil
Share Capital	518,000	500,000
Debenture application money	640	49,790,643
Compulsory Convertible Debentures	49,790,000	Nil



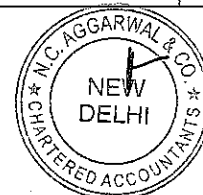
**JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS**  
**NOTE:10**

5. **Capital Work in progress includes following Pre operative expenses Pending allocation** (Amount in Rs.)

<b>Detail of Pre-operative Expenses</b>	<b>As at 31st March, 2013</b>	<b>As at 31st March, 2012</b>
Opening Balance	1,845,948	
Legal and Professional Fees	311,215	713,128
Rates and Taxes	3,638	13,015
Rent	108,000	189,000
Bank Charges	695,098	902,526
Miscellaneous Expenses	120,055	28,279
<b>Total carried forward</b>	<b>30,83,954</b>	<b>1,845,948</b>

6. **Earning per share (EPS) :** (Amount in Rs.)

<b>Description</b>	<b>Year ended 31st March, 2013</b>	<b>Period ended 31st March, 2012</b>
<b><u>Basic and Diluted</u></b>		
Loss For the year after tax	(47,191)	(28,090)
No. of shares outstanding at the end of year	55,556	55,556
Weighted Average No of Shares outstanding for calculating Basic EPS	56,345	33,698
Weighted Average No of Shares outstanding for calculating Diluted EPS	56,345	33,698
Basic and Diluted Earning per share	(0.84)	(0.83)



**JITF URBAN WASTE MANAGEMENT (JALANDHAR) LIMITED**  
**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS**  
**NOTE:10**

7. Previous year figures has been regrouped/rearranged wherever considered necessary.

As per our report of even date.

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



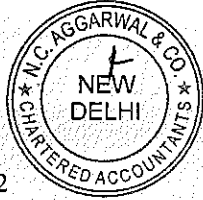
**G. K. Aggarwal**

Partner

Membership No. 086622

Place: New Delhi

Dated: 21<sup>st</sup> May, 2013



For and on behalf of Board of Directors of JITF  
Urban Waste Management (Jalandhar) Limited



**Anuj Kumar**

Director



**Rakesh Kumar Aggarwal**

Director