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Annual Report  
2009-2010  
(15 months)

**TIMARPUR-OKHLA WASTE  
MANAGEMENT COMPANY  
LIMITED**

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## NOTICE

### **TIMARPUR-OKHLA WASTE MANAGEMENT COMPANY PRIVATE LIMITED**

Notice is hereby given that the *Fifth 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 26<sup>th</sup> July, 2010 at 11.00 A.M. to transact the following business :

#### **AS ORDINARY BUSINESS**

1. To consider and adopt the Audited Balance Sheet of the Company for the fifteen month period ended at 31<sup>st</sup> March, 2010 and the Profit and Loss Account of the Company for the fifteen months 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. Satyamurti Ramasundar who was appointed as an Additional Director by the Board under section 260 of the Companies Act, 1956 and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received Notice in writing, under section 257 of the Companies Act, 1956 from a member signifying his intention to propose him as a candidate for the office of a Director of the Company, be and is hereby appointed as Director of the Company.”

**BY ORDER OF THE BOARD OF DIRECTORS**

**SD/-**

**AMIT BAJPAI  
DIRECTOR**

New Delhi  
15<sup>th</sup> July, 2010

#### **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 appointed Mr. Satyamurti Ramasundar as an Additional Director as per section 260 of the Companies Act, 1956 w.e.f. 24.12.2009 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. Satyamurti Ramasundar for appointment as Director in this behalf.

None of the Directors except Mr. Satyamurti Ramasundar himself is concerned or interested in the Resolution.

**BY ORDER OF THE BOARD OF DIRECTORS**

**SD/-**

**AMIT BAJPAI  
DIRECTOR**

New Delhi  
15<sup>th</sup> July, 2010

# TIMARPUR OKHLA WASTE MANAGEMENT COMPANY PVT. LTD.

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Fifth Annual Report of the Company on the affairs of the company for the fifteen month period ended on 31<sup>st</sup> March, 2010.

### Overall Review - Projects

The project execution has started with the selection of Boilers suitable for Waste-to-Energy plant at Okhla site and confirmation of purchase order on 25<sup>th</sup> January 2010. During this period, contracts for all major long delivery equipments like Boilers, Turbine-Generator, Air Cooled Condenser, Flue Gas Treatment/Cleaning System, Grab Crane, Deaerators, Boiler Feed Pumps have been placed. Design & Engineering of ordered equipments is progressing as per schedule. Contracts for Civil work and Boiler Erection have been firmed up and site execution of civil work started from 15<sup>th</sup> May 2010 and the critical work of MSW pit raft work, scheduled before the onset of monsoon has been completed.

Your Directors expect that the placement of purchase orders for balance packages for the plant shall be completed within two months. Civil foundation work for the Boiler foundations shall be completed by September 2010 and erection work shall start from 15<sup>th</sup> October 2010. The project is targeted for completion by March 2011.

Foundation Stone Laying for the first Waste-to-Energy plant was done by Hon'ble Chief Minister of Delhi, Mrs. Sheila Dikshit on 26<sup>th</sup> June 2010, in a well organized function, attended by various dignitaries of Delhi Govt., NDMC and MCD.

Your Directors are hopeful that the business would ultimately yield good results in future.

### Financial Results

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Paid up Capital	111,900,000	111,900,000
Share application money pending allocation	74,150,000	10,500,000
Reserve and Surplus	259,922	2,552,057
Secured Loan	268,511,250	-
Fixed Assets	316,606	36,235
Depreciation on fixed assets	21,599	16,349
Capital Advance	116,731,621	-
Current Assets	184,740,857	58,971,586
Current Liabilities	8,153,856	7,828,337
Pre operative Expenditure, pending allocation	126,079,525	73,711,092

### **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. Indresh Batra shall retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

During the year Mr. Yogesh Verma and Mr. S.K. Chopra has resigned w.e.f. 17.09.2009 and 20.02.2009 respectively and Mr. Satyamurti Ramasundar has been appointed by the Board as the additional Director of the company w.e.f. 24.12.2009. Also notice under section 257 from a member has been received proposing to appoint Mr. Satyamurti Ramasundar as director 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 fifteen month period ended 31<sup>st</sup> March, 2010, 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**

As the Company has not yet commenced operational activities, the prescribed details as required under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable to the Company for the period under review.

**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/-

**Sunil Jain  
Director**

SD/-

**Amit Bajpai  
Director**

Place : New Delhi  
Dated : July 15<sup>th</sup> 2010

**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 31<sup>st</sup> March, 2010 and also the Profit and Loss Account and the Cash Flow Statement for the period 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, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 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;

# N. C. AGGARWAL & CO.

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March 2010.
- b) In the case of the Profit and Loss Account, of the loss of the Company for the period ended on that date.
- c) In the case of the Cash Flow Statement, of the cash flow for the period ended on that date.

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

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

Place: New Delhi  
Date: 15th July, 2010

**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 period. 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 period 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) (a), (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, there is 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 period, 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) To the best of our knowledge and as explained, the Company, during the period, 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 prescribed limit at the commencement of the financial period concerned.
- (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, no 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 were arise during the period. Accordingly, paragraphs (ix) (a) and (b) of the Order are not applicable.
- (x) The Company does not have accumulated losses as at the end of financial period The Company has incurred cash loss during the financial period ended March 31, 2010. The Company has not incurred cash loss during the 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 banks and financial institution.

- (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 period, 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, during the period, has applied the loan for the purpose for which it was taken.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not obtained any short term loan. Hence para (xvii) of the order is not applicable.
- (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 period; hence clause (xix) of Order is not applicable.
- (xx) There has not been any public issue made during the period, 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

Place: New Delhi  
Date: 15th July, 2010

**Balance Sheet and Profit and Loss Account**  
**Timarpur-Okhla Waste Management Company Private Limited**  
**Balance Sheet as at March 31, 2010**

	Schedule	AS AT 31.03.2010 Rs.	AS AT 31.12.2008 Rs.
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	111,900,000	111,900,000
Share Application Money, pending allocation		74,150,000	10,500,000
Reserve and Surplus		259,922	2,552,057
<b>Loan Funds</b>			
Secured Loans	2	268,511,250	-
<b>Total</b>		<b>454,821,172</b>	<b>124,952,057</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed assets</b>			
Gross Block	3	316,606	36,235
Less: Depreciation		21,599	16,349
<b>Net Block</b>		<b>295,007</b>	<b>19,886</b>
Capital Advance( Including Capital - WIP)		116,731,621	-
Pre-operative Expenditure, Pending Allocation	4	126,079,525	73,711,092
		<b>243,106,153</b>	<b>73,730,978</b>
<b>Investments</b>	5	<b>35,050,188</b>	<b>-</b>
<b>Current Assets, Loans and Advances</b>			
Cash and Bank Balances	6	174,668,119	10,855,845
Loans and advances	7	10,072,738	48,115,741
		<b>184,740,857</b>	<b>58,971,586</b>
<b>Less : Current Liabilities and Provisions</b>			
Liabilities	8	8,153,856	7,828,337
<b>Net Current Assets</b>		<b>176,587,001</b>	<b>51,143,249</b>
<b>Miscellaneous Expenditure</b>			
(to the extent not written off or adjusted)	9	77,830	77,830
		<b>77,830</b>	<b>77,830</b>
<b>Total</b>		<b>454,821,172</b>	<b>124,952,057</b>

**Significant Accounting Policies & Notes to Accounts** 14  
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

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: 15th July, 2010

SD/-  
Amit Bajpai  
Director

SD/-  
Sunil Kumar Jain  
Director

**Balance Sheet and Profit and Loss Account****Timarpur-Okhla Waste Management Company Private Limited****Profit and Loss Account for the period ended March 31, 2010**

	Schedules	For the period Ended 31.03.10 Rs.	For the period Ended 31.12.08 Rs.
<b>INCOME</b>			
Other Incomes	10	796,056	6,712,178
<b>Total</b>		<b>796,056</b>	<b>6,712,178</b>
<b>EXPENDITURE</b>			
Administrative and other expenses	11	4,752,005	1,743,772
Bank Charges	12	82,245	-
Depreciation	3	5,250	16,349
<b>Total</b>		<b>4,839,500</b>	<b>1,760,121</b>
<b>Profit/ (Loss) for the period before taxation</b>		<b>(4,043,444)</b>	<b>4,952,057</b>
<b>Provision for taxation</b>		<b>(1,751,309)</b>	<b>2,400,000</b>
<b>Profit/(Loss) for the period after taxation</b>		<b>(2,292,135)</b>	<b>2,552,057</b>
<b>Profit/ (Loss) brought forward from previous period</b>		<b>2,552,057</b>	<b>-</b>
<b>Profit/ (Loss) carried to Balance Sheet</b>		<b>259,922</b>	<b>2,552,057</b>
<b>Earning per share:</b>			
Basic (Nominal value of shares Rs. 10)	13	(0.20)	1.83
Diluted (Nominal value of shares Rs. 10)		(0.20)	1.65
<b>Significant Accounting Policies &amp; Notes to Accounts</b>	14		

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

SD/-  
per G.K. Aggarwal  
Partner  
Membership No. 086622  
Place: New Delhi  
Date: 15th July, 2010

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

SD/-  
Amit Bajpai  
Director

SD/-  
Sunil Kumar Jain  
Director

**Timarpur-Okhla Waste Management Company Private Limited**  
**Cash Flow Statement for the period ended March 31, 2010**

	For the period ended March 31, 2010 Rs.	For the period ended December 31, 2008 Rs.
<b>A. CASH FLOWS FROM OPEARTING ACTIVITIES:</b>		
Net Profit/(loss) Before Income taxes	(4,043,444)	4,952,057
Adjustment for:		
Interest Income	(245,868)	(77,942)
Dividend Received	(550,188)	-
Exchange (Gain)/loss on Hedging of advance receivable	4,621,417	(6,634,236)
Depreciation	5,250	16,349
<b>Operating profit before working capital changes</b>	<b>(212,833)</b>	<b>(1,743,772)</b>
Adjustment for:		
(Increase)/Decrease in Loan and Advances	33,488,291	(41,481,505)
Increase/(Decrease) in Trade and other Payables	213,072	5,421,595
<b>Cash earned from operations</b>	<b>33,488,530</b>	<b>(37,803,682)</b>
Direct taxes paid	(66,705)	-
<b>Net cash earned from/ (used in) operating activities</b>	<b>33,421,825</b>	<b>(37,803,682)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest received	245,868	77,942
Dividend Received	550,188	-
Interest paid	(828,856)	-
Purchase of fixed assets(net)	(163,488,232)	(10,704,754)
Investments made	(35,050,188)	-
<b>Net cash (used in) investing activities</b>	<b>(198,571,220)</b>	<b>(10,626,812)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from Issue of Shares	-	48,600,000
Proceeds from Share Application Money	63,650,000	10,500,000
Proceeds from Term Loan	268,702,500	-
<b>Net cash from financing activities</b>	<b>332,352,500</b>	<b>59,100,000</b>
<b>Net increase in cash and cash equivalents</b>	<b>167,203,105</b>	<b>10,669,506</b>
<b>Cash and cash equivalents (opening balance)</b>	<b>10,855,845</b>	<b>186,339</b>
Exchange Difference on translation of Foreign Currency cash & cash equivalent	3,390,831	-
<b>Cash and cash equivalents (closing balance)</b>	<b>174,668,119</b>	<b>10,855,845</b>
	<b>167,203,105</b>	<b>10,669,506</b>

As per our report of even date

For N. C. Aggarwal & Co.  
Chartered Accountants

SD/-  
per G.K. Aggarwal  
Partner  
Membership No. 086622  
Place: New Delhi  
Date: 15th July, 2010

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

SD/-  
Amit Bajpai  
Director

SD/-  
Sunil Kumar Jain  
Director

**Balance Sheet and Profit and Loss Account****Timarpur-Okhla Waste Management Company Private Limited****Schedules to the Accounts**

	AS AT 31.03.2010 Rs.	AS AT 31.12.08 Rs.
<b>Schedule 1: Share Capital</b>		
<b>Authorised</b>		
2,50,00,000 equity shares of Rs. 10/- each	<u>250,000,000</u>	<u>250,000,000</u>
<b>Subscribed, issued and paid up</b>		
1,11,90,000 equity shares of Rs. 10/- each fully paid up (Out of above, 1,11,90,000 equity shares of Rs. 10 each are held by Jindal Urban Infrastructure Limited, the Holding Company.)	<u>111,900,000</u>	<u>111,900,000</u>
<b>Schedule 2: Secured Loans</b>		
Term loan from Bank -External Commercial Borrowing (Secured by Hypothecation of all movable assets of the company both, present and future; including first charge on all book debts, revenues and receivables; pari passu charge with working capital lenders; pledge of equity shares held by the sponsors and shareholders representing 30% of the issued and paid up capital of Timarpur-Okhla Waste Management Company Private Limited and irrevocable corporate bank guarantee of Jindal Urban Infrastructure Ltd and Jindal ITF Ltd.)	268,511,250	-
	<u>268,511,250</u>	-

**Balance Sheet and Profit and Loss Account**  
**Timarpur-Okhla Waste Management Company Private Limited**  
**Schedules to the Accounts**  
**Schedule 3: Fixed Assets**

FIXED ASSETS	Gross Block			Depreciation			Net Block	
	As at 01.01.2009	Additions	As at 31.03.2010	As at 01.01.2009	Additions	As at 31.03.2010	As at 31.03.2010	As at 31.03.2009
Office Equipment	17,310	-	17,310	4,331	781	5,112	12,198	12,979
Furniture & Fixtures	18,925	-	18,925	12,018	565	12,583	6,342	6,907
Plant & Machinery	-	280,371	280,371	-	3,904	3,904	276,467	-
<b>Total</b>	<b>36,235</b>	<b>280,371</b>	<b>316,606</b>	<b>16,349</b>	<b>5,250</b>	<b>21,599</b>	<b>295,007</b>	<b>19,886</b>
<b>Previous period</b>	<b>-</b>	<b>36,235</b>	<b>36,235</b>	<b>-</b>	<b>16,349</b>	<b>16,349</b>	<b>19,886</b>	<b>-</b>

(Amount in Rs.)

**Balance Sheet and Profit and Loss Account****Timarpur-Okhla Waste Management Company Private Limited****Schedules to the Accounts**

	AS AT 31.03.2010 Rs.	AS AT 31.12.08 Rs.
<b>Schedule 4: Pre-operative Expenditure Pending Allocation</b>		
Opening Balance	73,711,092	63,042,573
Loan Process Charges	32,581,858	1,909
Consultancy Charges	11,892,380	3,358,113
Interest on Term Loan	2,692,612	-
Loading, Unloading & Transportation Expenses	-	9,210,511
Foreign Exchange Fluctuation	3,390,831	-
Miscellaneous expenditure	217,922	40,142
Rent	1,181,250	-
Repair & Maintenance	658,732	699,637
Survey Fees	27,575	52,809
Testing Charges	93,182	133,146
Travelling and Conveyance Expenses	32,091	72,252
Less: Sale of scrap	(400,000)	(2,900,000)
	126,079,525	73,711,092

**Schedule 5: Investments****Current Investment (At lower of cost or market value)-Unquoted Non-Trade**

25620.872 (Previous period Nil) units , including 154.968 (Previous period Nil) units received as dividend at par value of Rs. 1001.3389 each, of Reliance Money Manager Fund-Institutional Option-daily dividend reinvestment option are purchased during the period.

25,655,176 -

9384.794 (Previous period Nil) units , including 394.583 (Previous period Nil) units received as dividend at par value of Rs. 1001.0888 each, of Reliance Money Manager Fund-Retail Option-daily dividend reinvestment option are purchased during the period.

9,395,012 -

Aggregated value of unquoted Investments

35,050,188 -

**Schedule 6: Cash & Bank Balances**

Cash in Hand

13,643 11,273

Balances with scheduled banks:

- On current accounts

174,654,476 1,844,572

- Margin Money

- 9,000,000

(Pledged with bank for bank guarantee)

174,668,119 10,855,845

**Balance Sheet and Profit and Loss Account****Timarpur-Okhla Waste Management Company Private Limited****Schedules to the Accounts**

	AS AT 31.03.2010 Rs.	AS AT 31.12.08 Rs.
<b>Schedule 7: Loans and Advances</b>		
<b>(Unsecured, Considered good)</b>		
Recoverable in cash or in kind or for which value to be received	10,006,033	48,037,799
Advance Tax	66,705	-
Interest accrued but not due	-	77,942
	<b>10,072,738</b>	<b>48,115,741</b>
<b>Schedule 8: Current Liabilities &amp; Provisions</b>		
<b>A. Current Liabilities</b>		
Sundry Creditors	5,615,623	5,021,569
Interest accrued but not due	1,863,756	-
Other Liabilities	25,786	406,768
	<b>7,505,165</b>	<b>5,428,337</b>
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	5,615,623	5,021,569
	<b>648,691</b>	<b>2,400,000</b>
	<b>648,691</b>	<b>2,400,000</b>
	<b>8,153,856</b>	<b>7,828,337</b>
<b>Schedule 9: Miscellaneous Expenditure</b>		
<b>(to the extent not written off or adjusted)</b>		
Preliminary Expenses	77,830	77,830
	<b>77,830</b>	<b>77,830</b>

**Balance Sheet and Profit and Loss Account****Timarpur-Okhla Waste Management Company Private Limited****Schedules to the Accounts**

	For the period Ended 31.03.10 Rs.	For the period Ended 31.12.08 Rs.
<b>Schedule 10: Other Incomes</b>		
Exchange Gain on Hedging of advance receivable	-	6,634,236.00
Dividend on Current Investment	550,188	-
Interest received from bank (TDS deducted Rs.49175/- , Previous year Rs. 17530/-)	245,868	77,942
	<b>796,056</b>	<b>6,712,178</b>
<b>Schedule 11: Administrative and Other Expenses</b>		
Directors Sitting Fees	10,000	-
Rate and Taxes	107,352	1,737,030
Exchange Loss on Hedging of advance receivable	4,621,417	-
<b>Auditors' Remuneration:</b>		
- Audit Fees	13,236	6,742
	<b>4,752,005</b>	<b>1,743,772</b>
<b>Schedule 12: Bank Charges</b>		
Bank Charges	82,245	-
	<b>82,245</b>	
<b>Schedule 13: Earnings per share (EPS)</b>		
Profit / (Loss) for the year	(2,292,135)	2,552,057
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 275 days	-	10,000
Number of shares outstanding for 34 days	-	11,180,000
<b>Weighted average number of equity shares in calculating Basic EPS</b>	<b>11,190,000</b>	<b>1,392,255</b>
<b>Basic earning per share</b>	<b>(0.20)</b>	<b>1.83</b>
Weighted average number of equity shares in calculating dilutive loss per share:		
Weighted average number of equity shares in calculating Basic EPS	-	1,392,255
Number of shares outstanding for 31 days	-	1,000,000
Number of shares outstanding for 24 days	-	50,000
<b>Weighted average number of equity shares in calculating Dilutive EPS</b>	<b>-</b>	<b>1,543,691</b>
<b>Dilutive earning per share</b>	<b>-</b>	<b>1.65</b>

**SCHEDULE 14: 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 period 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 period end are translated at the rate of exchange prevailing at the close of the period and resultant gains/losses are recognized in profit and loss account of the period 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) 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 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.

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. Capital Commitments**

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

4. The previous period figures are not comparable with current period figures as previous period figures are for the period from April 01, 2008 to December 31, 2008 as compared to the current period of fifteenth months from January 1, 2009 to March 31, 2010.

**5. Financial and derivative**

(a) Nominal amount of derivative contracts entered into by the company and outstanding as at 31<sup>st</sup> March, 2010 for hedging currency and interest rates related risks:

S. No.	Particulars	As at 31 <sup>st</sup> March, 2010 (Rs. In Lacs)	As at 31 <sup>st</sup> December, 2008 (Rs. In Lacs)
1	Forward Contracts	2685.11	Nil

**SCHEDULE 14: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

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

S. No.	Particulars	As at 31 <sup>st</sup> March, 2010 (Rs. In Lacs)	As at 31 <sup>st</sup> December, 2008 (Rs. In Lacs)
1	Receivables/Inflows	Nil	Nil
2	Payables/Outflows	Nil	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.**

- Jindal Urban Infrastructure Limited (Direct holding)
- Jindal ITF Limited (Indirect holding through Jindal Urban Infrastructure Limited)
- Jindal Saw Limited (Indirect holding through Jindal ITF Limited)

**Fellow Subsidiaries (Indirect)**

- Jindal Water Infrastructure Limited
- Jindal Waterways Limited
- Jindal Rail Infrastructure Limited
- Jindal Shipyards Limited
- Jindal Infralogistics Limited
- Jindal Intellicom Private Limited
- Jindal ESIPL CETP (SITARGANJ) Limited (Indirect)
- Hexa Securities & Finance Company Limited (Indirect)
- IUP Jindal Metals & Alloys Limited (Indirect)
- Highgate Consultants Limited (Indirect) (upto August 12, 2009)
- SV Trading Limited (Indirect)
- Jindal Saw USA, LLC (Indirect)
- Jindal Saw Holding FZE (Indirect)
- Jindal Water Infra (Naya Raipur) Limited (Indirect)
- Jindal Saw Middle Est FZC (Indirect)
- Jindal Saw Gulf LLC (Indirect)

(b) **Transactions**

(Figures in '000')

Particulars	Holding Company	
	Current Period	Previous Period
Share Capital subscribed during the period	Nil	48,600
Share Application Money Received	63,650	10,500
Reimbursement of expenditure	652	Nil
<b>Balance as on 31.3.2010</b>		
Share Capital	111,900	111,900
Share Application Money	74,150	10,500
<b>Amount Recoverable /(Payable)</b>	<b>511</b>	<b>63,200</b>

SCHEDULE 14: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

7. Expenditure in Foreign Currency

(Figure in INR Rs.)

Particulars	Current Period	Previous Period
Legal Expenses	77,044	Nil
Finance Charges	18,23,680	Nil
<b>Total</b>	<b>19, 00, 724</b>	<b>Nil</b>

8. 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.

9. Previous period figures have been regrouped/ re- arranged to make them comparable with the Current Period's figures

As per our report of even date attached

For N. C. Aggarwal & Co.  
Chartered Accountants

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: 15<sup>th</sup> July, 2010

SD/-                      SD/-  
Amit Bajpai              Sunil Kumar Jain  
Director                      Director

**TIMARPUR OKHLA WASTE MANAGEMENT COMPANY PRIVATE LIMITED****SCHEDULE 14: SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS**

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

**Balance Sheet Abstract and Company's General Business Profile****I Registration Details**

Registration No :	135146	State Code:	55
Balance Sheet Date:	31/03/2010		

**II Capital Raised During The Period (Amount in Rs. Thousands)**

Public Issue	-	Rights Issue	-
Bonus Issue	-	Private Placement	-
Share Application money	63,650		

**III Position of Mobilisation And Deployment of Funds (Amount in Rs. Thousands)**

Total Liabilities	4,54,821	Total Assets	4,54,821
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**Sources of Funds**

Paid-Up Capital	111,900	Reserves and Surplus	260
Secured Loans	2,68,511	Unsecured Loans	-
Share Application Money	74,150		

**Application of Funds**

Net Fixed Assets	2,43,106	Investments	35,050
Net Current Assets	1,76,587	Miscellaneous Expenditure	78

**Accumulated Losses**

-

**IV Performance of Company (Amount in Rs. Thousands)**

Turnover (other income)	796	Total Expenditure	4,839
Profit Before Tax	(4,043)	Profit After Tax	(2,292)
Earnings Per Share - Basic Rs.	(0.20)	Dividend Rate %	-
Earnings Per Share - Diluted Rs.	(0.20)		

**V Generic names of principal products/services of the Company (As per monetary Terms)\***

Item Code No. (ITC Code)	NA	Product Description	NA
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**\*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

Director

SD/-

Sunil Kumar Jain

Director

Place: New Delhi

Date: 15<sup>th</sup> July, 2010