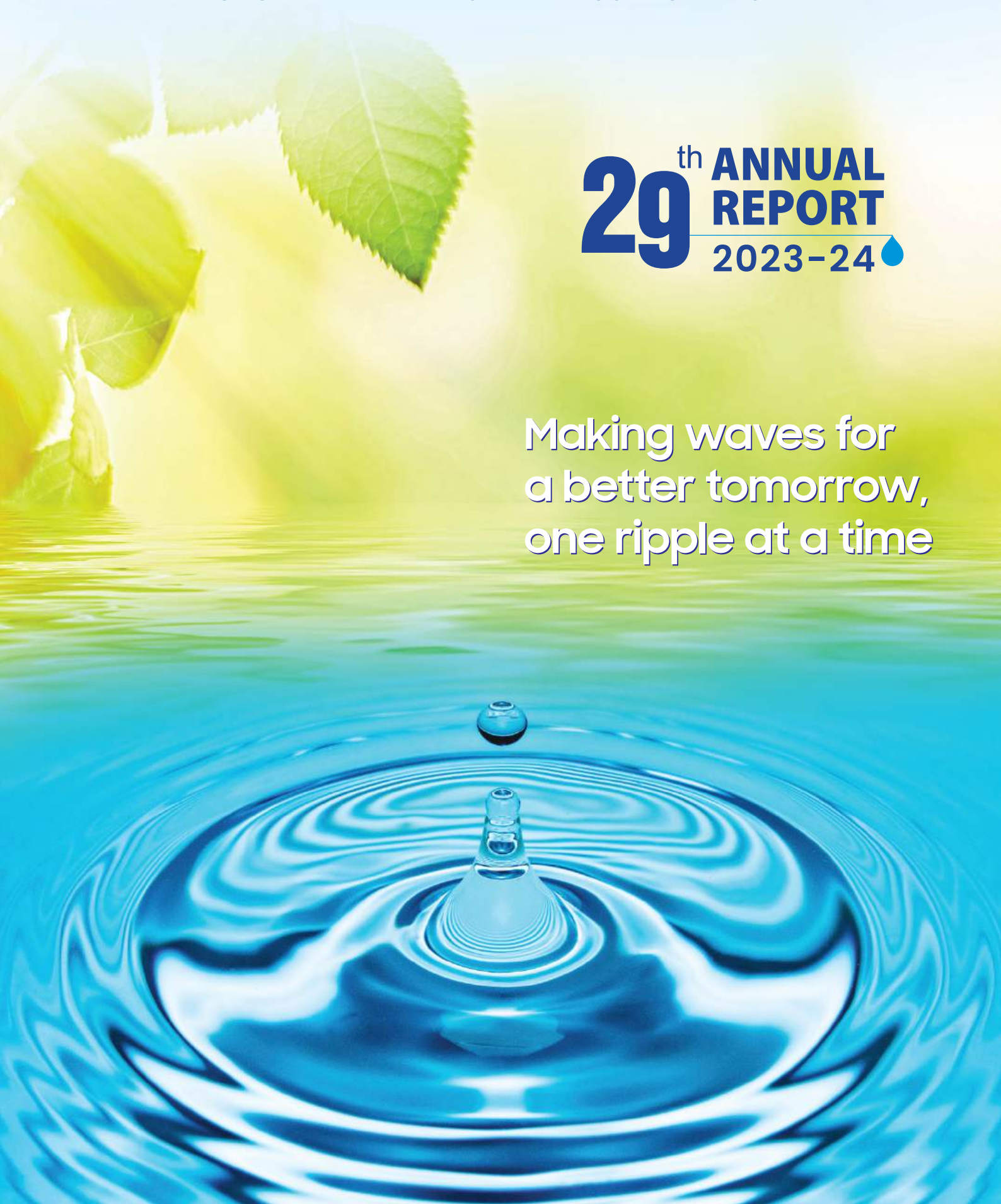




NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

**29th ANNUAL
REPORT**
2023-24

Making waves for
a better tomorrow,
one ripple at a time



Company Information

REGISTERED OFFICE

No.66, Appachi Nagar,
Main Road, Kongu Nagar,
Tirupur 641 607.
Tamil Nadu, India
CIN: U91990TZ1995PLC005869

STATUTORY AUDITORS

M/s. Venkat and Rangaa LLP
Chartered Accountants
(Appointed by the Comptroller &
Auditor General of India)

SECRETARIAL AUDITORS

M/s V Suresh Associates Company Secretaries

BANKERS

State Bank of India

BOARD OF DIRECTORS

(Present Composition as on 22nd June 2026)

Mr. Gagandeep Singh Bedi, I.A.S

(w.e.f 22.06.2026)
Chairman

Mr. B. Ganesan, I.A.S

(w.e.f 22.06.2026)
Managing Director

Mr. Prashant M Wadnere, I.A.S

(w.e.f 22.06.2026)
Director

Dr. Atul Anand, IAS

(w.e.f 04.03.2025)
Director

Mr. Raja Gopal Sunkara, I.A.S

(w.e.f 22.06.2026)
Director

Mrs. Jayashree Ramaswamy

(w.e.f 21.08.2024)
Director

Mrs. Priya Shetty

(w.e.f 27.12.2024)
Director

Mr. Faizal N. Syed

(w.e.f 26.02.2002)
Director

Mr. A. Sakthivel

(w.e.f 01.03.1995)
Director

Mr. Baiju Mathew

(w.e.f 19.03.2021)
Director

Note: The above Corporate information represents the position as on 22nd June 2026, being the date of approval of the Revised Financial Statements for the Financial Year 2023-2024 by the Board of Directors. Details of the Board of Directors and Key Managerial Personnel during the Financial Year 2023-24 and changes thereafter are provided in the Board's Report.



BOARD OF DIRECTORS DURING FY 2023-24

(Historical Composition)

Dr. D. Karthikeyan, I.A.S.

(w.e.f 31.07.2023)

Chairman

Dr. Chandrakant B Kamble, I.A.S.

(w.e.f 23.07.2021)

Managing Director

Mr. Prashant M Wadnere, I.A.S.

(w.e.f 17.12.2021)

Director

Tmt. Archana Patnaik, I.A.S.

(w.e.f 15.11.2023)

Director

Dr. P. Senthilkumar, I.A.S

(w.e.f 31.07.2023)

Director

Mr. G. Mahalingam

(w.e.f 20.02.2022)

Director

Mr. L. Krishnan

(w.e.f 05.10.2010)

Director

Mr. Faizal N. Syed

(w.e.f 26.02.2002)

Director

Mr. A. Sakthivel

(w.e.f 01.03.1995)

Director

Mr. Baiju Mathew

(w.e.f 19.03.2021)

Director



KEY MANAGERIAL PERSONNEL DURING FY 2023-24

Dr. Chandrakant B Kamble, I.A.S

Managing Director

Mr. Girish Kumar N.J.R.V

Chief Financial Officer

Mr. Saurabh Misra

Company Secretary

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NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

(CIN : U91990TZ1995PLC005869)

Registered Office: No.66, Appachi Nagar Main Road, Kongu Nagar, Tirupur – 641 607

Tel: 0421-2486864/2481165 Fax: 0421-2486874

Website : www.ntadcl.com Email: contactus@ntadcl.com

NOTICE OF ADJOURNED ANNUAL GENERAL MEETING

NOTICE is hereby given that the Adjourned Twenty Nineth (29th) Annual General Meeting of the shareholders of NEW TIRUPUR AREA DEVELOPMENT CORPORATION LTD (which had been originally Convened on Friday, 27th December 2024 at 12 noon, whereas the consideration of the undernoted item of business was adjourned sine die) will be held on 21st August 2026, Friday at 12 noon at Poppy's Hotel, #7/27, Avinashi Road, Thirumurugan Poondi, Tirupur – 641 652 to transact the following business:

ORDINARY BUSINESS :

1. *Item no. 1 of the Original Notice: - To receive, consider and adopt the Audited Financial Statements of the Company containing Balance Sheet as at March 31, 2024, Profit & Loss Account and Cash Flow Statement of the Company for the year ended 31st March 2024 together with the Report of the Board, Reports & Comments of the Auditor and Comptroller and Auditor General of India thereon and reply of the management thereto.

*** Please refer to attached Explanatory Statement relating to Item Nos.1**

BY ORDER OF THE BOARD

Place: Chennai

Date : 28.07.2026

Gagandeep Singh Bedi

CHAIRMAN

(DIN: 01354652)

NOTE REGARDING NOTICE OF ADJIRNED 29TH ANNUAL GENERAL MEETING

As the shareholders are aware, the standalone audited financial statements for the financial year ended March 31, 2024, could not be adopted at the 29th Annual General Meeting (AGM) originally held on December 27, 2024, as the statutory audit had not been conducted due to the non - appointment of Statutory Auditor of the Company.

To enable the completion of the audit and the appointment of Statutory Auditor, the Board, at its meeting held on April 17, 2023, filed an application with the Comptroller and Auditor General of India (CAG) for the appointment of a new Statutory Auditor for FY 2022–23 and FY 2023-24

Pending the appointment, the Company sought and obtained an extension from the Registrar of Companies (ROC) to hold the AGM by December 31, 2024, in line with Section 96 of the Companies Act, 2013. Accordingly, the 29th AGM was convened on December 27, 2024, to transact seven items of business. All items, except Item No. 1 – *Adoption of Financial Statements*, were duly transacted. Item No. 1 was adjourned *sine die*.

The Comptroller and Auditor General of India (CAG) appointed **M/s. Venkat and Rangaa LLP** as the Statutory Auditors of the Company for the financial years **2022–23 to 2024–25**. The Statutory Auditors completed the audit of the financial statements for FY 2023–24, which were initially approved by the Board of Directors at its meeting held on **23rd July 2025**. Subsequently, after the special audit by the PAG, the revised **financial statements** for FY 2023–24 were approved by the Board at its meeting held on **22nd June 2026**.

#The audited financials were submitted to the Principal Accountant General (Audit I), Chennai for FY 2023-24. The Final “NIL comments” from the CAG under Section 143(6) (b) of the Companies Act, 2013, after special Audit, have been received on **15th July 2026**. A copy of the CAG's comments is enclosed with this notice.

Accordingly, the adjourned 29th AGM is now being reconvened to consider the adoption of the audited financial statements of the Company for the year ended March 31, 2024, including the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Board's Report, Auditor's Report, CAG's comments, and the Management's reply thereto.

The Annual Report for FY 2023–24, including all statutory annexures and the CAG's comments, is enclosed with this notice of the adjourned 29th AGM dated **21.08.2026**.

The other agenda items of the original AGM notice dated December 4, 2024 were already circulated. Members who wish to receive a copy of the original notice in physical or electronic form may write to the Company.

In terms of the provisions of Standard No 15.2 of “Secretarial Standard on General Meeting (SS-2)” issued by the Institute of Company Secretaries of India, a fresh notice in terms of the provisions of Companies Act, 2013 is being given for this adjourned meeting since the meeting was adjourned *sine die*.

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBERS OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPNAY NOT LESS THAN 48 HOURS BEFORE THE TIME OF ADJOURNED ANNUAL GENERAL MEETING.**
2. **PURSUANT TO THE PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES ETC. MUST BE SUPPORTED BY APPROPRIATE RESOLUTION /AUTHORITY AS APPLICABLE**
3. Corporate members / Institutional Shareholders (i.e., other than individuals / HUF, NRI etc.) intending to send their authorized representatives to attend the adjourned Annual General Meeting (AGM) are requested to send a duly certified copy of their Board Resolution authorizing their representative to attend and vote at the AGM.
4. All documents and register of Directors and KMP and their shareholding mentioned under section 180, referred to in the accompanying Notice are open for inspection and it will be available electronically for inspection by the members during the AGM. Members seeking to inspect such documents can send an email to company contactus@ntadcl.com.
5. **As per Companies (Prospectus and allotment of securities) Third Amendment Rules, 2018, securities of Unlisted Public Company can be transferred only in dematerialized form, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.**
6. Members / Proxies should bring the Admission Slip sent herewith duly filled in for attending the Meeting
7. This Notice also contains a route map of the venue of the AGM

BY ORDER OF THE BOARD

**Place: Chennai
Date : 28.07.2026**

**Gagandeep Singh Bedi
CHAIRMAN
(DIN: 01354652)**

ANNEXURE 1

New Tirupur Area Development Corporation Limited

Registered Office: No.66, Appachi Nagar Main Road, Kongu Nagar, Tirupur – 641 607
Tel: 0421-2486864/2481165 Fax: 0421-2486874
CIN: U91990TZ1995PLC005869 www.ntadcl.com

ATTENDANCE SLIP

29th Annual General Meeting (Adjourned) on 21st August 2026 at 12 Noon

Folio/DP & Client No.:.....

No. of Shares

Held:.....

Name:

Address:.....

I/We hereby record my / our presence at the adjourned 29th Annual General Meeting of the Company held at 21st August 2026 at 12 Noon.

.....
Signature of shareholder / proxy

- Note:
1. Please fill this attendance slip and hand it over at the entrance of the Hall
 2. Members/Proxy Holders/Authorised Representatives are requested to show their Photo ID Proof for attending the Meeting.
 3. Authorised Representative of Corporate Members shall produce proper authorization issued in their favour.
-

PROXY FORM

(Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules 2014)

Name of the Member[s]

Registered Address

E-Mail ID :

Folio No./DP Id-Client Id:

I/We being the member[s] holding.....shares of the above-named company, hereby appoint

1. Name :.....Email Id.....
Address:.....
Signature.....

or failing him / her

2. Name :..... Email Id.....
Address:.....
Signature.....

or failing him / her

3. Name :..... Email Id.....
Address:.....
Signature.....

as my/our proxy to attend and vote [on a poll] for me//us and on my/our behalf at the Adjourned 29th Annual General Meeting of the Company to be held on 21st August 2026, Friday at 12 noon at Poppy's Hotel, #7/27, Avinashi Road, Thirumurugan Poondi, Tirupur – 641 652 and at any adjournment thereof in respect of such resolutions as are indicated below / overleaf:

*I wish my above proxy to vote in the manner as indicated in the box below:

Resolution No.	Resolutions	For	Against
Ordinary Business			
1	Adoption of Balance Sheet, Statement of Profit & Loss, Report of the Board of Directors and Auditors for the Financial Year ended 31 st March 2024		

Signed thisday of.....2026

Affix
Revenue
Stamp

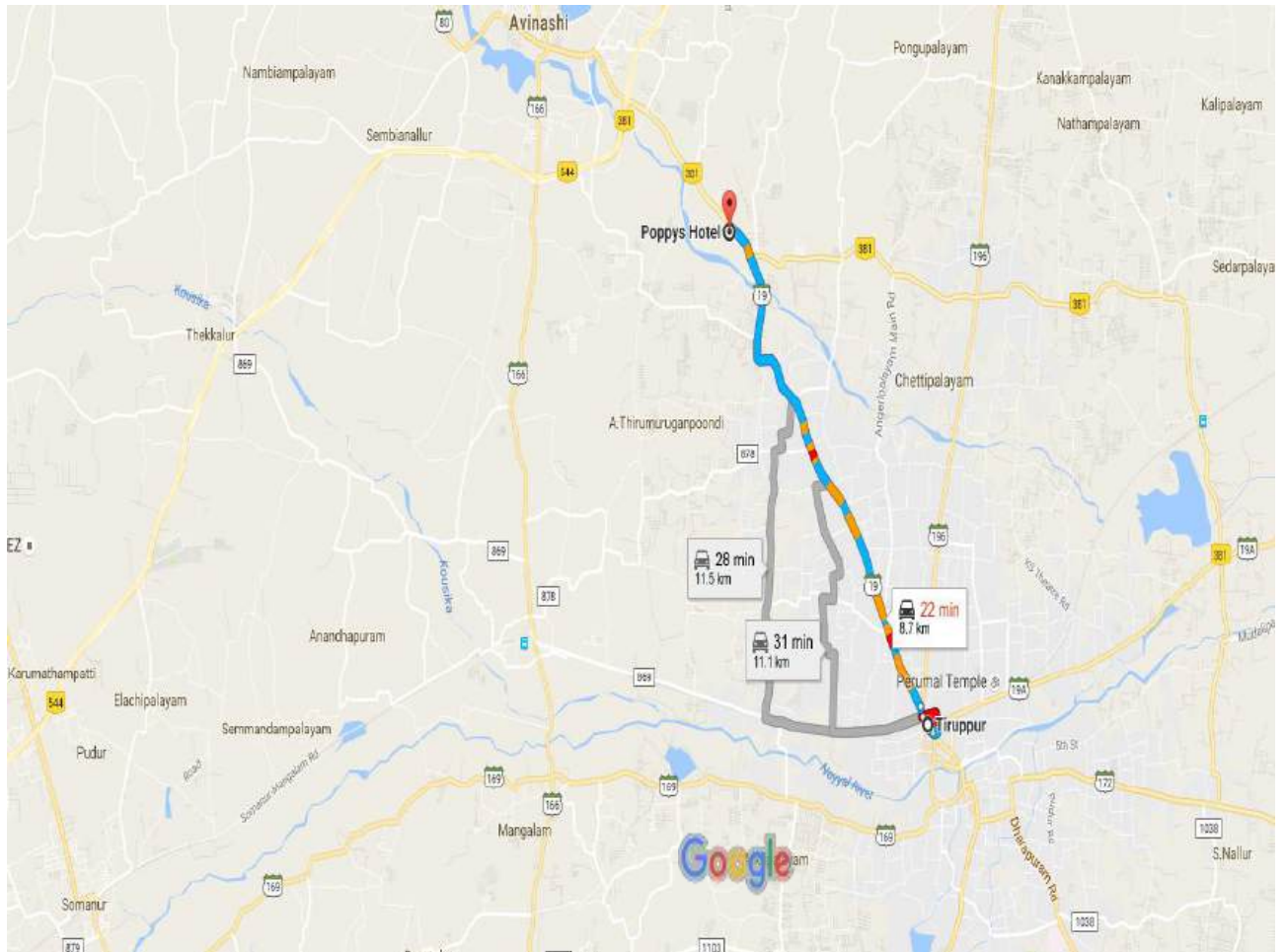
.....
Signature of Shareholder

.....
Signature of Proxy Holder [s]

Notes:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- 2) A proxy need not be a Member of the Company
- 3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- 4) This is only optional. Please put a (X) in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

ROUTE MAP



29th (Adjourned) Annual General Meeting

Date : 21st August 2026
Day : Friday
Time : 12.00 noon
Venue : **Poppys Hotel,
#7/27 Avinashi Road,
Thirumuruganpoondi
Tirupur – 641 652**

NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

(CIN : U91990TZ1995PLC005869)

Registered Office: No.66, Appachi Nagar Main Road, Kongu Nagar, Tirupur – 641 607

Tel: 0421-2486864/2481165 Fax: 0421-2486874

Website : www.ntadcl.com Email: contactus@ntadcl.com

DIRECTOR'S REPORT

Dear Members,

The Board of Directors (Board) have immense pleasure in presenting the Twenty-Ninth Annual Report of the Company with the audited financial statements and accounts for the year ended 31st March 2024

Financial / Highlights:

Key highlights of financial performance for the year ended March 31, 2024, are summarized as under:

	(Rs. in crores)	
Particulars	FY 2023-24	FY 2022-23
Revenue from Operations	220.11	231.84
Other Income	17.48	13.78
Total	237.59	245.62
Expenditure	101.18	97.13
Profit/(Loss) before Interest, depreciation and tax (PBIDT)	136.41	148.49
Interest expenses*	9.27	14.22
Depreciation	31.70	31.64
Profit/(Loss) before tax (PBT)	95.44	102.63
Tax Expenses	27.19	(33.50)
Profit/[Loss] after tax (PAT)	68.24	136.13
Other Comprehensive Income	(0.10)	0.16
Total Comprehensive Income	68.14	136.29
Balance of Profit/[Loss] b/fwd	(151.60)	(287.73)
Surplus [Deficit]carried to balance sheet	(83.36)	(151.60)
Basic EPS	1.14	2.27
Note*-Interest expense includes Rs.8.73 Crores towards interest on sub-debt and Rs.0.28 Crores towards financial guarantee.		

Indian Accounting Standards (IND AS):

The Ministry of Corporate Affairs (MCA) on February 16, 2015, notified pursuant of the provision enumerate under compliances (IND AS) Rules 2015, that Indian Accounting Standards (IND AS) are applicable to certain classes of Companies from April 1, 2016 with a transition date of April 1, 2015. IND AS is applicable to the Company from April 1, 2021 by virtue of the net worth criteria. Accordingly, the Company has adopted IND AS from April 1, 2021 and the financial statement for the year ended March 31, 2024 are prepared in accordance with principles laid down in the said IND AS.

Dividend:

Due to the huge accumulated loss and non-availability of distributable profits, no dividend is declared for the current year.

Transfer to Reserves

During the financial year 2023-24, the Company has not transferred any amount to reserves. The profits have been retained to support business operations and future growth initiatives.

Operations Review:

During the financial year 2023–24, adequate storage levels were maintained in the Mettur Dam, ensuring a consistent and uninterrupted flow of water throughout the year. Consequently, there was no disruption in the operations of the plant, which continued to function in strict adherence to the Standard Operating Procedures (SOPs) and applicable statutory norms.

Industrial off-take increased by approximately **5.71 MLD**, reflecting a **14% growth** compared to the previous financial year (2022–23). The domestic water supply remained consistent in line with the concessioned quantity. However, the additional quantity off-take under the 21 MLD Scheme recorded a reduction of approximately **21.23 MLD** during FY 2023–24 as compared to FY 2022–23.

Three new industrial cluster projects — **M/s Senjerimalai Water Project LLP, Gudimangalam Water Project LLP**, and **Tirupur Palladam Water Projects LLP** — are currently at various stages of implementation, with a cumulative proposed industrial off-take of **13 MLD**. These projects are expected to commence drawing water from NTADCL from FY 2025–26 onwards.

The Company is actively identifying new potential areas and industrial customers, and it is expected that industrial revenue will further increase with the addition of new clients in the coming years.

During FY 2023–24, sewage treatment quantity decreased by approximately **6%** compared to FY 2022–23. The sewage treatment operations continue to be carried out in accordance with the prescribed norms of the **Tamil Nadu Pollution Control Board (TNPCB)**. With the expansion of the sewage network by the Tirupur Corporation under the **AMRUT Scheme**, a higher number of residential connections are anticipated, which is likely to enhance sewage inflow for treatment in the ensuing years.

Financial Review

The revenue from operations for the financial year ended March 31, 2024, stood at ₹220.11 crores, reflecting a de-growth of 5.06% compared to ₹231.84 crores in the previous year. This decline is primarily attributable to reduced off-take of additional quantity by the Tirupur City Municipal Corporation (TCMC).

The Company reported a **net profit after tax of ₹68.24 crores**, as against **₹136.13 crores** in the preceding financial year. Of the total revenue, **₹208.63 crores** were generated from the water supply operations, **₹7.01 crores** from sewage treatment services, and **₹4.47 crores** from consultancy and other ancillary services.

This marks the **eighth consecutive year** in which the Company has reported net profits, demonstrating sustained operational viability. Looking ahead, the Company remains optimistic about growth prospects, particularly in the industrial water segment, which is expected to contribute positively to performance in the coming years.

As on **March 31, 2024**, the **accumulated losses** of the Company stood at **₹83.36 crores**.

It is also pertinent to note that an appeal filed by an aggrieved shareholder against the judgment of the Hon'ble **Madras High Court**, which had permitted the implementation of the **Corporate Debt Restructuring (CDR)** scheme, is currently **pending before the Hon'ble Supreme Court of India**.

Corporate Governance

a) Board Meetings

The Board met four times during the financial year i.e. on 17th April 2023, 31st July 2023, 27th November 2023 and 26th December 2023. The interval between any two-meeting remained within the statutory limits prescribed under the Companies Act, 2013 and Secretarial Standard issued for that.

b) Board of Directors and Key Managerial Personnel

The following changes occurred in the composition of the Board of Directors and Key Managerial Personnel during the financial year 2023–24 and up to the date of this Report:

Retirement by Rotation

In accordance with Section 152 of the Companies Act, 2013, Dr. A. Sakthivel (DIN: 00027485), Director, retires by rotation at the 28th Annual General Meeting and, being eligible, offers himself for re-appointment. A resolution seeking his re-appointment was included in the Notice convening the 28th AGM held on 29th December 2023, was re-appointed as Director.

In accordance with Section 152 of the Companies Act, 2013, Mr. Faizal Syed (DIN: 00317644), Director, retires by rotation at the ensuing 29th Annual General Meeting and, being eligible, offers himself for re-appointment. A resolution seeking his re-appointment was included in the Notice convening the 29th AGM held on 27th December 2024, was re-appointed as Director.

Appointments and Re-appointments

Dr. D. Karthikeyan, I.A.S. (DIN: 02259481) was appointed as Additional Director and Non-Executive Chairman effective 31st July 2023, upon withdrawal of nomination of Mr. Shiv Das Meena, I.A.S. by Tamilnadu Water Investment Company Limited (TWICL). He was subsequently re-appointed at the 28th AGM held on 29th December 2023.

Dr. P. Senthil Kumar, I.A.S. (DIN: 02497450) was appointed as Additional Director on 31st July 2023 and re-appointed in the 28th AGM held on 29th December 2023. Later, the Government of Tamil Nadu nominated Dr. Gagandeep Singh Bedi, I.A.S. (DIN: 01354652) in his place, who was appointed as Additional Director effective 21st August 2024 and re-appointed in the 29th AGM held on 27th December 2024.

Tmt. Archana Patnaik, I.A.S. (DIN: 02616473) was appointed as Additional Director on 15th November 2023 and re-appointed at the 28th AGM held on 26th December 2023.

Later, the Government of Tamil Nadu nominated Dr. Atul Anand, I.A.S. (DIN: 02646633) in her place, who was appointed as Additional Director effective 4th March, 2025.

Mr. L. Krishnan, I.A.S. (Retd.) (DIN: 00049525) resigned from the Board on 7th August 2024. Mr. L. Krishnan, I.A.S. (Retd.) (DIN: 00049525) ceased to be Director following withdrawal of nomination by TWIC, Ms. Priya Shetty (DIN: 08858814) was nominated in his place and appointed as Additional Director effective 27th December, 2024 till the next 30th AGM.

Change in Managing Director

Dr. Chandrakant B Kamble, I.A.S. (DIN: 02796228), ceased to be Managing Director upon retirement from service on 30th June 2024. TWICL nominated Mr. Hanish Chhabra, I.A.S. (DIN: 06798704), who was appointed as Managing Director effective 21st August 2024. His appointment and remuneration were approved by the shareholders at the 29th AGM held on 27th December 2024.

Changes in Nominee Directorship (IL&FS Ltd)

Mr. G. Mahalingam (DIN: 09660723) ceased to be Director following withdrawal of nomination by IL&FS Ltd., Mrs. Jayashree Ramaswamy (DIN: 02235205) was nominated in his place and appointed as Additional Director effective 21st August 2024. Her appointment was valid until the 29th AGM. Her re-appointment was proposed in the Notice of the 29th AGM and re-appointed in the 29th AGM held on 27th December 2024.

In accordance with Clause 136 of the Articles of Association of the Company, the office of Mr. Ananda Ganesan (DIN: 09464251), Nominee Director of State Bank of India, and Mrs. K. Bhoomlakshmi (DIN: 09070462), Nominee Director of IDBI Bank, ipso facto stood vacated with effect from 31st July 2023. The same was informed to the Directors and placed before the Board of NTADCL.

IDBI Bank has raised a dispute in connection with the Company's application for satisfaction of charge, despite full prepayment of the loans disbursed under the Common Loan Agreement. In this context, the matter relating to the vacation of office of the IDBI Nominee Director was also brought to the attention of the Registrar of Companies.

The Board places on record its deep appreciation for the valuable services rendered by Mr. Shiv Das Meena, I.A.S., Dr. P. Senthil Kumar, I.A.S., Mr. L. Krishnan, I.A.S., Tmt. Archana Patnaik, I.A.S. and Mr. G. Mahalingam, during their tenure as Directors of the Company.

KEY MANAGERIAL PERSONNEL

As on 31st March 2024, the following are the Key Managerial Personal of the Company

Dr. Chandrakant B Kamble, I.A.S	Managing Director
Mr. Girish Kumar NJRV	Chief Financial Officer
Mr. Saurabh Misra	Company Secretary

Mr. Hanish Chhabra, I.A.S., is appointed as Managing Director of the Company with effect from 21st August 2024 in place of Dr. Chandrakant B Kamble, I.A.S.,

Pursuant to the provisions of Section 203 of the Act, Mr. Girish Kumar NJRV, Chief Financial Officer, is the Key Managerial Personnel of the Company and was appointed during the board meeting dated 31st July 2023.

The Board places on record its deep appreciation for the services rendered by Dr. Chandrakant B Kamble, I.A.S., as a Managing Director of the Company.

c) Audit Committee

Due to the absence of Independent Directors on the Board, the Board decided to discharge the function of Audit Committee – related functions in compliance with the Act until a properly constituted Audit Committee, including Independent Directors, is formed.

d) Nomination and Remuneration Committee

Due to the absence of Independent Directors on the Board, the Board decided to discharge the function of Nomination and Remuneration Committee – related functions in compliance with the Act until a properly constituted Audit Committee, including Independent Directors, is formed.

e) Corporate Social Responsibility (CSR) Committee

The Company continues to contribute towards the socio-economic development of the region, with Corporate Social Responsibility (CSR) forming an integral part of its objectives. CSR activities have been undertaken through Tirupur City Municipal Corporation (TCMC) in the past, and currently through the State Disaster Management Authority, Government of Tamil Nadu.

In the absence of a CSR Committee, the Board is responsible for formulating, recommending, and monitoring the CSR Policy and the annual action plan, in line with the provisions of the Companies Act, 2013.

The Chief Financial Officer of the Company has certified that CSR funds so disbursed for the projects have been utilized for the purposes and in the manner as approved by the Board.

At its meeting held on 26th December 2023, the Board approved a CSR contribution of **₹1,64,78,144/-** for FY 2023–24, towards disaster management under Schedule VII (Clause xii) of the Act, by contributing to the State Disaster Management Authority.

The Chief Financial Officer of the Company has certified that CSR funds so disbursed have been utilized for the purposes and in the manner as approved by the Board.

Further details including the composition of the Board, brief outline of the CSR Policy, prescribed and actual CSR expenditure during the year are provided in **Annexure D** to this Report, in the format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR Policy is available on the Company's website at:

<https://ntadcl.com/assets/images/csr-policy.pdf>

**Report on performance of Subsidiaries, Associate companies and Joint ventures:
(Rule 8(1) of, Companies (Accounts) Rules, 2014) – Not applicable**

Particulars of Employees

The Company had no employee, who was employed throughout the financial year or part of financial year and was in receipt of remuneration exceeding the limits prescribed under 5(2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 during the year ended 31st March 2024.

Particulars of Contracts, arrangements made with Related Parties

There were no new contracts or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

The details of transactions with related parties during FY 2023-24 are provided in Note no.47 of accompanying financial statements.

Conservation of energy, technology absorption & foreign exchange earnings & outgo

The particulars relating to energy conservation, technology absorption, foreign exchange earnings and outgo as required to be disclosed under sub-section (3)(m) of Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 are set out in the ‘Annexure A’ to this report.

Material Changes

Pursuant to Section 134(3)(l) of the Companies Act, 2013, the Board confirms that there have been no material changes or commitments affecting the financial position of the Company between the end of the financial year and the date of this report. Additionally, as per Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014, no significant orders have been passed by any Regulators, Courts, or Tribunals that could impact the Company’s going concern status or future operations. Furthermore, there have been no changes in the nature of the Company’s business during the financial year under review.

Disclosure Requirement Under Section 134 of the Companies Act, 2013

As per Section 134(3) of the Companies Act, 2013, the Board's Report is required to include specific disclosures and additional information. Accordingly, all relevant disclosures have been incorporated at appropriate sections of this Report.

Statement concerning development of Risk Management Policy

Your Company recognizes that Risk Management is an integral part of good management practice. The independent Internal Audit function carries out risk focused audit, enabling identification of areas where risk management process may need to be improved. The Audit Committee and the Board of Directors review Internal Audit findings and provides strategic guidance on internal controls. Your Company has adopted a Risk Management

Policy which includes identification of elements of risk, its mitigation and residual risks if any, which in the opinion of the Board, may have adverse impact on the operation of the Company.

Fixed deposits

During the year under review, the Company has not accepted any deposits from the public as defined under Section 73 of the Companies Act, 2013, and the Companies (Acceptance of Deposits) Rules, 2014. The Company remains in compliance with all applicable regulatory requirements concerning the acceptance of deposits.

Non-Convertible Debentures

The company has not issued any Non-Convertible Debentures (NCD) during the year and there was no NCD outstanding as on 31st March, 2024.

Vigil Mechanism/Whistle Blower Policy

In compliance with Section 177(10) of the Companies Act, 2013, and Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company is required to establish a Vigil Mechanism to enable directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violations of the Company's code of conduct. The Vigil Mechanism is to be overseen by the Audit Committee.

However, due to the ongoing issue of the absence of Independent Directors, the statutory Audit Committee has not been validly constituted as per Section 177 of the Companies Act, 2013. The absence of Independent Directors is a result of prolonged disagreements with AIDQUA, which has prevented compliance with key statutory provisions, including Sections 135, 149, 177, 178, and 203 of the Act.

Despite these challenges, as a measure of good corporate governance, the Company has implemented a Grievance Redressal Mechanism through its Board as part of its Employee Handbook. This mechanism ensures transparency and accountability in handling grievances until the statutory Vigil Mechanism can be formally established under the oversight of a duly constituted Audit Committee.

The Company remains committed to resolving the issue of appointing Independent Directors at the earliest. Once the statutory committees are properly constituted, the Vigil Mechanism will be formally implemented in accordance with the Companies Act, 2013, and best corporate governance practices.

Cash Flow Statement

As required under the Companies Act, 2013, a Cash Flow Statement, prepared in accordance with Indian Accounting Standard 7 (Ind AS-7), is included as part of this report.

Industrial and Personnel Relations

NTADCL continues to ensure an equitable, safe and secure environment for employees to work with dignity and to have healthy employee relations, thereby paving way for better productivity. Since inception, NTADCL is committed to provide the basis for sustainable development by upholding ethical practice and promoting the economic and social aspirations of the people in the surrounding area to maintain cordial and healthy industrial relations that strike a balance between organization's purpose and business needs and the bottom-line work force.

Change in Nature of Business

There has been no change in the nature of business during the financial year under review.

Enhancing Shareholders' Value

Your Company values its stakeholders, including its members, employees, customers, and business partners, recognizing their critical role in its success. The Company is committed to achieving operational excellence, cost efficiency, sustainable growth, and resource optimization while maintaining a strong corporate reputation. Additionally, it strives to create long-term value by ensuring that its business operations contribute positively to economic, social, and environmental development.

Cautionary Statement

Statements in the Board's Report outlining the Company's objectives, expectations, or projections may include forward-looking statements as defined under applicable securities laws and regulations. While these statements are based on reasonable assumptions, the Company cannot guarantee their accuracy or future performance. While these statements are based on reasonable assumptions, actual results may differ due to fluctuations in operational costs, such as power tariffs, infrastructure maintenance, and raw material expenses, as well as variations in demand for industrial and domestic water consumption.

Auditors

(a) Statutory Auditors

CAG appointed M/s. Venkat & Rangaa LLP, Chartered Accountants, Chennai as the Statutory Auditor of the company for the FY **2022-2025**. The Statutory Auditor's report for the financial year ended 31st March 2024 is annexed to this Report.

(b) Internal Auditors

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and Rules made thereunder, M/s J Singh Associates, Chartered Accountants, Chennai were appointed as Internal Auditors of the Company for the financial year 2023-24.

(c) Secretarial Auditors

Pursuant to provisions of Section 204 of the Companies Act, 2013, the Board had re-appointed M/s V Suresh Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2023-24. The Secretarial Auditor's report for the financial year ended 31st March 2024 is annexed to this Report.

(d) Cost Auditors

Pursuant to provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, the Maintenance of cost records and cost audit does not apply to the Company

Response to the Qualification contained in the Auditors Report for the Financial Year 2023-24

Statutory Audit

Under Section 143.(2) of the Companies Act, 2013, the auditor shall make a report to the members of the company on the accounts examined by him and on every financial statements which are required by or under this Act to be laid before the Company in general meeting and the report shall after taking into account the provisions of this Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of this Act or any rules made thereunder or under any order made under sub-section (11) and to the best of his information and knowledge, and said accounts, financial statements give a true and fair view of the state of the company's affairs as at the end of its financial year and profit or loss and cash flow for the year and such other matters as may be prescribed.

(3). The auditor's report shall also state –

- a) Whether he has sought and obtained all the information and explanations which to the best of his knowledge and belief were necessary for the purpose of his audit and if not, the details thereof and the effect of such information on the financial statements;
- b) Whether, in his opinion, proper books of account as required by law have been kept by the company so far as appears from his examination of those books and proper returns adequate for the purposes of his audit have been received from branches not visited by him;
- c) Whether the report on the accounts of any branch office of the company audited under sub-section (8) by a person other than the company's auditor has been sent to him under the proviso too that sub-section and the manner in which he has dealt with it in preparing his report;
- d) Whether the company's balance sheet and profit and loss account dealt with in the report are in agreement with the books of account and returns;
- e) Whether, in his opinion, the financial statements comply with the accounting standards;

- f) The observations or comments of the auditors on financial transactions or matters which have any adverse effect on the functioning of the company;
- g) Whether any director is disqualified from being appointed as a director under sub-section (2) of section 164;
- h) Any qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith;
- i) Whether the company has adequate ¹[*internal financial controls with reference of financial statements*] in place and the operating effectiveness of such controls;
- j) Such other matters as may be prescribed.

Such other matters include,

- (a) whether the company has disclosed the impact, if any, of pending litigations on its financial position in its financial statement;
- (b) whether the company has made provision, as required under any law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
- (c) whether there has been any delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.

The Statutory Auditor has placed the Statutory Audit report on the financial statement, Adequacy of internal financial controls and disclosure made pursuant to the direction given under sec. 143(5) of the Companies Act, 2013.

The Company's responses to the comments/observations of the Statutory Auditor, if any, will be placed before/or will be given to the Statutory Auditor during the Board Meeting, only after the Board approves the Financial Statements for the financial year 2023–24. The responses made by the Management, as approved by the Board, will be appropriately incorporated in compliance with Section 134(3)(f) of the Companies Act, 2013.

However, the Company's replies to the Comments of Statutory Auditor are furnished as under:

S. No.	Comments / Observations of the Statutory Auditor	Response of the Company
1.	<i>Though the Company has sent letters for confirmation of balances from Banks, term loans, Loans and Advances, Trade payable, Retention Money, Security Deposit, Earnest Money Deposit and Trade Receivables, very few confirmations have been received. The level of response for the confirmations were insignificant. In view of the same we are unable to quantify the deviation if any between the balances as per books and the above third parties.</i>	As per standard auditing practices, balance confirmations from banks and financial institutions also form part of the auditor's third-party verification procedures. Despite NTADCL's earnest efforts to obtain such confirmations, the response has been limited, primarily because several of the balances pertain to earlier financial year, i.e., of FY 2022–23. Additionally, there is an ongoing

S. No.	Comments / Observations of the Statutory Auditor	Response of the Company
		dispute relating to the satisfaction of charges, which is currently sub-judice before the Hon'ble High Court of Madras and under review by the Registrar of Companies, Coimbatore. These factors have contributed to the low response rate from lenders and other parties. Notwithstanding the limited responses received, the management believes that the balances as stated in the financial statements are appropriately reflected and materially accurate based on internal records and reconciliations available with the Company.
2.	<i>All loans other than IL&FS (disputed Loan), has been fully settled by the company. However, only six banks viz IOB, SIDBI, CANARA BANK, BANK OF INDIA, BANK OF BARODA AND CENTRAL BANK OF INDIA have given NO DUE CERTIFICATE. Other lenders have not issued NOC or confirmation due to the claim of ROR of Rs 69.83 Crores which has been disputed by the Company. The Company has not provided the liability for ROR of Rs 69.83 Crores in the financial statements but shown under contingent liability. In the absence such comprehensive confirmation, the impact, if any, on the carrying value of these items in the financial statements and the consequential impact on the results of the Company for the year under consideration are not presently determinable.</i>	With reference to the observation, it is submitted that based on the disbursement made, all loans, except for those from IL&FS disputed loan, have been fully settled. Out of the total lenders, six banks—Indian Overseas Bank, SIDBI, Canara Bank, Bank of India, Bank of Baroda, and Central Bank of India—have issued No Due Certificates confirming the closure of their respective facilities. The remaining lenders have not issued confirmations, owing to the disputed claim of Right of Recompense (ROR) amounting to ₹69.83 Crores. The Company has consistently contested this claim on valid legal and contractual grounds before the Registrar of Companies and also before the Hon'ble High Court of Madras, that all Loan, based on the disbursement made has been paid off and ROR based on

S. No.	Comments / Observations of the Statutory Auditor	Response of the Company
		Opinion/Certificate received from the experts is NIL and unsecured. Accordingly, the said amount has not been recognized as a liability in the financial statements and has instead been disclosed as a contingent liability, in compliance with the requirements of Ind AS 37 – <i>Provisions, Contingent Liabilities and Contingent Assets</i>. The Company remains committed to resolving this matter legally , and any accounting treatment required will be duly given effect once the liability, if any, is finally determined.”
3.	<i>The Management of the Company, based on legal opinion and new facts relating to lapses and irregularities identified during the comprehensive compliance and governance review, has alleged that IL&FS fraudulently and illegally deducted amounts and short-disbursed funds from the USAID loan., and has stopped payment of principal and interest to ILFS Ltd with effect from December 2022. Consequently, interest amounting to Rs 5.04 Crores for FY 23-24 (Rs 1.67 Crores previous year) has not been provided in the books of accounts. The Company has represented before the Hon’ble NCLT, Chennai, and the Hon’ble NCLT, Mumbai, that IL&FS Ltd. has been paid ₹249.92 crores in excess on account of illegal and fraudulent pre-disbursal deductions made by IL&FS. further IL&FS claimed filed in CA52 2024 has been dismissed by NCLT Mumbai. as well as the Company’s application for set-off, was dismissed on the ground of moratorium. The related matter is also currently sub judice before the Hon’ble NCLT, Chennai, in CA No. 32 of 2010, wherein the Company has filed additional facts substantiating its claim that IL&FS made fraudulent and illegal deductions</i>	The Company, based on legal opinion received from the AG / AAG GoTN and further supported by detailed due diligence carried out by the Company through experts, has taken the position that an excess amount of ₹249.92 Crores was paid to IL&FS Ltd on account of illegal deductions in earlier periods. This assessment is backed by documentation and findings identified during the internal review and due diligence process. Accordingly, the Company has withheld further any payments towards principal, interest, penal interest or any other amount to IL&FS Ltd with effect from December 2022. Furthermore, the claim filed by IL&FS in CA 52 of 2024 before the Hon’ble NCLT, Mumbai, was dismissed by the NCLT, Mumbai vide its order dated 26.06.2025,

S. No.	Comments / Observations of the Statutory Auditor	Response of the Company
	<i>from the USAID portion of the loan and effected short disbursement in contravention of the stipulations under the Common Loan Agreement. (Refer Note no 35). The Disputed amount of outstanding as per books INDAS as on 31.3.2024 to ILFS is Rs 120.40 Crores (Term Loan Rs 52.92 Crores Sub ordinate debt Rs 48.53 Crores and DSRF of Rs.12.42 Crores) which is continued, pending final resolution of the matter, no adjustments have been made to the aforesaid outstanding amounts in the accompanying standalone financial statements. The ultimate outcome of the matter and the consequential adjustments, if any, are presently not ascertainable, as the order of the NCLT Mumbai on 26.06.2025 in CA 52 of 2024 and C.A. 511 of 2020 in C.P. No. 3638/(MB)/2018 is, subject to the outcome of any appeal(s) that may be preferred by either party before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") or other competent legal forum, as per law. As the principal due itself is disputed the penal interest claim from IL&FS of Rs 28.68 lakhs as well as Delayed payment charges (DPC) claim of Rs 48.02 lakhs is not provided in the books.</i>	thereby rejecting the claim and relief sought against NTADCL by IL&FS."
4.	<i>Tirupur City Municipal Corporation has confirmed the balance as on November 2024 in a letter to the Government of Tamilnadu seeking grant vide letter No.E1/2513/2014 dated 26.12.2024. No direct confirmation as on 31.3.2024 has been received. Balance due as per books as on 31.3.2024 is Rs 113.58 Crores from the said corporation.</i>	With reference to the Auditor observation, it is submitted that NTADCL has been consistently following up with Tirupur City Municipal Corporation (TCMC) for collection of dues as well as confirmation of balances. TCMC, vide its letter No. E1/2513/2014 dated 26.12.2024 addressed to the Government of Tamil Nadu, has acknowledged the outstanding amount, which is in agreement with the balance recorded in our books. However, NTADCL will once again request TCMC to provide a direct confirmation of the year-end balance as on 31.03.2024, as required for the Audit purpose ."

S. No.	Comments / Observations of the Statutory Auditor	Response of the Company
5.	<i>The Company has not identified slow moving, non-moving and obsolete stocks and suitable provision has not been made. We are unable to quantify the extent to which the profits are overstated.</i>	(i) The inventory management typically involves ensuring the availability of essential spare parts, tools, and equipment for continuous operations of plant 24 X 7. Considering this, while budgeting, we are categorizing them as A&B. A - Required for routine maintenance activities and B - Spares are procured on a need basis only. So, there are no such slow-moving items in our water supply O&M. (ii) on the other hand, non-moving or obsolete inventory is not relevant in our case as the system is well-maintained and regularly updated. The company is meticulously finalizing the annual budget with effective inventory management in water supply O&M to focus on minimizing downtime, reducing wastage and ensuring the availability of critical components.
6.	<i>Material Uncertainty related to Going Concern:</i> <i>1. Corporate Debt Restructuring (Litigated) by a shareholder pending at Hon'ble Supreme court.</i> <i>2. Internal auditor has commented that the price on domestic water supply and sewage, and industrial water supplies has not been revised since 2019.</i>	The Company acknowledges the observations regarding material uncertainties related to going concern. In response, the Board submits the following: 1. Corporate Debt Restructuring (CDR): The CDR mechanism was duly implemented during the financial year 2011-12 with the approval of the erstwhile Company Law Board (CLB) and the Hon'ble High Court of Madras. Since then, the Company, with the continued

S. No.	Comments / Observations of the Statutory Auditor	Response of the Company
		support of the Government of Tamil Nadu and its lenders, has significantly improved its financial performance and has been consistently reporting profits from FY 2015-16 onwards. All debts owed to lenders and financial institutions, under the CDR package, have been fully prepaid. A shareholder's challenge to the CDR implementation is currently pending before the Hon'ble Supreme Court. However, the CDR has been fully implemented and debts repaid (except for the ongoing matter with IL&FS Ltd., which is separately sub judice). Relevant disclosures have been made under Note No. 36 of the financial statements. 2. With reference to the observation, it is submitted that in respect of domestic water supply and sewage tariffs, the Price Revision Committee (PRC) has been reconstituted. In respect of industrial water supply tariffs, the Board of Directors, at its meeting held on 27th March 2025, approved a 5% upward revision. Any further revision in industrial tariffs will be considered by the Board at appropriate intervals, keeping in view the prevailing circumstances, escalation in costs, and the need to ensure the long-term financial sustainability of the Company."
7.	<i>Emphasis of Matter including observations Under Companies Act, 2013 as mentioned in the Secretarial Audit Report for the financial year 2023-24</i>	With respect to the observations made under the Companies Act, 2013, as referred to in the Secretarial Audit Report for the financial year

S. No.	Comments / Observations of the Statutory Auditor	Response of the Company
		2023-24, the Board clarifies that detailed responses to each of the observations made by the Secretarial Auditor have been provided in the subsequent section of this Directors' Report under the heading <i>"Explanation to the observations made in the Secretarial Audit Report."</i> The Company is of the view that the observations made do not affect the true and fair view of the state of affairs of the Company. The Company has since undertaken necessary corrective actions and is now compliant with the applicable provisions of the Companies Act, 2013, to a large extent. The Company is also making continuous efforts to address the observations highlighted in the Secretarial Audit Report and remains committed to upholding the highest standards of corporate governance.
8.	<i>Internal Controls Over Financial Reporting (ICFR) - Though internal auditors have been given the scope to evaluate the Internal Controls over financial reporting the report is not comprehensive. We suggest that the Company should do a complete evaluation of internal checks and controls as well as do systems audit to ensure that the objectives of ICFR are met.</i>	The Company has put in place an adequate internal control system, including checks and balances, an approved procurement policy, and defined payment matrix and procedures for financial reporting. As part of its commitment to continuous improvement, the Company is in the process of developing an enhanced Risk and Control Matrix (RACM) to comprehensively identify, evaluate, and mitigate potential risks. In addition, the Company shall implement Standard Operating Procedures (SOPs), strengthen internal checks and controls, and conduct regular systems audits including testing the effectiveness and integrity of software used by the

S. No.	Comments / Observations of the Statutory Auditor	Response of the Company
		O&M operator - to ensure alignment with the objectives of Internal Controls over Financial Reporting (ICFR).
9.	<i>Internal Controls Over Financial Reporting (ICFR) - The Company needs to establish a risk control matrix to evaluate the risks and to mitigate the same.</i>	The Company charges interest at the rate of 18% on delayed payments from industrial customers and the calculation of interest on outstanding dues is fully automated within the system. However, for domestic customers (such as TCMC, Wayside Villages, Town Panchayats, etc.), the interest calculation is done manually at 10% due to technical reasons, as interest rates have undergone multiple changes in the past. As part of the Company's continuous improvement process, we will take necessary steps to enhance and automate the calculation of interest for domestic customers and also work towards integrating the billing and accounting software to streamline the overall system and strengthen control processes.
10.	<i>Internal Controls Over Financial Reporting (ICFR) - The Billing, collection, spares purchase, issue and inventory are maintained by the O&M operator in his software and the same is entered in the accounting software by the Company. So far, the company has not done a system audit of periodic testing of the effectiveness of the software to test its integrity, any bugs or lapses/improvement in control systems.</i>	
11.	<i>Internal Controls Over Financial Reporting (ICFR) - The Company needs to establish standard operating procedures, internal checks and controls to improve the effectiveness of its control systems.</i>	
12.	<i>Internal Controls Over Financial Reporting (ICFR) - The delay in payment by the customers is charged at 10% but were calculated in excel sheet for the outstanding and billed for customers. The interest calculations for domestic customers have not been automated because the interest rates are not fixed yet and it has undergone many changes in the past. The tanker sales are also not automated and based on Paytm receipts entries were made in the billing software. Both the billing software and accounting software needs to be integrated.</i>	

Secretarial Audit

The Company's replies to the comments of Secretarial Auditor are furnished as under:

S. No.	Comments / observations of the Secretarial Auditor	Response of the Company
1	<i>The Company has to appoint two Independent Directors to comply with Section 149 of the Companies Act, 2013.</i>	As per Article 120 of the Articles of Association of NTADCL, which was prepared and adopted by the shareholders based on the agreement at that time and is now sub judice before the NCLT Chennai, the total number of Directors on the Board should be 14. Further, as per Article 124, the Board must include two Independent Directors who are not connected with any shareholder. With the enactment of the Companies Act, 2013, Section 149(4), read with Rule 4(1) of the Companies (Appointment & Qualification of Directors) Rules, 2014, mandates that the Company must have at least two Independent Directors. Additionally, to comply with Sections 135, 177, and 178 of the Act, the appointment of Independent Directors is essential, as they serve as Chairpersons of various statutory committees.
2	<i>The Company has not constituted Audit Committee (Section 177), Nomination & Remuneration Committee (Sec 178) and Corporate Social Responsibility Committee (Sec 135) in accordance with the provisions of the Companies Act, 2013. The company has not established the Vigil Mechanism Policy as required under the Section 177 read along with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and not conducted the Independent Directors Meeting as required under Section 149 and Schedule IV of the Act. Further, the Company has not carried out the Director's Evaluation as required under Section 134 of the said Act.</i>	Since 2007, multiple attempts have been made to appoint Independent Directors; however, these were not accepted on multiple occasions by the nominee Director of AIDQUA due to disagreements. The appointment of Mr. P. Shankar, IAS, was made in the Board meeting held on 23.10.2007, and he continued in office until 12.03.2010. After a gap of five years, in 2015, the Company appointed Mr. G. A. Rajkumar and Mrs. Latha Ramanathan as Independent Directors in the Board meeting held on 26.06.2015, for a period of two years. However, Mr. G. A. Rajkumar resigned on 11.08.2015, and Mrs. Latha Ramanathan continued in office until 25.09.2017. Despite repeated efforts thereafter, the appointment of Independent Directors

S. No.	Comments / observations of the Secretarial Auditor	Response of the Company
		could not be materialized. In 2016, AIDQUA filed Interlocutory Application No. 11/2016 in SLP No. 11694 of 2014 (CA 6857 of 2018) before the Hon'ble Supreme Court. The Supreme Court disposed of the application as infructuous while observing by a passing of comment, that the Board, in appointing two Independent Directors not connected with any shareholder, must act in accordance with the law and Articles of Association, particularly Article 124. The Board has actively taken up the matter in its meetings held on 17.12.2021, 17.03.2023, and 24.06.2023 and thereafter and efforts were made to reach a consensus on appointing Independent Directors. Five names were suggested by the Board, and two names were suggested by AIDQUA. However, the nominee Director of AIDQUA did not consent to any of the names proposed, resulting in continued non-compliance with statutory provisions. The persistent objections from AIDQUA's nominee Director have led to non-compliance with key provisions of the Companies Act, 2013, including Sections 135, 149, 177, 178, and 203. Considering the statutory obligations, the management has communicated to the Government of Tamil Nadu (GoTN) to write to the Registrar of Companies (ROC) to declare the nominee Director of AIDQUA as an "Officer in Default" under Section 2(60)(vi) of the Companies Act, 2013, for non-compliance with the above-mentioned provisions. A legal opinion obtained from the Additional Government Pleader confirms that the constitution of statutory committees—such as the Audit Committee, Nomination & Remuneration Committee, and Corporate Social Responsibility (CSR) Committee—without Independent Directors would

S. No.	Comments / observations of the Secretarial Auditor	Response of the Company
		amount to a direct and irreconcilable violation of the Companies Act, 2013. Despite these challenges, the Company remains committed to resolving this issue through consensus and is also exploring alternative legal and regulatory courses of action to ensure the appointment of Independent Directors at the earliest. Once the Independent Directors are appointed and the statutory committees are duly constituted, the Company will undertake a formal evaluation of Directors in compliance with the provisions of the Companies Act, 2013, and applicable governance best practices. The evaluation process will be conducted as per the established performance evaluation framework, ensuring compliance with Section 178 and related rules. Further, in compliance with Section 177(10) of the Companies Act, 2013, the Company will frame a Vigil Mechanism, which will be overseen by the Audit Committee, as mandated under Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014. Since NTADCL is required to have an Audit Committee under the Act, the Vigil Mechanism shall be placed under its supervision once the committee is properly constituted with Independent Directors. However, in the interim, as a best corporate governance practice, the Company has already approved and adopted a Grievance Redressal Mechanism through its Board as part of its Employee Handbook, ensuring transparency and accountability in handling grievances. NTADCL remains committed to upholding corporate governance standards and statutory compliance and will continue its efforts to ensure adherence to the Companies Act, 2013, in both letter and spirit.
3	<i>The Financial Statements and Boards Report has not been approved within prescribed time line under Section 134</i>	The Company submitted an application on 19th May 2023 to the Comptroller and Auditor General of India (CAG) under

S. No.	Comments / observations of the Secretarial Auditor	Response of the Company
	<i>& 137 of the Companies Act, 2013.</i>	Section 139(5) of the Companies Act, 2013, for the appointment of a Statutory Auditor. Pursuant to this, the CAG appointed M/s Venkat & Rangaa LLP, Chartered Accountants, as the Statutory Auditor for the financial years 2022–23 to 2024–25, vide communication dated 21st September 2024. The statutory audit for the financial year 2022–23 has been completed, and the audited financial statements were approved by the Board on 27th March 2025. As required under Section 143(6)(b) of the Companies Act, 2013, the approved financial statements are currently under review by the CAG, and final comments are awaited. Upon receipt of the CAG’s comments and adoption of the financial statements along with the Auditor’s Report, Secretarial Audit Report, and the Board’s Report by the shareholders, the Company shall ensure filing of the same with the Ministry of Corporate Affairs (MCA) in compliance with the applicable provisions of the Act. For the financial year 2023–24, the statutory audit has been completed. Upon approval of the financial statements for the year ended 31st March 2024, along with the accompanying reports by the Board and their subsequent adoption by the shareholders, the Company will ensure timely filing with the MCA in compliance with Sections 134 and 137 of the Companies Act, 2013, within the prescribed timelines.

Secretarial Standards Compliances

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, (ICSI), New Delhi under Section 118 of the Companies Act, 2013.

Annual Return

In Accordance with Section 134(3)(a) read with Section 92 (3) of the Companies Act, 2013, read with Rule 12 (1) of Companies (Management and Administration) Rules, 2014, the annual return in Form MGT-7 has been placed on Company's website at www.ntadcl.co.in

Particulars of Loans, Guarantees or Investments

The Company has not provided any loans or guarantees or made investments under Section 186 of the Companies Act, 2013.

Directors' responsibility statement

Pursuant to Section 134(3) (c) of the Companies Act, 2013, your Directors confirm that:

- a) in the preparation of the annual accounts, the applicable Indian Accounting Standards (IND As) had been followed along with proper explanation relating to material departures;
- b) 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 and loss of the company for that period;
- c) 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;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the company being unlisted, sub-clause (e) of Section 134(3) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Adequacy of Internal Financial Control with reference to financial statements (Rule 8(5) (viii) of the Companies (Accounts) Rules, 2014

The Company's internal financial control with reference to the financial statements are adequate

Details regarding frauds reported by Auditors under Section 143 (12)

During the year under review, there was no frauds reported by the auditors to the Audit Committee or the Board under Section 143(12) of the Act.

Maintenance of Cost Records as required under sub-section (i) of Section 148 of The Companies Act, 2013 (Rule 8(5)(ix) of Companies (Accounts) Rules, 2014 - Not applicable

Certificate pursuant to clause 11.7.2 of the shareholders' agreement

The certificate pursuant to Clause 11.7.2 of the Shareholders Agreement is attached as 'Annexure C' to this report.

Disclosure under the Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the year under review, no complaints were reported to/resolved by the Company under the aforesaid Act.

MATERNITY BENEFIT: *Rule 8(5)(xiii) of Companies (Account) Rules, 2014*

The Company affirms that it would duly comply with all provisions of the Maternity Benefit Act, 1961, and would extend all statutory benefits to eligible women employees.

During the year under review, no application for the same was reported by the Company under the aforesaid Act.

Acknowledgement:

The Board acknowledges with grateful thanks the support of the Government of Tamil Nadu, Tirupur Corporation, the Shareholders, various Financial Institutions and Commercial Banks for their valuable guidance and look forward to their continued support in the future.

For and on behalf of the Board

Place : Chennai
Dated : 08.10.2025

Sd/-
DR.D. KARTHIKEYAN
CHAIRMAN
(DIN : 02259481)

Particulars required under Rule 8(3) the Companies (Accounts) Rules, 2014

a) Conservation of Energy FY23-24

Optimal energy usage and nominal power factor are being maintained in Water Treatment plant (WTP), Booster Pumping Station (BPS) and Master Balancing Reservoir (MBR).

In Raw water pumping station (RWPS) one major pump capital refurbishment was carried out and efficiency improved, resulting in energy cost savings of about Rs. 3.15 Lakhs / Annum

In Booster pumping station two major pump capital refurbishment was carried out and efficiency improved, resulting in energy cost savings of about **Rs. 8.95 Lakhs / Annum**.

In WTP, existing 250W, 150W sodium vapor fixtures were replaced by energy efficient LED - 150W & 90W light fixtures respectively and the energy cost savings is about Rs.1.2 Lakhs/annum.

In WTP, BPS & MBR, Private power purchased through TATA IEX (**Indian Energy Exchange** / TATA Power Ltd) and energy cost saving of **Rs.302 Lakhs** achieved for FY 2023-24.

Proposed Action: 2024-25

In this FY2024-25, we have planned to take up the below Capex energy improvement programs:

- i. Capital refurbishment of Booster pump (1 no) and Raw water intake pump (1 no)
- ii. To continue and enhances the Private Power Purchase for, WTP, BPS & MBR through IEX to minimize the energy cost.
- iii. Phasing out of Conventional light fixtures with LED light fixtures

b) Technology Absorption

No imported technology is involved which is required to be absorbed.

c) Foreign Exchange Earnings and Outgo

- (1) Activities relating to exports, initiatives taken to increase exports; development of new export markets for products and services and export plans - Not applicable to the line of business

(2) Total foreign exchange earned: NIL

For and on behalf of the Board

Place : Chennai
Dated : 08.10.2025

Sd/-
DR. D. KARTHIKEYAN
CHAIRMAN
(DIN:02259481)

The secretarial Audit report for the Financial year 2023-24

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year 2023-24

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

M/s. NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED (hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **M/s. NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED**

("the Company") for the financial year ended on 31st March 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(NOT APPLICABLE)**

J. R. Udayak



- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(NOT APPLICABLE)**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(NOT APPLICABLE)**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; **(NOT APPLICABLE)**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(NOT APPLICABLE)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(NOT APPLICABLE)**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(NOT APPLICABLE)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(NOT APPLICABLE)**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(NOT APPLICABLE)**

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company. **(NOT APPLICABLE)**

We further report that the Board of Directors of the Company is constituted with Executive and Non- Executive Directors only. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.



J. R. Udayak

Observations under the Companies Act, 2013

1. *The Company has to appoint two Independent Directors to comply with Section 149 of the Companies Act, 2013.*
2. *The Company has not constituted Audit Committee (Section 177), Nomination & Remuneration Committee (Sec 178) and Corporate Social Responsibility Committee (Sec 135). But, the composition of the said Committees is not in accordance with the provisions of the Companies Act, 2013. The company has not established the Vigil Mechanism Policy as required under the Section 177 read along with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and not conducted the Independent Directors Meeting as required under Section 149 and Schedule IV of the Act. Further, the Company has not carried out the Director's Evaluation as required under Section 134 of the said Act.*
3. *The Financial Statements and Boards Report has not been approved within prescribed time line under Section 134 & 137 of the Companies Act,2013.*

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent to at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For V Suresh Associates
Practising Company Secretaries**



J. R. Udaya

Udaya Kumar K R

Partner

FCS No. 11533

C.P.No. 21973

Peer Review Cert. No. : 6366/2025

UDIN: F011533G000831143

Place: Chennai
Date: 21.07.2025

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,

The Members

M/s. NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For V Suresh Associates
Practising Company Secretaries



J. R. Udayak

Udaya Kumar K R
Partner

FCS No. 11533

C.P.No. 21973

Peer Review Cert. No. : 6366/2025

UDIN: F011533G000831143

Place: Chennai
Date: 21.07.2025

Certificate pursuant to Clause 11.7.2 of the Shareholders' Agreement of New Tirupur Area Development Corporation Limited:

The Board of Directors of the Company hereby certifies that none of the Directors, officers, agents, employees, or other persons acting on behalf of the Company has made any offer of payment or gift of, or promise to pay or give, any money or anything of value, directly or indirectly, to : (i) any officer, official, or employee of any government or any department, agency, subdivision or instrumentally thereof, (ii) any political party, official or candidate for political office, or (iii) any person, in each case contrary to applicable law.

For and on behalf of the Board

Place : Chennai
Dated : 08.10.2025

Sd/-
DR. D. KARTHIKEYAN
CHAIRMAN
(DIN:02259481)

“Annexure D” to the Board’s Report

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD’S REPORT

INCLUDED IN THE BOARD'S REPORT

(1) Brief outline on CSR Policy of the Company:	The Policy encompasses the Company's philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs in activities covered under Schedule VII of the Companies Act, 2013. The Company's CSR Policy has been uploaded in the weblink : www.ntadcl.com/csrpolicy.html		
(2) Composition of CSR Committee: The Company has not been able to constitute the CSR Committee due to ongoing disagreements and lack of acceptance by the AIDQUA Nominee Director regarding the appointment of an Independent Director. The Board has been discharging the functions of the CSR Committee in accordance with the Companies Act, 2013, until the proper constitution of the CSR Committee with Independent Directors, in compliance with Section 135 of the Act. The Board, in its meeting held on 26.12.2023, deliberated on CSR matters in the absence of a duly constituted CSR Committee. CSR matters was considered and directly approved by the Board in its meeting held on 26.12.2023 . Continuous Efforts are being made to appoint an Independent Director at the earliest.			
(3) Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company	www.ntadcl.com/csrpolicy.html		
(4) Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).	Not applicable		
(5) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any			
Sl. No.	Financial Year	Amount available for set-off from preceding financial years (Rs. in crore)	Amount required to be set- off for the financial year, if any (Rs. in crore)
NIL			
(6) Average net profit of the company as per section 135(5)			
(7) (a) Two percent of average net profit of the company as per section 135(5)	Rs.1.64 Cr		

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.				NIL						
(c) Amount required to be set off for the financial year, if any				NIL						
(d) Total CSR obligation for the financial year (7a+7b- 7c).				Rs.1.64 Cr						
8.(a) CSR amount spent or unspent for the financial year:										
Total Amount Spent for the Financial Year. (Rs. in crore)		Amount Unspent (Rs. in crore)								
		Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).						
		Amount	Date of transfer	Name of the Fund		Amount		Date of transfer		
1.64		NIL	--	--		Nil		--		
b) Details of CSR amount spent against ongoing projects for the financial year:										
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No)	Location of the project.	Project duration	Amt allocated for the project (in Rs.)	Amt spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation Direct (Yes/No).	Mode of Implementation Through Implementing Agency
				State	District				Name	CSR Registration Number
NIL										
c) Details of CSR amount spent against other than ongoing projects for the financial year:										
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)			

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (Rs. in lakhs.)	Mode of implementation Direct (Yes/No).	Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
1	State Disaster Management Authority		Yes	Tamil-Nadu	Chennai	164.78	No	TN State Disaster Management Authority	NA
Total						164.78			
d) Amount spent in Administrative Overheads					NIL				
e) Amount spent on Impact Assessment, if applicable					NIL				
f) Total amount spent for the Financial Year (8b+8c+8d+8e)					Rs.1.64 Cr				
g) Excess amount for set off, if any									
S. No.	Particulars							Amount (Rs. In Cr)	
(i)	Two per cent of average net profit of the company as per section 135(5)							1.64	
(ii)	Total amount spent for the Financial Year							1.64	
(iii)	Excess amount spent for the financial year [(ii)-(i)]							---	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any							---	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]							---	
9. (a) Details of Unspent CSR amount for the preceding three financial years:									
Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in Rs.)		
				Name of the Fund	Amount (in Rs).	Date of transfer			
Not applicable									
(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):									

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project Completed /Ongoing.
Not applicable								
10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).								
a. Date of creation or acquisition of the capital asset(s).					None			
b. Amount of CSR spent for creation or acquisition of capital asset.					NIL			
c. Details of the entity or public authority or d. beneficiary under whose name such capital asset is registered, their address etc.					Not applicable			
e. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).					Not applicable			
11. Specify the reason(s), if the company has failed to spent two per cent of the average net profit as per section 135(5)					Not applicable			
					Name of the Director:			
					Sd/- Dr. D. KARTHIKEYAN Chairman			
Place: Chennai					(DIN : 02259481)			
Date: 08.10.2025								

INDEPENDENT AUDITOR'S REPORT REVISED

To the Members of New Tirupur Area Development Corporation Limited

This report supersedes the earlier audit report for the year ending 31 st March 2024 dated 23.7.2025 consequent to corrections in the financials on the basis of observations of Comptroller and Auditor General of India.

The Changes relate to the classification of Fixed Deposits on the basis of maturity and the figures in the previous year comparatives due to clerical errors. However there is no material alteration in the overall figures in the Balance sheet or in the Profit and loss account.

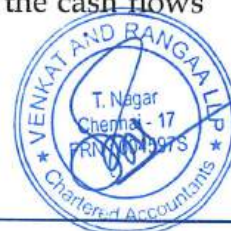
Our audit opinion is not modified on account of above changes.

Report on the Audit of the Standalone Ind AS financial statements

Qualified Opinion

We have audited the Ind AS financial statements of New Tirupur Area Development Corporation Limited ("the Company"), which comprise the Balance sheet as at March 31, 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of cash flows and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the matter described in the Basis for Qualified Opinion section of our report, aforesaid standalone financial statements give information required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2024, of its Profit(Including Other Comprehensive Income), the Statement of changes in Equity, and the cash flows for the year then ended on that date.



Basis for Qualified Opinion

1. *Though the Company has sent letters for confirmation of balances from Banks, term loans, Loans and Advances, Trade payable, Retention Money, Security Deposit, Earnest Money Deposit and Trade Receivables, very few confirmations have been received. The level of response for the confirmations were insignificant. In view of the same we are unable to quantify the deviation if any between the balances as per books and the above third parties.*
2. *All loans other than IL&FS has been fully settled by the company. However, only six banks viz IOB, SIDBI, CANARA BANK, BANK OF INDIA, BANK OF BARODA AND CENTRAL BANK OF INDIA have given NO DUE CERTIFICATE. Other lenders have not issued NOC or confirmation due to the claim of ROR of Rs 69.83 Crores which has been disputed by the Company. The Company has not provided the liability for ROR of Rs 69.83 Crores in the financial statements but shown under contingent liability. In the absence such comprehensive confirmation, the impact, if any, on the carrying value of these items in the financial statements and the consequential impact on the results of the Company for the year under consideration are not presently determinable.*
3. *The Management of the Company based on legal opinion and new facts relating to lapses and irregularities identified during the comprehensive compliance and governance review, has alleged that IL&FS fraudulently and illegally deducted amounts and short-disbursed funds from the USAID loan, and has stopped payment of principal and interest to ILFS Ltd. with effect from December 2022. Consequently, interest amounting to Rs. 5.04 Crores for FY 23-24 (Rs 1.67 Crores previous year) has not been provided in the books of accounts. The Company has represented before the Hon'ble NCLT, Chennai, and the Hon'ble NCLT Mumbai, that IL&FS Ltd. has been paid ₹249.92 crores in excess on account of illegal and fraudulent pre-disbursal deductions made by IL&FS. Subsequently, the petition filed by IL&FS before the Hon'ble NCLT, Mumbai, seeking directions for the continued payment of the alleged dues and other reliefs against NTADCL is dismissed, as well as the Company's application for set-off was dismissed on the ground of moratorium. The related matter is also currently sub judice before the Hon'ble NCLT Chennai, in CA No. 32 of 2010, wherein the Company has filed additional facts substantiating its claim that IL&FS made fraudulent and illegal deductions from the USAID portion of the loan and effected short disbursement in contravention of the stipulations under the Common Loan*



Agreement. (Refer Note no 35), The Disputed amount of outstanding as per books INDAS as on 31.3.2024 to ILFS is Rs 120.40 Crores (Term Loan Rs 52.92 Crores Sub ordinate debt Rs 48.53 Crores and DSRF of Rs12.42 Crores) which is continued, pending final resolution of the matter, no adjustments have been made to the aforesaid outstanding amounts in the accompanying standalone financial statements. The ultimate outcome of the matter and the consequential adjustments, if any, are presently not ascertainable, as the order of the NCLT Mumbai on 26.06.2025 in CA 52 of 2024 and C.A. 511 of 2020 in C.P. No. 3638/(M8y2018 is , subject to the outcome of any appeal(s) that may be preferred by either party before the Hon'ble National Company Law Appellant Tribunal ("NCLAT") or other competent legal forum, as per law. As the principal due itself is disputed the penal interest claim from IL&FS of Rs 28.68 lakhs as u: ell as Delayed payment charges (DPC) claim of Rs 48.02 lakhs is not provided in the books.

- 4. Tirupur City Municipal Corporation has confirmed the balance as of November 2024 in a letter to the Government of Tamil Nadu seeking grant vide letter No. E1/2573/2074 dated 26.12.2024. No direct confirmation as on 31.3,2024 has been received. Balance due as per book as on 31.3.2024 is Rs 113.58 Crores from the said corporation.*
- 5. The Company has not identified slow moving, non-moving and obsolete stocks and suitable provision has not been made. We are unable to quantify the extent to which the profits are overstated.*

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Companies Act 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone Ind AS financial statements.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting key audit matters as per SA 701, Key Audit Matters are not applicable to the company as it is an unlisted company.

Material Uncertainty related to Going Concern

We draw attention to Note 35 of the financial statements which indicates that the Corporate Debt restructuring (CDR) undertaken by the company during the financial year 2011-12 has been litigated by a shareholder in Hon'ble Supreme court, which is pending for adjudication as on the date of this report. A material uncertainty regarding the outcome of litigation where in an adverse decision could result in a significant outflow of resources for the company which may cast significant doubt on company's ability to continue as going concern in the future.

Internal auditor has commented that the price on domestic water supply and sewage and industrial water supplies has not been revised since 2019

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We also draw attention to the following matters in the Notes to the Financial Statements:

- 1. Note No 36 with regard to AIDQUA petition CA No 32 of 2010 for recovery of non-tenable deductions from IL & FS and further company has filed another claim based on legal opinion obtained and additional Facts/irregularities discovered after comprehensive due diligence done post appointment of full time MD by the GoTN in the company , regarding non-tenable deductions along with interest thereon vide CA No 3638 of 2018 and which has been decided by the NCLT Mumbai, and matter before the NCLT Chennai in CA No. 32 of 201.0 is pending as on this date.*
- 2. During the year 2012-13, the Company has received a sum of Rs 35.00 crores from the Government of Tamilnadu towards share capital contribution. Out of this amount received, the Company has allotted shares to the extent of Rs 32.72 crores to the Government of Tamilnadu and*



has refunded the excess amount of Rs. 2.28 crores on 31.3.2023. The Government of Tamilnadu has filed an application before the Company Law Board (presently NCLT) for increasing the Authorized Capital of the Company for enabling the Company to issue the shares to the Government of Tamilnadu and comply with the terms of the Corporate Debt Restructuring agreed to by the Company with the lenders. The matter has been adjourned sine die by the Company Law Board (now NCLT) pursuant to the pending proceedings before the Hon'ble Supreme Court in CA No. 6857 of 2018. (Refer note no 39 on notes to accounts)

3. The Company to meet the Income tax due date has filed Form 3CB audited by a Chartered accountant and filed financials signed by only MD and the CS. In view of the variation in the figures between the audited financials and the financials filed with the Income tax department, revised return needs to be filed.

4. The Company has paid all loans to secured creditors except ILFS Ltd (disputed Loan), but the lenders have refused to file satisfaction of Charge as per them Right to recompense (ROR) amounting to Rs 69.83 Crores is still due as per the MRA Terms. NTADCL filed an application with ROC Coimbatore to record the satisfaction of charge, as IDBI Trustee has not issued a No Dues Certificate or released the charge despite the prepayment of the loan. The ROC, however, passed an order stating that since the lenders have not issued the No Dues Certificate due to their claim of pending ROR and other fees from NTADCL (despite the company having fully repaid the term loan), the satisfaction of charge could not be recorded at this stage. Aggrieved by this order, NTADCL has filed a writ petition before the High Court of Madras, contending that ROC Coimbatore passed the order without considering the evidence and submissions provided by the company. (Refer note no 38 of notes on accounts)

5. The Company has disputed the method of calculation of ROR with Rs 69.83 Crores and has submitted its calculation wherein the ROR is Rs (16.97 Crores) and hence no ROR is payable. ROC also, commented in its order that, ROR is not secured, based on the filing of Charge Documents made to the ROC and is not the part of the Charge-ID 90004044,

6. A case was filed against AIDQUA and the suspected Significant Beneficial Owners (SBOs) who, as per NTADCL's findings, were required to disclose their SBO status under Section 90(1) of the Companies Act, 2013.

Based on NTADCL's submissions, NCLT Chennai passed an order stating that AIDQUA had not made the proper disclosures, and the other reliefs sought in the petition would be considered pending the decision of the Hon'ble Supreme Court. NTADCL has filed an appeal before NCLAT Chennai challenging the second part of the order, seeking relief that all rights attached AIDQUA



shares should be suspended in accordance with Section 90 of the Companies Act, 2013, and the applicable Rules. The matter is currently sub judice at NCLAT Chennai.

7. Appellate authority concurred with the ruling of the Authority for Advance Ruling (AAR) that income derived from interest, cheque bounce charges, and connection/ reconnection charges is taxable under GST.

The Company has challenged this order before the Hon'ble High Court of Madras through a writ petition, which was admitted on 1st October 2021. The matter is currently pending final hearing and remains sub judice. (Refer note no 41 of notes on accounts).

8. There is a dispute with the lender ILFS Ltd regarding the short disbursement, due to levy and deduction of pre-disbursal charges by ILFS and the subsequent payments of interest and principal. ILFS Ltd is under resolution framework, with NCLT Mumbai and the company has made a counter claim of Rs 249.92, alleging that payments were made in excess on account of illegal, illegitimate, and fraudulent pre-disbursal deductions made by IL&FS through misappropriation and concealment of facts from the Board. These allegations were also raised by Aidqua in the petition filed in CA No. 32 of 2010. The Company has stopped repayment of principal and interest from December 2022 onward and has not provided interest amounting to Rs 5.03 Crores (Previous year Rs 7.67 Crores) during the year due to the dispute. The matter is currently pending before the Hon'ble NCLT, Chennai. The Hon'ble NCLT, Mumbai, vide its order, dismissed both the petition for recovery of the alleged outstanding dues filed by IL&FS in CA No. 52 of 2024 and the set-off application filed by the Company in MA No. 511 of 2020,

9. The Company has obtained a Secretarial Audit Report in Form No. MR -3 from Practicing Company Secretaries who have made the following observations in their report.

Observations under the Companies Act, 2013

1. The Company has to appoint two Independent Directors to comply with Section 149 of the Companies Act, 2013.
2. The Company has not constituted Audit Committee (Section 177), Nomination & Remuneration Committee (Sec 178) and Corporate Social Responsibility Committee (Sec 135). But, the composition of the said Committees is not in accordance with the provisions of the Companies Act, 2013. The company has not established the Vigil Mechanism Policy as required under the Section 177 read along with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and not conducted the Independent Directors Meeting as



required under Section 149 and Schedule IV of the Act. Further, the Company has not carried out the Director's Evaluation as required under Section 134 of the said Act.

3. *The Financial Statements and Boards Report has not been approved within prescribed time line under Section 134 & 137 of the Companies Act, 2013.*

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information.

The other information comprises the information included in the Director's Report including Annexures to Director's report and Responsibility Report, but does not include the financial statements and our auditor's report thereon. The Other Information is expected to be made available to us after the date of this Auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

On receipt of Other Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and we shall,

- a) If the material misstatement is corrected, perform necessary procedure to ensure the correction; or
- b) If the material misstatement is not corrected after communicating the matter to those charged with governance, take appropriate action considering our legal rights and obligations, to seek to have the uncorrected material misstatement appropriately brought to the attention of users for whom this auditor's report is prepared.



Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS 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 principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of IND AS Financial Statement

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will



always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. Conditions may cause the Company to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements



represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the benefits of public interest such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and, except for the possible effects of the matter described in the Basis for Qualified Opinion, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraphs above, 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 including other comprehensive income, Statement of changes in equity and Cash Flow Statement dealt with by



this Report except for the possible effects of the matter described in the *Basis for Qualified Opinion and material uncertainty relating to going concern*, paragraphs above are in agreement with the books of account.

- d) Except for the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015.
- e) *The matter described in the "Material Uncertainty related to Going Concern" paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.*
- f) On the basis of the written representations received from the directors as on 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- g) With respect to the adequacy of the Internal Financial Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, based on the information and explanations given to us and based on our examination of the records of the Company, the provisions of section 197 relating to remuneration to directors shall not apply as per MCA Notification dt.05-06-2015.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2016, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Refer Note 43 to the Ind AS financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company



- iv) a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material misstatement.



- v) The company has not declared or paid any dividend during the year.
- vi) Based on our examination, which included test checks, the company has used a accounting software for maintaining its books of accounts for the financial year ended 31st March, 2024, which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of the audit, we did not come across any instance of the audit trail being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

Place: Chennai
Date: 22-06-2026

For Venkat and Rangaa LLP
Chartered Accountants
FRN: 004597S



S Manisekaran
Mem no. 026400
UDIN: 26026400UDJCT9464

Annexure A to the Independent Auditors' Report

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our Report of even date to the members of the Company on the financial statements for the year ended March 31, 2024, we report that:

1. a) (A) In our opinion, according to the information and explanation provided to us, the Company has maintained proper records in soft copies, showing the particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company does not have any intangible assets according to the information and explanations given to us. Accordingly, the requirement to report on Clause 3(i)(a)(B) of the Order is not application to the Company.

- b) The Company has a regular program of physical verification of its Property, Plant and Equipment by which Property, Plant and Equipment are verified in a phased manner over a period of time. In accordance with the program, the Property, Plant and Equipment have been verified during the year end and no material discrepancies were noticed on such verification.

- c) In our opinion and according to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

- d) In our Opinion and according to the information and explanation given to us, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2024

- e) In our Opinion and according to the information and explanation given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder



2. a) According to the information and explanation provided by the Company. The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
b) The Company has not been sanctioned working capital limits in excess of Rs Five Crores in aggregate from banks and financial institutions during the year. Accordingly, reporting on Clause 2(ii)b of the Order is not applicable to the Company.
3. During the year, the Company has not made investments in, provided advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties covered in the Register maintained under Section 189 of the Companies Act, 2013. Therefore paragraph 3 (iii) (a), (b), (c), (d), (e) and (f) of the order is not applicable
4. In our Opinion and according to the information and explanation given to us, the company has complied with the provisions of section 185 and 186 of the companies act, 2013 in respect of Loans, Investments, Guarantee and securities during the Current Financial Year.
5. In our Opinion and according to the information and explanation given to us, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company
6. In our Opinion and according to the information and explanation given to us, the Maintenance of Cost Records as specified under Sub-section (1) of Section 148 of the Companies Act, 2013 is not applicable to the Company for the Current Financial Year.



7. a) Based on our audit procedures performed and the information and the explanation provided to us, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and there are no undisputed statutory dues that are pending for a period exceeding six months as at the last day of the Financial Year from the date they become payable except

<i>Name of the Statute</i>	<i>Nature of Dues</i>	<i>Amount Rs</i>	<i>Period to which amount relates</i>	<i>Due Date</i>	<i>Date of Payment</i>
<i>The Water (Preventions and Control of Pollution) Cess Act, 1977</i>	<i>Water Cess</i>	<i>Rs 9,56,36,949</i>	<i>AY 2005-06 to 2014-15</i>	<i>As and when incurred</i>	<i>No payment made during the year</i>

- b) Based on the information and explanation provided to us, there are no dues of Income Tax, Service Tax, Sales Tax, wealth Tax, Duty if Customs or Duty of Excise, value added Tax on account of dispute except the following

<i>Name of the Statute</i>	<i>Nature of Dues</i>	<i>Amount</i>	<i>Period to which amount relates</i>	<i>Forum where dispute is pending</i>	<i>Remarks</i>
<i>Income tax Act 1961</i>	<i>Income tax</i>	<i>32,03,589</i>	<i>AY 2021-22</i>	<i>Consequential order to be passed by the Assessing officer</i>	<i>CIT (Appeals) has accepted the claim of the Company</i>

8. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
9. a) *The Company has stopped repayment of Instalments of Principal and Interest to ILFS Ltd from December 2022 based on a legal opinion and on basis of the additional facts*



come to the light after the due diligence done by the experts and management post appointment of full time MD by the GoTN, as lots of public money was invested by the GoTN, which was either not known or filed in MA 511 of 2020 . Please refer note no 3 of Basis for qualified opinion in the main report above.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) As per the information and explanations provided by the company Term loans were applied for the purpose for which the loans were obtained

d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

10. (a) In our Opinion and according to the information and explanation given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) In our Opinion and according to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company



11. (a) No fraud by the Company or on the company has been noticed or reported in respect of the transaction entered into during the year, except for the matters forming the subject of petitions filed by the company before the Hon'ble NCLT, Mumbai and Hon'ble NCLT, Chennai , as well as before the Hon'ble Supreme court by way of an additional affidavit, relating to new facts that have come to light regarding the alleged illegal, fraudulent, and illegitimate pre-disbursal deductions made by IL&FS. The company has also addressed letters to the Regional Director (South), Chennai; the Registrar of Companies, Coimbatore; the Directorate General's Office, Ministry of Corporate Affairs (MCA); and the Secretary, MCA, seeking action under Section 447 of the Companies Act, 2013 and NCLT Mumbai in its order dated 26.06.2025 also commented **on alleged fraud needs investigation.**
- (b) During the year, no report under Sub-Section (12) of Section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) (a), (b) and (c) of the Order is not applicable
13. In our opinion and according to the information and explanation provided by the management, all transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and the details have been disclosed in the standalone financial statement as required by the applicable Indian Accounting Standard.
14. a) The Company has carried out internal audit by appointing external internal auditors. The internal audit is commensurate with the nature and size of its business. However, *internal audit scope should have complete evaluation of internal checks and controls as well as do systems audit to ensure that the objectives of ICFR are met*



- (b) The report of the Internal Auditors for the period under audit has been considered by the statutory auditors.
15. In our Opinion and according to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
16. a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) The Group does not have any Registered Core Investment Companies.
17. In our Opinion and according to the information and explanation given to us, the Company has not incurred cash losses in the current year and in the immediately preceding financial year respectively
18. There has been no instance of any resignation of the statutory auditors occurred during the year.
19. On the basis of the financial ratios disclosed in Note 69 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period



of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 28 to the financial statements

(b) There are no ongoing projects and hence the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

21. The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For Venkat and Rangaa LLP

Chartered Accountants

FRN: 004597S



S Manisekaran

Mem no. 026400

UDIN: 26026400UDJCT9464

Place: Chennai

Date: 22-06-2026

9

Annexure B

Annexure to the Independent Auditor's Report of even date on the Financial Statement of New Tirupur Area Development Corporation Limited

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **New Tirupur Area Development Corporation Limited** ["the Company"] as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance' of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be



prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of the internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and the operating effectiveness of the internal control based on the assessed risk. The risk procedures selected depend upon the auditor's judgment including the assessment of the risk of material misstatement of the standalone financial statements whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that pertain to

1. The maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the



company are being made only in accordance with authorizations of management and directors of the company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, Material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

In our opinion, subject to the qualifications listed below, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone Ind AS financial statements and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Basis for our opinion is as follows:

1. *Though internal auditors have been given the scope to evaluate the Internal Controls over financial reporting the report is not comprehensive. We suggest that the Company should do a complete evaluation of internal checks and controls as well as do systems audit to ensure that the objectives of ICFR are met.*
2. *The Company needs to establish a risk control matrix to evaluate the risks and to mitigate the same.*
3. *The Billing, collection, spares purchase, issue and inventory are maintained by the O&M operator in his software and the same is entered in the accounting software by the Company. So far, the company has not done a system audit of periodic testing of the effectiveness of the software to test its integrity, any bugs or lapse/improvement in control systems.*



4. The delay in payment by the customers is charged at 10% but were calculated in excel sheet for the outstanding and billed for customers. The interest calculations for domestic customers have not been automated because the interest rates are not fixed yet and it has undergone many changes in the past. The tanker sales are also not automated and based on Paytm receipts entries were made in the billing software. Both the billing software and accounting software needs to be integrated.
5. The Company needs to establish standard operating procedures, internal checks and controls to improve the effectiveness of its control systems

For Venkat and Rangaa LLP
Chartered Accountants
FRN: 004597S



S Manisekaran

Mem no. 026400

UDIN: 26026400UDJCT9464

Place: Chennai
Date: 22-06-2026

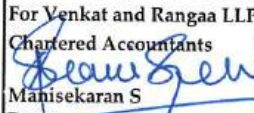
ANNEXURE C - DIRECTIONS UNDER SECTION 143 (5) OF THE COMPANIES ACT, 2013

1	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post-retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	NA
2	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	The company has latest ERP (Tally prime edit log 6.2) system in place.
3	Whether funds (grants/ subsidy etc.) received/ receivable for specific schemes from Central/State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the received funds were utilized as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation	No funds/ grants/ subsidy received from Government/ agencies during the financial year 2023-24.
4	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering global best practices? (b) Whether the Company has identified its data assets and whether it has been valued appropriately?	The company has not identified any key Risk areas.



5	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	i) The company is complying MCA and RBI guidelines ii) Others – Not applicable
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NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED			
Balance Sheet as at March 31, 2024			
(All amounts are in lakhs, unless otherwise stated)			
Particulars	Note	For The Year Ended 31.03.2024	For The Year Ended 31.03.2023
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	3	38,566.70	41,471.31
Capital work in progress	3	6.20	58.00
Right of use assets	4	208.36	94.14
Financial assets			
(i) Security deposits	5	21.09	25.02
(ii) Other Financial assets	6	21.07	83.07
Deferred tax asset(Net)	7	630.78	3,350.06
Other Non-Current assets	8	1,028.64	984.91
Current Assets			
Inventories	9	296.56	338.29
Financial Assets			
(i) Trade Receivables	10	15,586.54	9,730.04
(ii) Cash & Cash Equivalents	11	5,176.21	1,501.69
(iii) Bank balances other than (ii) above	12	-	18.97
(iii) Other Financial Assets	13	10,165.73	8,412.50
Current Tax Asset	14	-	-
Other current assets	15	292.69	301.48
Total assets		72,000.57	66,369.50
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	60,000.00	60,000.00
Other Equity	17	(3,793.66)	(10,354.43)
Total Equity		56,206.34	49,645.57
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	18	11,370.24	12,597.05
(ia) Lease liability	19	157.84	63.45
Long-term Provisions	20	50.73	45.93
Current liabilities			
Financial liabilities			
(i) Borrowings	21	669.72	983.37
(ia) Lease Liability	22	60.09	43.00
(ii) Trade Payables	23		
Dues to Micro and Small Enterprises		26.13	27.96
Dues to Creditors other than Micro and Small Enterprises		1,827.25	1,323.45
(iii) Other Current Financial Liabilities	24	408.13	339.95
Short-term Provisions	25	57.35	64.94
Other Current Liabilities	26	1,166.75	1,234.82
Total liabilities		15,794.23	16,723.92
Total Equity and liabilities		72,000.57	66,369.50
Summary of significant accounting policies	1&2		
The accompanying notes form an integral part of this financial statements			
As per our report of even date For Venkat and Rangaa LLP Chartered Accountants  Manisekaran S Partner Membership No.026400		For and on behalf of Board of Directors of NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED  Gagandeep Singh Bedi Chairman DIN-01354652  Saurabh Misra Company Secretary Membership No.A25150	
		 B. Ganesan Managing Director DIN-08970943	
Place: Chennai Date: 22.06.2026			

NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

Statement of Profit and Loss for the year ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

Particulars	Note	For The Year Ended 31.03.2024	For The Year Ended 31.03.2023
Income			
Revenue From operations	27	22,010.66	23,184.23
Other Income	28	1,748.50	1,378.39
Total Revenue		23,759.16	24,562.62
Expenses			
Cost of Materials Consumed	29	8,628.09	8,425.75
Changes in Inventories of Finished Goods, Stock-in-trade and Work-in-progress	30	(2.08)	(2.90)
Employee Benefits Expenses	31	301.96	291.92
Finance Costs	32	927.44	1,422.80
Depreciation and Amortisation Expense	3 & 4	3,169.78	3,163.60
Other Expenses	33	1,190.41	998.57
Total Expense		14,215.60	14,299.75
Profit Before Tax		9,543.55	10,262.87
Income Tax Expense			
- Current Tax		-	-
- Deferred Tax		2,719.28	(3,350.06)
Total tax expense		2,719.28	(3,350.06)
Profit for the year		6,824.27	13,612.94
Other Comprehensive Income:			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Remeasurement gains and (losses) on defined benefit obligations (net)		(10.23)	16.20
Income tax impact		-	-
Other comprehensive profit for the year		(10.23)	16.20
Total comprehensive Income for the year		6,814.05	13,629.14
Earnings per share			
- Basic earnings per share (in Rs.)		1.14	2.27
- Diluted earnings per share (in Rs.)		1.00	1.94

Summary of significant accounting policies

1&2

The accompanying notes form an integral part of this financial statements

As per our report of even date

For Venkat and Rangaa LLP

Chartered Accountants

Manisekaran S

Partner

Membership No.026400



For and on behalf of Board of Directors of
**NEW TIRUPUR AREA DEVELOPMENT
CORPORATION LIMITED**

Gagandeep Singh Bedi

Chairman

DIN-01354652

B. Ganesan

Managing Director

DIN-08970943

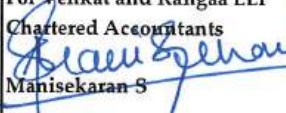
Saurabh Misra

Company Secretary

Membership No.A25150

Place: Chennai

Date: 22.06.2026

NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED			
Cash flow statement for the year ended March 31, 2024			
(All amounts are in lakhs, unless otherwise stated)			
Particulars	Notes	As at 31-Mar-2024	As at 31-Mar-2023
A. Cash flow from operating activities			
Profit for the year		9,543.55	10,279.08
Adjustments to reconcile net profit to net cash provided by Operating activities:			
Depreciation and amortisation expense		3,169.78	3,163.60
Non cash adjustment		-	5.07
Actuarial (gains) and losses on defined benefit plans		(10.23)	-
Loss on settlement of TWIC subordinate loan		167.52	-
Lease modification			
Interest Expenses		927.44	1,422.80
Interest Income		(934.90)	(291.91)
Operating profit before working capital changes		12,863.18	14,578.64
Movements in working capital :			
Decrease/(Increase) in trade receivables		(5,856.50)	2,132.00
(Increase)/Decrease in financial assets		(1,687.30)	(8,365.58)
Decrease/(Increase) in other assets		(188.68)	(114.75)
(Increase)/Decrease in inventories		41.73	(14.39)
Increase/(Decrease) in trade payables		501.97	1,042.67
Increase/(Decrease) in provisions		(2.79)	21.55
(Decrease)/Increase in other financial liabilities		68.17	(407.53)
Increase/(Decrease) in other liabilities		(68.08)	(11.02)
Cash generated from in operating activities		5,671.69	8,861.57
Income taxes received / (paid) (net of refunds)		153.75	51.46
Net cash generated from in operating activities	A	5,825.44	8,913.03
B. Cash flow from investing activities			
Purchase of PPE and capital work in progress (including capital advances)		(327.59)	(107.10)
Interest Income		934.90	291.91
Margin Money Deposits		18.97	(0.83)
Net cash from / (used in) investing activities	B	626.29	183.98
C. Cash flow from financing activities			
Repayment of borrowings		(1,540.45)	(6,921.54)
Repayment of equity component		(420.80)	-
Interest Expenses		(927.44)	(1,422.80)
Repayment of lease liability		111.49	(84.19)
Net cash (used in) / from financing activities	C	(2,777.20)	(8,428.53)
Net increase / (decrease) in cash and cash equivalents	(A+B+C)	3,674.52	668.48
Cash and cash equivalents at the beginning of the year		1,501.69	833.21
Cash and cash equivalents at the end of the year		5,176.21	1,501.69
Notes :			
Components of cash and cash equivalents			
Cash Balance		0.01	3.15
Bank Balance- Current Account		593.20	1,298.55
Fixed Deposits		4,583.00	200.00
Total cash and cash equivalents (Note 11)		5,176.21	1,501.69
The accompanying notes form an integral part of this financial statements			
As per our report of even date For Venkat and Rangaa LLP Chartered Accountants  Manisekaran S Partner Membership No.026400		For and on behalf of Board of Directors of NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED  Gagan Deep Singh Bedi Chairman DIN-01354652  B. Ganesan Managing Director DIN-08970943  Saurabh Misra Company Secretary Membership No.A25150	
Place: Chennai Date: 22.06.2026			

NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Statement of Change in Equity for the year ended 31 March 2024
(All amounts are in lakhs, unless otherwise stated)

A. Equity Share Capital

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Balance at the beginning of the current reporting period	60,000	60,000
Changes in Equity Share Capital due to prior period adjustments	-	-
Changes in equity share capital during the current year	-	-
Balance at the end of the current reporting period	60,000	60,000

B. Other Equity

Particulars	Equity component of compound financial instruments	Reserves and Surplus		Other Comprehensive Income	Total
		Retained Earnings	Gain on equity settlement	Remeasurements of the defined benefit obligations	
Balance as at 31.03.2022	4,789.55	(28,773.12)		-	(23,983.57)
Changes in on account of accounting policy Prior period adjustments	-	-		-	-
Restated balance at the beginning of the current reporting period	4,789.55	(28,773.12)		-	(23,983.57)
Total Comprehensive Income for the current year	-	13,612.94		16.20	13,629.14
Transfer to retained earnings	-	-		-	-
Any other change (to be specified)	-	-		-	-
Balance as at 31.03.2023	4,789.55	(15,160.19)		16.20	(10,354.43)
Changes in on account of accounting policy Prior period adjustments	-			-	-
Restated balance at the beginning of the current reporting period	4,789.55	(15,160.19)		16.20	(10,354.43)
Total Comprehensive Income for the current year	-	6,824.27	-	(10.23)	6,814.05
Transfer to retained earnings	-	-	-	-	-
Equity instrument settlement adjustments	(865.51)	-	612.24	-	(253.28)
Balance as at 31.03.2024	3,924.04	(8,335.91)	612.24	22.18	(3,793.66)

As per our report of even date
For Venkat and Rangaa LLP
Chartered Accountants
Nagar
Chennai - 17
FRN : 004597S
Manisekaran S
Partner
Membership No.026400



For and on behalf of Board of Directors of
**NEW TIRUPUR AREA DEVELOPMENT
CORPORATION LIMITED**

Gagandeep Singh Bedi
Chairman
DIN-01754652

Saurabh Misra
Company Secretary
Membership No.A25150

B. Ganesan
Managing Director
DIN-08970943

Place: Chennai
Date: 22.06.2026

NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

3. Property, Plant and Equipment

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Carrying Amount of		
Land	3.73	3.73
Building	7,828.97	8,442.56
Plant and Machinery	28,462.95	30,549.13
Electrical Fittings	2,138.96	2,356.84
Data Processing Equipment-SCADA	38.74	38.74
Computers	2.06	3.01
Office Equipment	51.02	32.78
Furniture	6.23	2.23
Vehicles	34.04	42.29
Capital work in progress	6.20	58.00
	38,572.90	41,529.31

Details of movement in the carrying amounts of Property, plant and equipment :

Particulars	Land	Building	Plant and Machinery	Electrical Fittings	Data Processing Equipment- SCADA	Computer	Office Equipment	Furniture	Vehicles	CWIP	Total
Cost or Valuation											
As at April 01, 2022	3.73	10,283.34	37,311.05	3,019.64	38.74	9.72	7.43	3.06	29.90	-	50,706.62
Additions	-	-	-	-	-	-	33.48	-	30.15	58.00	121.63
Disposals	-	-	-	-	-	-	-	-	0.31	-	0.31
Balance as at March 31, 2023	3.73	10,283.34	37,311.05	3,019.64	38.74	9.72	40.91	3.06	59.74	58.00	50,827.93
Additions	-	-	175.59	3.05	-	-	24.58	4.39	-	-	207.60
Disposals	-	-	-	-	-	10.51	8.88	-	-	51.80	71.19
Balance as at March 31, 2024	3.73	10,283.34	37,486.64	3,022.69	38.74	(0.78)	56.61	7.45	59.74	6.20	50,964.34
Depreciation and Impairment											
As at April 01, 2022	-	1,227.18	4,507.63	441.87	-	5.43	2.99	0.56	9.33	-	6,194.98
Additions	-	613.59	2,254.30	220.93	-	1.28	5.14	0.27	8.13	-	3,103.64
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	-	1,840.77	6,761.92	662.80	-	6.71	8.13	0.83	17.45	-	9,298.62
Additions	-	613.59	2,261.76	220.93	-	-	5.23	0.39	8.24	-	3,110.15
Disposals	-	-	-	-	-	9.55	7.78	-	-	-	17.33
Balance as at March 31, 2024	-	2,454.36	9,023.68	883.73	-	(2.85)	5.59	1.22	25.70	-	12,391.44
Net Book Value											
Balance as at March 31, 2023	3.73	8,442.56	30,549.13	2,356.84	38.74	3.01	32.78	2.23	42.29	58.00	41,529.31
Balance as at March 31, 2024	3.73	7,828.97	28,462.95	2,138.96	38.74	2.06	51.02	6.23	34.04	6.20	38,572.90



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED**Notes to the financial statements for the year ended March 31, 2024***(All amounts are in lakhs, unless otherwise stated)***4. Right of Use Assets**

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Carrying Amount of		
Land	44.40	51.76
Building	163.96	42.38
	208.36	94.14

Details of movement in the carrying amounts of Right of Use Assets :

Particulars	Land	Building	Total
Gross Carrying Value			
As at April 01 2022	68.66	210.97	279.63
Additions	-	20.05	20.05
Disposals / Adjustments during the Year	-	37.07	37.07
Balance as at March 31, 2023	68.66	193.95	262.61
Additions	-	173.85	173.85
Disposals / Adjustments during the Year	-	-	-
Balance as at March 31, 2024	68.66	367.80	436.46
Accumulated amortization			
As at April 01, 2022	11.27	97.24	108.50
Additions	5.63	54.33	59.96
Disposals	-	-	-
Balance as at March 31, 2023	16.90	151.57	168.47
Additions	7.36	52.28	59.63
Disposals	-	-	-
Balance as at March 31, 2024	24.25	203.85	228.10
Net Block			
Balance as at March 31, 2023	51.76	42.38	94.14
Balance as at March 31, 2024	44.40	163.96	208.36



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in lakhs, unless otherwise stated)
5. Non Current Financial Assets - Security deposit (at Amortised Cost)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Security Deposit	21.09	25.02
Total	21.09	25.02

6. Other Non Current Financial Assets (at Amortised Cost)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Bank Deposit with original maturity of more than twelve months	21.07	83.07
Total	21.07	83.07

7. Deferred tax asset(Net)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Deferred tax assets on temporary deductible differences		
Unabsorbed Depreciation	10,275.17	13,756.10
Deferred tax liabilities on temporary taxable differences		
Property, Plant and Equipment	(9,644.39)	(10,406.04)
Net deferred tax Asset / (Liability) to be recognised in balance sheet	630.78	3,350.06
Opening Balance of Deferred Tax Asset / (Liability)	3,350.06	-
Net Deferred Tax Asset / (Liability) to be recognised in Statement of Profit and Loss	(2,719.28)	3,350.06

8. Other Non Current Assets

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Income Tax Refund	55.08	105.90
Deposits	951.26	854.83
Provision for gratuity	12.88	18.76
Prepaid expenses	9.41	5.42
Total	1,028.64	984.91

9. Inventories

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Water	21.31	19.23
Stores and chemicals	275.25	319.06
Total	296.56	338.29

10. Trade Receivable

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Trade receivables considered good - Secured	976.84	1,046.39
Trade receivables considered good - Unsecured	14,609.70	8,683.65
Trade receivables which have significant increase in Credit Risk	123.37	126.79
Trade Receivables - credit impaired	-	-
Total	15,709.91	9,856.83
Less: Allowance for Expected Credit Loss	(123.37)	(126.79)
Net Trade receivables	15,586.54	9,730.04



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED		
Notes to the financial statements for the year ended March 31, 2024		
(All amounts are in lakhs, unless otherwise stated)		
11. Cash and cash equivalents		
Particulars	As at 31-Mar-2024	As at 31-Mar-2023
(a) Balance with banks		
(i) current accounts	593.20	1,298.55
(ii) deposits (original maturity < 3 months)	4,583.00	200.00
(b) Cash on hand	0.01	3.15
Total	5,176.21	1,501.69
12. Other Bank Balances		
Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Other bank balances		
Balance with banks held as Margin money deposit against Gurantee	-	18.97
Total	-	18.97
13. Other Current Financial Assets (at Amortised Cost)		
Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Employee advances	0.20	0.48
Balance with banks (Deposits -original maturity > 3 months)	9,852.21	8,321.16
Interest accrued on fixed deposits with Banks	313.33	90.87
Total	10,165.73	8,412.50
14. Current Tax Asset		
Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Income Tax Refund	-	-
Total	-	-
15. Other Current Assets		
Particulars	As at 31-Mar-2024	As at 31-Mar-2023
TDS receivable	87.40	104.18
Advances paid to Suppliers	85.79	54.14
Prepaid expenses	75.99	75.68
Financial Guarantee - Prepaid	17.16	45.79
Provision for gratuity	4.65	-
Other Receivables	21.70	21.69
Total	292.69	301.48



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in lakhs, unless otherwise stated)
16. Equity Share Capital

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Authorized				
Equity shares of ₹10 par value	60,00,00,000	60,000	60,00,00,000	60,000
Issued				
Equity shares of ₹10 par value	60,00,00,000	60,000	60,00,00,000	60,000
Subscribed and fully paid	60,00,00,000	60,000	60,00,00,000	60,000

Rights and preferences attached to equity share:

The Company has issued only one class of Equity shares having a par value of Rs.10/- per share. Every shareholder is entitled to such rights as to attend and vote at the meeting of the shareholders and in the event of liquidation of the Company, the holders of equity shares at the point in time of liquidation will be entitled to receive remaining assets of the Company, after distribution of all preferential lenders & creditors. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shareholders holding more than 5% of the shares of the Company:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of Shares held	% of holding	Number of Shares held	% of holding
Tamilnadu Water Investment Company Limited	17,22,94,133	28.72%	17,22,94,133	28.72%
Government of Tamilnadu	12,37,17,908	20.62%	12,37,17,908	20.62%
Aidqua Holdings (Mauritius) Inc	9,00,00,000	15.00%	9,00,00,000	15.00%
Infrastructure Leasing & Financial Services	8,92,45,454	14.87%	8,92,45,454	14.87%

Shares held by promoters at the end of the year

Promoter Name	No. of shares	Percentage of total shares	Percentage of change during the period
Tamilnadu Water Investment Company Limited	17,22,94,133	28.72%	-

Note : 3,27,17,908 equity shares were allotted to Government of Tamilnadu during 2012-13 out of the investment made for Rs.35 Crs as per the Corporate Debt Restructuring Scheme approved by the lenders and Company Law Board and presently subjudice before the Honorable Supreme Court of India. 24,45,82,092 equity shares were allotted to the lenders and Government of Tamilnadu during 2011-12 as per the Corporate Debt Restructuring scheme approved by the lenders and Company Law Board and presently subjudice before the Honorable Supreme Court of India.

17. Other Equity

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Reserve & Surplus		
Opening Balance	(15,160.19)	(28,773.12)
Profit during the year	6,824.27	13,612.94
	(8,335.91)	(15,160.19)
Equity component of compound financial instruments		
Optionally Redeemable Convertible DSRF & Sub-Debt into quasi equity shares	3,526.97	4,392.48
Financial Guarantee - Premium	397.07	397.07
	3,924.04	4,789.55
Equity instrument settlement adjustments		
Gain on equity settlement	612.24	-
Other Comprehensive Income		
Remeasurements of the defined benefit obligations	5.98	16.20
Total	(3,793.66)	(10,354.43)



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED**Notes to the financial statements for the year ended March 31, 2024***(All amounts are in lakhs, unless otherwise stated)***18. Non Current Financial Liability - Borrowings (at Amortised Cost)**

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Secured		
Term Loan - From others	5,292.00	5,292.00
Unsecured		
Sub-Ordinate Debt	4,959.55	6,210.31
Unsecured Loans - DSRF	1,118.70	1,094.74
Total	11,370.24	12,597.05

Notes:

1. The Loans obtained by the Company from Banks, Financial Institutions and a Company are secured under the pari-passu security arrangement on a first charge basis on all the assets of the company both present & future, receivables, Project agreements, insurance contract, bank accounts including the trust & retention account, in favour of the Senior Lenders & participants and on a second Charge basis in favour of the Sub-debt providers of the company.
2. The Company has appointed M/s IDBI Bank Limited as Agent and Trustee to act for and on behalf of all the Secured parties, both present and future.
3. As part of the Debt restructuring package sanctioned as on 01.11.2006, Tamil Nadu Water Investment Company Ltd (TWIC), the promoter of the Project has given cash support Guarantee to meet shortfall in debt service. This is a Contingent obligation.
- 4a. As per the terms of Corporate Debt restructuring scheme entered into by the Company and the lenders, the terms of repayment have been extended and shall begin in April 2013 and end in March 2026 for senior debt and March 2020 for Funded interest term loan. The subdebt shall be payable after all senior lenders and funded interest has been repaid.
- 4b. FITL I and II loans were foreclosed in earlier years out of operational surplus.
- 4c. The Term Loan (other than IDBI and IL&FS) were foreclosed in the year FY 2022-23 out of operational cash flow.
- 4d. Interest on subordinate loans from Infrastructure Leasing and Financial services Limited(ILFS) and Tamilnadu Water Investment Company Limited (TWICL) has been converted into a 0.01%(previous year 0.01%) interest bearing loan from 1st October 2011 as per the Corporate Debt restructuring scheme entered into by the Company with the lenders.
- 4e. Unsecured loan of Rs. 11.18 crore (as per INDAS) represents the amount of Rs. 15 crores(Previous Year Rs. 15 crores) received from IL & FS towards establishment of Debt Service Reserve Fund as per clause 4.1.17 of the Common Loan Agreement dated 22nd of March 2002. This loan has been converted into a 0.01%(previous year 0.01%) interest bearing loan from 1st October 2011 as per the Corporate Debt restructuring scheme entered into by the Company with the lenders.
- 4f. Sub-ordinate debt of TWIC original amount of Rs. 20 crore has been paid in the month of Aug & Sep 2023 and IL&FS Sub-ordinate debt INDAS amount of Rs. 48.87 crore (original amount of Rs. 66.50 crore disbursed by IL&FS)



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED**Notes to the financial statements for the year ended March 31, 2024***(All amounts are in lakhs, unless otherwise stated)***19. Non Current Financial Liability - Lease Liability (at Amortised Cost)**

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Non - Current Lease Liability	157.84	63.45
Total	157.84	63.45

20. Long Term Provisions

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Non - Current		
Provision for gratuity	-	-
Leave encashment	50.73	45.93
Total	50.73	45.93

21. Current Financial Liability - Borrowings (at Amortised Cost)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Current Maturities of Long Term Borrowings		
Term Loan - From others	669.72	983.37
Total	669.72	983.37

22. Current Financial Liability - Lease Liability (at Amortised Cost)

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Current Lease Liability	60.09	43.00
Total	60.09	43.00

23. Trade Payables

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Due to Micro and Small Enterprises	26.13	27.96
Due to Creditors Other Than Micro and Small Enterprises	1,827.25	1,323.45
Total	1,853.38	1,351.41

Note: The classification of the suppliers under Micro, Small and Medium Enterprises Development Act, 2006 is made on the basis of information made available to the Company.



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

Notes to the financial statements for the year ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

24. Other Current Financial Liabilities

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Security deposits	403.12	336.15
Interest accrued and due on borrowings	0.15	0.42
Retention amount payable	4.85	3.38
Total	408.13	339.95

25. Short Term Provisions

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Provision for Leave Travel Allowance	6.73	8.31
Net Defined benefit liability - Leave encashment	13.46	13.44
Provision For Super Annuation	-	6.03
Provision For Bonus	0.84	0.84
Provision for Expenses	36.32	36.32
Total	57.35	64.94

26. Other Current Liabilities

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Advance received from customers	307.80	540.15
Statutory dues (including interest thereon)	33.54	37.03
Outstanding expenses	820.47	649.19
Other payables	4.93	8.46
Total	1,166.75	1,234.82



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED		
Notes to the Financial Statements for the Year Ended March 31, 2024		
(All amounts are in lakhs, unless otherwise stated)		
27. Revenue from operations		
Particulars	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Sale of Products		
Sale of water	20,863.35	21,570.44
Income from sewage treatment	700.72	743.68
Service Income		
Consutancy income	446.59	870.11
Total	22,010.66	23,184.23
28. Other Income		
Particulars	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Interest on domestic supply *	778.31	970.29
Interest on industrial supply	6.49	5.26
Interest on fixed deposits	934.90	291.91
Interest on Income Tax Refund	4.69	4.89
Liabilities written off	-	6.80
Other Non-Operating Income	24.11	63.64
Profit on sale of fixed assets	-	0.33
Bad debts recovered	-	24.80
Actuarial gain on leave encashment	-	3.95
Gain on termination of lease	-	6.52
Total	1,748.50	1,378.39
29. Cost of materials consumed		
Particulars	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Consumables	85.81	125.83
Power and Fuel	5,175.39	5,283.15
Operation and Maintenance expenses	2,804.73	2,502.70
Royalty	273.93	273.92
Repairs & Maintenance - Factory	288.23	240.16
Total	8,628.09	8,425.75
30. Changes in inventories of finished goods, stock-in-trade and work-in-progress		
Particulars	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Closing stock		
Water	21.31	19.23
	21.31	19.23
Opening stock		
Water	19.23	16.32
	19.23	16.32
Total	2.08	2.90



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Notes to the Financial Statements for the Year Ended March 31, 2024
(All amounts are in lakhs, unless otherwise stated)

31. Employee benefits expense

Particulars	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Salaries and wages	247.12	248.68
Contribution to provident and other funds	43.09	34.58
Staff welfare expenses	11.75	8.67
Total	301.96	291.92

32. Finance costs

Particulars	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Interest on Term loans	14.12	846.44
Interest on Subdebts	872.83	499.65
Interest others	0.20	0.50
Interest on lease liability	11.66	15.14
Financial Guarantee - Expenses	28.63	61.07
Total	927.44	1,422.80

33. Other expenses

Particulars	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Power and Fuel	9.30	5.95
Repairs & Maintenance	113.94	94.47
Insurance	113.61	126.41
Consultancy expenses(DPR)	-	116.31
Legal and Professional fees	445.16	337.23
Payment to the auditors	15.64	15.64
Rent & lease expenses	2.73	2.53
Rates & Taxes	58.85	29.88
CSR Expenses	164.78	151.39
Car hire charges	41.30	37.84
Travelling & Conveyance	32.23	27.88
Loss on sale of fixed asset	1.93	-
Loss on settlement of TWIC subordinate loan	167.52	-
Miscellaneous expenses	23.41	53.05
Total	1,190.41	998.57

34. Payment to Auditors

Particulars	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Statutory Audit fees	8.85	8.85
Tax Audit fees	6.79	6.79
Other Services	-	-
Total	15.64	15.64



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

35. a) An amount of ₹50.00 crore was received as an unsecured, interest-free loan from TWICL (the Promoter Company), towards the establishment of the Debt Service Reserve Fund (DSRF), in accordance with Clause 4.1.17 of the Common Loan Agreement (CLA) dated 22nd March 2002. The said contribution was made by TWICL out of the grant provided by the Government of Tamil Nadu (GoTN) vide G.O. (Ms) No. 64, MAWS Department, dated 30th May 2002.

The funds were deposited into the Trust and Retention Account as per the terms of the CLA.

This unsecured loan is not repayable to TWICL until all secured obligations to the lenders have been satisfied in accordance with Clause 7.1.2(iii) of the CLA. The loan was fully converted into equity shares as part of the Corporate Debt Restructuring (CDR) process approved by the Company Law Board (CLB) during FY 2011-12. Although the implementation of the CDR was challenged by a shareholder, the Madras High Court upheld the CLB's order. However, the Court directed that the final implementation of the CDR is subject to the fulfilment of certain conditions by the Government of Tamil Nadu. The GoTN has since confirmed compliance with these conditions. The aggrieved shareholder has preferred an appeal before the Hon'ble Supreme Court, which is pending disposal.

b) A sum of ₹15.00 crore was received from IL&FS as an unsecured loan under Clause 4.1.17 of the CLA dated 22nd March 2002. Initially, the loan carried an interest of 11% p.a., accrued from the date of disbursement. As per Clause 7.1.2(iii) of the CLA, this loan is not repayable until all secured lender obligations are fully discharged. Post implementation of the CDR with effect from 1st October 2011, the interest rate was reduced to 0.01% p.a.

The status of IL&FS, loan which was sub judice before the Hon'ble NCLT, Mumbai in CA 52 of 2024, IL&FS's claim (CA 52 of 2024) for recovery of alleged dues was dismissed, while the Company's counter-application (CA 511 of 2020) was dismissed on the ground of moratorium, by order of NCLT Mumbai dated, 26.06.2025.

The Matters of ILFS short Disbursement is still subjudice at NCLT Chennai in CA32,2010, which was adjourned sine die by the Company Law Board (now NCLT) pursuant to the proceedings pending before the Hon'ble Supreme Court in CA 6857 of 2018.

36. The Company has undertaken a Corporate Debt Restructuring (CDR) during the financial year 2011-12 with the approval of the lenders and has implemented the same with effect 1st October 2011. As per the debt restructuring approved by the lenders accrued interest on sub debt and debt service due to ILFS and TWICL till 30th September 2011 has to be waived by these lenders. These have been accepted by the said parties. The CDR was not accepted by a shareholder having special rights and the said shareholder/ his nominee on Board of Directors exercised his right of veto on the same. An appeal against this was filed by the Company before the Company Law Board (CLB) in December 2011 and the CLB approved of the implementation of the CDR vide its order dated 06.03.2012. The aggrieved shareholder then filed an appeal against the said order in the Madras High Court. The Company and the lenders have implemented the various terms approved by the CDR. The Madras High Court in its order dated 31.01.2014 has confirmed the Company Law Board's order in so far as implementation of the CDR terms are concerned with certain restrictions on the Government of Tamilnadu regarding additional funds to be invested by them in the share capital of the Company. The Government of Tamilnadu had informed that the conditions laid down in the High court order dated 31.1.2014 had already been complied with by them. The aggrieved shareholder has filed an appeal against the Madras High court order in the Supreme Court. The appeal has not yet been disposed off till date by the supreme Court.



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

37. Following the IL&FS crisis in October 2018, wherein the Union of India, through the Ministry of Corporate Affairs (MCA), filed a petition under Sections 241 and 242 of the Companies Act, 2013, before NCLT Mumbai in C.P. No. 3638 of 2018, the Board of NTADCL directed the Internal Auditor and Independent Auditor to conduct a fresh review and submit their reports.

In February 2019, the auditors submitted their reports, recommending that NTADCL lodge a claim against IL&FS for untenable deductions and interest thereon, after obtaining legal opinion. Based on the legal opinion received, the Company filed a Miscellaneous Application in C.P. No. 3638 of 2018 (Union of India vs. IL&FS & Others) before NCLT Mumbai on 23rd January 2020, seeking to set off ₹1,162.056 million (amount payable by IL&FS to NTADCL) against ₹1340.00 million (amount payable by NTADCL to IL&FS).

In light of these circumstances, the Government of Tamil Nadu (GoTN) appointed an Additional Chief Secretary-rank officer as the full-time Managing Director of NTADCL. The new management undertook a comprehensive compliance review, which led to the discovery of several financial irregularities and diversion of public funds by IL&FS and it leads to financial difficulties of NTADCL.

Subsequently, in November 2022, based on available records and a legal opinion from the Learned Advocate General of Tamil Nadu, NTADCL decided not to make any further payments to IL&FS. It was determined that, based on the actual disbursements received by NTADCL, the Company had already made an excess payment of ₹249.92 crore against a total disbursed amount of ₹138.76 crore (₹48.76 crore from the USAID Loan + ₹90 crore from the IBRD Credit Line). The dispute regarding illegal deductions by IL&FS was also reflected in NTADCL's Financial Statements for FY 2021-22.

Further, NTADCL has filed an Additional Affidavit against the IL&FS Claim before the NCLT Mumbai Bench in CA 52 of 2024 (in CP No. 3638 of 2018), CA 511 of 2020, and before the NCLT Chennai in CA 32 of 2010 and IA/102/2023 in CP 18 of 2007 (now TCP 12/2016), highlighting a short disbursement by IL&FS. The affidavit brings on record additional facts that were previously undisclosed, supported by various legal opinions and audit reports.

As per books of accounts the amount lying in credit in various loans of ILFS is **Rs. 114.31 crore** (net of INDAS entries) and not adjusted as the NCLT Mumbai dismissed CA 52 of 2024 on technical ground on 26.06.2025.

38 As per the terms of the Corporate Debt Restructuring (CDR) package, the Company was required to issue Cumulative Redeemable Preference Shares (CRPS) aggregating ₹210 crore towards the Right of Recompense (RoR), contingent upon the occurrence of certain specified events as outlined in the Master Restructuring Agreement (MRA) dated 29th March 2012.

The loans were prepaid in the year 2022-23 by NTADCL to all lenders except IL&FS disputed loan. IDBI raised the issue of Right to recompense (ROR) as per the agreement and IDBI Capital markets did the computation and arrived NIL ROR. IDBI again got the ROR computation from a CA firm who computed the ROR at ₹69.83 Crores.

In 2024, IDBI demanded ₹69.83 crore from the Company towards RoR. However, based on Actual prepayments made by the Company and the valuation certified by an External Professional appointed for the calculating the same, NTADCL determined that no amount is payable towards RoR and communicated a NIL RoR position to IDBI.

Further, an independent report, submitted by the statutory auditor appointed by the Comptroller and Auditor General of India (CAG), confirmed that as per the provisions and methodology under the MRA signed by the Company post-CDR, the RoR calculation results in a negative amount, and hence no amount is payable. The report also concluded that the RoR is not a secured obligation. The Company has submitted the same before the ROC to substantiate the same.

Consequently, the dispute regarding the RoR demand, is currently sub judice pursuant to the Hon'ble High Court of Madras order in a writ petition (Writ of Certiorarified Mandamus) filed by the Company against the Registrar of Companies and senior lenders.



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

39. During the year 2012-13, the Company has received a sum of Rs 35.00 crores from the Government of Tamilnadu towards share capital contribution. Out of this amount received, the Company has allotted shares to the extent of Rs 32.72 crores to the Government of Tamilnadu and has refunded the excess amount of Rs. 2.28 crore on 31.3.2023. The Government of Tamilnadu has filed an application before the Company Law Board (presently NCLT) for increasing the Authorised Capital of the Company for enabling the Company to issue the shares to the Government of Tamilnadu and comply with the terms of the Corporate Debt Restructuring agreed to by the Company with the lenders. The matter has been adjourned sine die by the Company Law Board (now NCLT) pursuant to the pending proceedings before the Hon'ble Supreme Court in CA No. 6857 of 2018.

40. The Company reached a settlement with a contractor regarding the amount payable to them as per an Arbitration award given in August 2015 and consequently filed a Memorandum of Settlement in the Madras High Court as the Company had filed an appeal in the High Court earlier. The Madras High court had, vide its order dated 24.03.2017 approved the Memorandum of Settlement and the certified copy of the same was received on 05.05.2017. A shareholder of NTADCL has filed an appeal in the Supreme Court against the settlement, initially approved by the share holder's nominee director, reached by the company with a contractor. The said appellant has also sought to stay the settlement and adoption of accounts by the Company. The Supreme Court had, vide its order dated 01.05.2017, given time to the Company to file response within eight weeks and had directed that if any decision is taken by the AGM, shall be subject to further orders/ directions in the SLP.

Subsequent hearings have been adjourned by the court, pursuant to the pending proceedings before the Hon'ble Supreme Court in CA No. 6857 of 2018.

41 The Company had sought an Advance Ruling on the applicability of GST on various revenue streams. Following written submissions and supporting documents, the authority passed an order dated 26th February 2021. The Company preferred an appeal against the said order.

The Appellate Authority, vide its order dated 30th June 2021, held that the water supplied by NTADCL qualifies as potable water and is exempt from GST under Notification No. 2/2017-CT.

However, it concurred with the ruling of the Authority for Advance Ruling (AAR) that income derived from interest, cheque bounce charges, and connection/ reconnection charges is taxable under GST.

The Company has challenged this order before the Hon'ble High Court of Madras through a writ petition, which was admitted on 1st October 2021. The matter is currently pending final hearing and remains sub judice.



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Notes to the Financial Statements for the Year Ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

42. Turnover, Opening and Closing Stock of Water

Particulars	Quantity	Value(Rs.)
Turnover	56,838 Million Litres (Prev. Yr. 62,549 Million Litres)	Rs. 20,863.34 Lakhs, (Prev. Yr. Rs.21,570.43 Lakhs)
Opening Stock	163.00 Million Litres (Prev. Yr. 147.77 Million Litres)	Rs. 19.21 Lakhs, (Prev. Yr. Rs.16.32 Lakhs)
Closing Stock	167.02 Million Litres (Prev. Yr. 163.00 Million Litres)	Rs. 19.80 lakhs, (Prev. Yr. Rs.19.21 Lakhs)

43. Contingent Liabilities and Capital Commitments

PARTICULARS	As at 31-Mar-2024	As at 31-Mar-2023
a. Contingent Liability on the O&M Contract/others	1,026.42	1,019.22
b. Claims against the Company not acknowledged as debt	7,473.05	7,470.69

PARTICULARS	As at 31-Mar-2024	As at 31-Mar-2023
TNPCB Water Cess Claim (upto FY 2014-15)	956.37	956.37
MWUL - Pending reconciliation	70.05	62.85
Total	1,026.42	1,019.22

PARTICULARS	As at 31-Mar-2024	As at 31-Mar-2023
Interest Claim by TWICL	43.16	43.16
Claim by AIDQUA (without interest) toward the professional fees and incorporation expenses	159.20	156.83
Claim by IDBI Bank Ltd towards Right of Recompense (ROR for Consortium of Bank)	6,983.00	6,983.00
Contingent liabilities on account of GST (Internal Evaluation)	287.70	287.70
Total	7,473.05	7,470.69

Claims (as indicated above) and counter claims, relating to the project related contracts, on account of delays and or any other reasons, have not been reflected in these financial statements, pending settlement/ negotiations with the parties concerned.

44. Earnings Per Share

Particulars	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
Net Profit after Tax as per statement of Profit and Loss attributable to equity share holders used as	6,824.27	13,612.94
Weighted Average Number of Equity Shares used as denominator in calculating basic earnings	6,000	6,000
Nominal Value per Equity Share [in ₹]	10	10
Basic Earnings Per Share [in ₹]	1.14	2.27
Net Profit after Tax as per statement of Profit and Loss attributable to equity share holders used as		
numerator in calculating diluted earnings per share [₹ In lakhs]	6,824.27	13,612.94
Weighted Average Number of Equity Shares used as denominator in calculating diluted earnings		
per share	6,815	7,015
Diluted Earnings Per Share [in ₹]	1.00	1.94



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

45. Employee benefits

(i) Defined benefit plans:

The defined benefit plan is administered by the LIC which is named as LIC Group Gratuity Fund ('Fund') that is legally separated from the Group. The board of the fund is required by law to act in the best interest of the plan participants and is responsible for setting certain policies (e.g. investment, contribution and indexation policies) of the fund. Their defined benefit plans expose the group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

A. Funding

Defined benefit plan is fully funded by the group. The funding requirements are based on the fund's actuarial measurement framework set out in the funding policies of the plan. The funding of the plan is based on a separate actuarial valuation for funding purpose.

The Company has determined that in accordance with the terms and conditions of the defined benefit plan, and in accordance with statutory requirements, the present value of refunds or reductions in future contributions is not lower than the balance of the total fair value of the plan asset less the total present value of obligations.

B. Movement in net defined benefit (Asset) Liabilities

Gratuity & Leave Benefit

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of one years or more is entitled to gratuity at 15 days salary ($15/26 \times$ last drawn basic salary plus dearness allowance) for each completed year of service, in case of KMP, it will be calculated as per the terms of appointment letter. The gratuity scheme is funded by the Company and is managed by separate trust. The liability for gratuity scheme is recognised on the basis of actuarial valuation.

The Company provide for earned leave benefit and sick leave to the employees of the company, which accrue annually at 30 days and 12 days respectively, if sick leave exceeds 45 days, 50% of sick leave will be credited to earned leave. Earned leave is encashable while in service. The liability for the same is recognized on the basis of actuarial valuation.



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Notes to the Financial Statements for the Year Ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

Particulars	Gratuity (Funded)		Leave Encashment (UnFunded)	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Reconciliation of opening and closing balances of the present value of the defined benefit obligation				
Projected benefit obligation at the beginning of the year	42.26	53.27	59.37	78.14
Service cost	3.73	4.92	9.49	3.03
Interest cost	3.06	3.27	3.84	4.21
Remeasurement - Acturials (gain)/losses	10.27	(15.93)	9.39	(3.95)
Benefits paid	(11.98)	(3.27)	(17.91)	(22.06)
Projected benefit obligation at the end of the year	47.34	42.26	64.19	59.37
Change in the fair value of plan assets				
Fair value of plan assets at the beginning of the year	61.02	55.94	-	-
Interest income	4.58	3.66	-	-
Employer contributions	11.20	4.42	-	-
Benefits paid	(11.98)	(3.27)	-	-
Remeasurement Return on plan assets, excluding amount included in interest income	0.04	0.27	-	-
Fair value of plan assets at the end of the year	64.87	61.02	-	-
Amount recognised in the Balance Sheet				
Present value of projected benefit obligation at the end of the year	47.34	42.26	64.19	59.37
Fair value of plan assets at the end of the year	(64.87)	(61.02)	-	-
Net Defined Benefit Liability / (Assets)	(17.53)	(18.76)	64.19	59.37
Expense recognised in the Statement of Profit and Loss				
Service cost	3.73	4.92	9.49	3.03
Net Interest cost	(1.53)	(0.39)	3.84	4.21
Remeasurement - Acturials (gain)/losses			9.39	(3.95)
Remeasurement Return on plan assets, excluding amount included in interest income			-	-
Net Cost	2.21	4.53	22.73	3.29
Amount recognised in the Statement of other Comprehensive Income				
Remeasurement - Acturials (gain)/losses	10.27	(15.93)	-	-
Remeasurement Return on plan assets, excluding amount included in interest income	(0.04)	(0.27)	-	-
Amount Recognised in Other Comprehensive (Income) / Expenses	10.23	(16.20)	-	-



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Notes to the Financial Statements for the Year Ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

Particulars	Gratuity (Funded)		Leave Encashment (UnFunded)	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Summary of actuarial assumptions				
Discount rate	7.20%	7.40%	7.20%	7.30%
Weighted Average rate of increase in compensation levels	6.00%	6.00%	6.00%	6.00%
Weighted Average duration of defined benefit obligation	7.32 Years	7.80 Years	3.54 Years	3.74 Years
Withdrawal Rate	1.00%	1.00%	1.00%	1.00%
Leave Encashment rate	10.00%	10.00%	10.00%	10.00%
Leave Availment rate	10.00%	10.00%	10.00%	10.00%
The expected cash flows over the next few years are as follows:				
Year				
1	0.79	1.94	13.46	13.44
2	11.70	0.74	20.14	10.49
3	0.69	9.94	8.01	15.20
4	0.74	0.66	6.79	6.34
5	7.94	0.71	9.16	5.37
6 to 10	27.12	29.71	19.64	21.63
Remeasurement - Actuarial (gain) /loss arising from				
Change in financial assumptions	0.69	(1.69)	0.20	(0.79)
Change in demographic assumptions	-	-	-	-
Experience variance	9.58	(14.24)	9.19	(3.17)
	10.27	(15.93)	9.39	(3.95)

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered take into account the inflation, seniority, promotion and other relevant factors.

Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase.

The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

For Gratuity

Particulars	31.03.2024		31.03.2023	
	Decrease	Increase	Decrease	Increase
Discount rate (-/+ 0.5%)	49.13	45.65	43.95	40.67
(% change compared to base due to sensitivity)	3.77%	-3.56%	3.99%	-3.77%
Salary Growth rate (-/+ 0.5%)	45.64	49.13	40.65	43.96
(% change compared to base due to sensitivity)	-3.60%	3.78%	-3.82%	4.01%

For Leave encashment

Particulars	31.03.2024		31.03.2023	
	Decrease	Increase	Decrease	Increase
Discount rate (-/+ 0.5%)	65.21	63.19	60.36	58.41
(% change compared to base due to sensitivity)	1.60%	-1.55%	1.66%	-1.61%
Salary Growth rate (-/+ 0.5%)	63.18	65.22	58.40	60.36
(% change compared to base due to sensitivity)	-1.57%	1.61%	-1.64%	1.68%



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED**Notes to the Financial Statements for the Year Ended March 31, 2024**

(All amounts are in lakhs, unless otherwise stated)

46. In the context of reporting business / geographical segment as required by Ind AS 108 - "Operating Segments", the Company's operations comprise of only one business segment. Hence, there are no reportable segments as per Ind AS 108.

47. Disclosure in respect of Related Parties pursuant to Indian Accounting Standard 24

The Company has filed an additional affidavit before the Hon'ble NCLT, Mumbai Bench in CA 52 of 2024 in CP No. 3638 of 2018 and CA 511 of 2020, and before NCLT Chennai in CA 32 of 2010 and IA/102/2023 in CP 18 of 2007 (now TCP 12/2016), bringing on record additional facts supported by legal opinions and audit reports, particularly in relation to a short disbursement by IL&FS.

Based on the disbursements received by NTADCL from IL&FS, it has been determined by the Company, that an excess payment of ₹249.92 crore was made to IL&FS.

The status of IL&FS, loan which was sub judice before the Hon'ble NCLT, Mumbai in CA 52 of 2024, IL&FS's claim (CA 52 of 2024) for recovery of alleged dues was dismissed, while the Company's counter-application (CA 511 of 2020) was dismissed on the ground of moratorium, by order of NCLT Mumbai dated, 5th July 2025.

Nevertheless, the Matters of ILFS short Disbursement is still subjudice at NCLT Chennai in CA32,2010, which was adjourned sine die by the Company Law Board (now NCLT) pursuant to the proceedings pending before the Hon'ble Supreme Court in CA 6857 of 2018.

LIST OF RELATED PARTIES:

Promoter	Tamilnadu Water and Investment Company Limited	
Share Holders	Infrastructure Leasing and Financial Services Limited	
Investing Parties (having significant influence)	Government of Tamilnadu	
Key Management Personnel	Mr. Chandrakant B Kamble, Managing Director	
	Mr. Girish Kumar NJRV, Chief Financial Officer	
	Mr. Saurabh Misra, Company Secretary	
Directors	FY 2023-24	FY 2022-23
	Dr. D. Karthikeyan, I.A.S.	Mr. Shiv Das Meena, I.A.S
	Mr. Prashant M Wadnere, I.A.S.	Mr. Prashant M Wadnere, I.A.S.
	Tmt. Archana Patnaik, I.A.S.	Mr. L. Krishnan
	Dr. P. Senthilkumar, I.A.S	Mr. Faizal N Syed
	Mr. G. Mahalingam	Mr. A. Sakthivel
	Mr. L. Krishnan	Mr. Baiju Mathew
	Mr. Faizal N. Syed	Mr. R. Ananda Ganesan
	Mr. A. Sakthivel	Mrs. K. Bhoomalakshmi
	Mr. Baiju Mathew	Mr. G. Mahalingam

The details of amount due to related parties as at March 31, 2024 and March 31, 2023

Party	As at 31.03.2024		As at 31.03.2023	
Tamilnadu Water and Investment Company Limited	-	-	1,516.87	-
Infrastructure Leasing and Financial Services Limited *	-	-	-	-

* Refer Note No. 37



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Notes to the Financial Statements for the Year Ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

The details of Related Party Transaction entered into by the Company for the year ended March 31, 2024 and March 31, 2023

Party	For the year ended 31.03.2024	For the year ended 31.03.2023
Interest Paid		
Infrastructure Leasing and Financial Services Limited	-	167.32
Tamilnadu Water and Investment Company Limited*	-	-
Loans repaid		
Infrastructure Leasing and Financial Services Limited	-	1,164.83
Services provided		
Tamilnadu Water and Investment Company Limited	-	0.19
Remuneration Paid to Key Managerial Personnel		
Mr. Chandrakant B Kamble	27.93	18.78
Mr. Girish Kumar NJRV (Joined on 15-11-2023)	9.71	-
Mr. Saurabh Misra (Joined on 28-02-2023)	13.47	-
Mr. S. Ramasundaram (Relieved on 31-07-2022)	-	31.53
Directors Sitting Fees		
Mr. D. Karthikeyan	0.45	-
Mr. A. Sakthivel	0.75	0.60
Mr. Baiju Mathew	0.60	0.30
Mr. Faizal N Syed	0.60	0.90
Mr. G. Mahalingam	0.60	0.30
Mr. L. Krishnan	0.60	0.45
Mr. Prashant Wadnere	0.45	0.75
Mr. R. Ananda Ganesan	0.15	0.75
Mr. Shiv Das Meena	0.15	0.90
Mrs. K. Bhoomalakshmi	0.45	0.90
Ms. Archana Patnaik	0.30	-
Mr. P. Senthilkumar	0.15	-
Ms. Malini Shankar	-	0.30

*Subdebt to TWIC original amount is Rs. 20 crore (INDAS Rs. 15.16 crore as on 31.3.2023) has been repaid on Aug & Sep 2023, hence no subdebt as on 31.3.2024



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED**Notes to the Financial Statements for the Year Ended March 31, 2024**

(All amounts are in lakhs, unless otherwise stated)

48. Leases**i. As a Lessee**

The companies significant leasing arrangements are in respect of various assets are as follows :

Land : The company has taken on lease land for the purpose of supply of water and related infrastructure for providing services to the users in accordance with the terms of the concessional agreement with Government of Tamil Nadu. The lease rental are fixed for entire lease term, which has been arrived based on lease agreement. The lease can be extended as per concessional agreement. The company do not have option to buy.

Buildings : Premises for use of offices and store room on lease are usually renewable on mutually agreeable terms. The lease rental escalated by 15% once in 3 years for 1 property

Following are the changes in the carrying value of right of use asset for the year ended 31st March 2024:

Particulars	Land	Building	Total
Balance at 31 March 2023	51.76	42.38	94.14
Additions	-	173.85	173.85
Depreciation	7.36	52.28	59.63
Deletions	-	-	-
Balance at 31 March 2024	44.40	163.96	208.36

The Following is the Breakup of Current and Non-Current Lease Liability as at March 31, 2024 and March 31, 2023

Particulars	As at 31.03.2024	As at 31.03.2023
Current Lease Liability	60.09	43.00
Non-Current Lease Liability	157.84	63.45
Total	217.94	106.45

The movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023 is as follows

Particulars	As at 31.03.2024	As at 31.03.2023
Opening balance	106.45	190.64
Additions	173.85	20.05
Deletions	-	(43.59)
Finance Cost	11.66	15.14
Payment of lease liability	(74.02)	(75.80)
Closing Balance	217.94	106.45

The table below provide details regarding the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023

Particulars	As at 31.03.2024	As at 31.03.2023
Less than one year	78.58	74.02
One to five years	166.81	235.85
More than five years	19.87	33.61

ii. As a Lessor

The company has not entered any agreement as on date of this financial year as a lessor. Thus the disclosure requirements of Ind AS 116 as lessor does not arise for the company.



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

49. Corporate Social Responsibility expenditure

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
(i) Amount required to be spent by the company	164.78	151.39
(ii) Amount of expenditure incurred	164.78	151.39
(iii) Shortfall at the end of the year	NIL	NIL
(iv) Total of previous years shortfall	NIL	NIL
(v) Reason for shortfall	Not Applicable	Not Applicable
(vi) Nature of CSR Activities	1. Tamil Nadu Disaster Risk Reduction Agency	1. Promotion of education and sanitation in Tirupur
(vii) Details of Related party transactions. Eg. Contribution to a trust controlled by the company in relation to CSR expenditure as per relevant accounting standard	Not Applicable	Not Applicable
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	Not Applicable	Not Applicable



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Notes to the Financial Statements for the Year Ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

50. Financial Instruments
a. Financial Instrument by category

The carrying value and fair value of financial instruments by categories as at March 31, 2024 are as follows:

Particulars	Financial assets/ liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Loans	21.09	-	-	21.09	21.09
Trade Receivables	15,586.54	-	-	15,586.54	15,586.54
Cash and Cash equivalents	5,176.21	-	-	5,176.21	5,176.21
Other financial assets	10,186.80	-	-	10,186.80	10,186.80
Liabilities					
Borrowings from banks	-	-	-	-	-
Borrowings from others	12,039.96	-	-	12,039.96	12,039.96
Lease Liabilities	217.94	-	-	217.94	217.94
Trade payables	1,853.38	-	-	1,853.38	1,853.38
Other financial liabilities	408.13	-	-	408.13	408.13

The carrying value and fair value of financial instruments by categories as at March 31, 2023 are as follows:

Particulars	Financial assets/ liabilities at amortised costs	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at FVTOCI	Total carrying value	Total fair value
Assets					
Loans	25.02	-	-	25.02	25.02
Trade Receivables	9,730.04	-	-	9,730.04	9,730.04
Cash and Cash equivalents	1,501.69	-	-	1,501.69	1,501.69
Other financial assets	8,495.57	-	-	8,495.57	8,495.57
Liabilities					
Borrowings from banks	-	-	-	-	-
Borrowings from others	13,580.42	-	-	13,580.42	13,580.42
Lease Liabilities	106.45	-	-	106.45	106.45
Trade payables	1,351.41	-	-	1,351.41	1,351.41
Other financial liabilities	339.95	-	-	339.95	339.95

Details of financial assets pledged as collateral

The carrying amount of financial assets as at March 31, 2024 and March 31, 2023 that the Company has provided as collateral for obtaining borrowing and other facilities from the bankers are as follows:

Particulars	As at 31.03.2024	As at 31.03.2023
Trade receivables	15,586.54	9,730.04
Cash and cash equivalents	5,176.21	1,501.69
	20,762.76	11,231.73

b. Interest income/(expenses), gains/(losses) recognized on financial assets and liabilities

Particulars	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
(a) Financial assets at amortised cost		
Interest income on bank deposits	934.90	291.91
Interest income on other financial assets	789.49	980.43
Income Recovered from Customers	-	-
Particulars	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
(b) Financial assets/liabilities at fair value through profit or loss (FVTPL)		
Net gains/(losses) on fair valuation of derivative financial instruments	-	-
(c) Financial liabilities at amortised cost		
Interest expenses on lease obligations	11.66	15.14
Interest expenses on borrowings from banks, others and overdrafts	915.78	1,407.65



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED**Notes to the Financial Statements for the Year Ended March 31, 2024**

(All amounts are in lakhs, unless otherwise stated)

51. Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the risk management framework. The Board of Directors are assisted in its oversight role by Internal Audit. Internal Audit undertakes reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

Credit risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's trade receivables, treasury operations and other activities that are in the nature of leases.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Management considers that the demographics of the Company's customer base, including the default risk of the industry and country in which customers operate, has less of an influence on credit risk. Credit risk is managed through obtaining bank guarantees, credit approvals, establishing credit limits and continuously monitoring the credit worthiness of the customers to which the Company grants credit terms in the normal course of the business.

Cash and cash equivalents and other investments

In the area of treasury operations, the Company is presently exposed to counter-party risks relating to short term and medium term deposits placed with public-sector banks. The Chief Financial Officer is responsible for monitoring the counterparty credit risk, and has been vested with the authority to seek Board's approval to hedge such risks in case of need.

Exposure to credit risk

The gross carrying amount of financial assets, net of any impairment losses recognized represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2024 and March 31, 2023 was as follows:

Particulars	As at 31-03-2024	As at 31-03-2023
Loans	21.09	25.02
Trade receivables	15,586.54	9,730.04
Cash and cash equivalents	5,176.21	1,501.69
Other financial assets	10,186.80	8,495.57

Financial assets that are neither past due nor impaired

Cash and cash equivalents, other assets and other receivables are neither past due nor impaired.



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Notes to the Financial Statements for the Year Ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Typically the Company ensures that it has sufficient cash on demand to meet expected operational expenses, servicing of financial obligations. In addition, the Company has concluded arrangements with well reputed Banks, and has unused lines of credit that could be drawn upon should there be a need.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

As at March 31, 2024

Particulars	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 Years
Non-derivative financial liabilities						
Borrowings from banks	-	-	-	-	-	-
Borrowings from others	12,039.96	-	-	-	-	-
Lease Liabilities	217.94	265.26	78.58	88.23	78.58	19.87
Trade payables	1,853.38	1,853.38	1,853.38	-	-	-
Other financial liabilities	408.13	408.13	408.13	-	-	-

As at March 31, 2023

Particulars	Carrying amount	Contractual cash flows	0-12 months	1-3 years	3-5 years	> 5 Years
Non-derivative financial liabilities						
Borrowings from banks	834.08	848.20	848.20	-	-	-
Borrowings from others	12,937.14	2,000.27	2,000.27	-	-	-
Lease Liabilities	106.45	92.14	9.77	19.53	29.30	33.55
Trade payables	1,351.41	1,351.41	1,351.41	-	-	-
Other financial liabilities	339.95	339.95	339.95	-	-	-

Market risk:

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments. The Company is exposed to market risk primarily related to interest rate risk.

Interest rate risk:

Interest rate risk is the risk that an upward movement in interest rates would adversely affect the borrowing costs of the Company.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments were as follows:

Particulars	As at 31-03-2024	As at 31-03-2023
Fixed rate instruments		
Financial assets		
- Fixed deposits with banks	4,583.00	200.00
Financial liabilities		
- Borrowings from banks	-	-
- Borrowings from others	12,039.96	13,580.42
Variable rate instruments	-	-

Fair value sensitivity for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Company does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Notes to the Financial Statements for the Year Ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

52. Capital management

The Company's capital comprises equity share capital, share premium, retained earnings and other equity attributable to equity holders. The primary objective of Company's capital management is to maximise shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The total capital as on March 31, 2024 is ₹ 56207.90 lakhs (Previous Year: 49,645.57 lakhs).

The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. Net debt comprises of long term and short term borrowings less cash and bank balances. Equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows:

Gearing Ratio

Particulars	As at 31-03-2024	As at 31-03-2023
Debt #	12,257.90	13,686.86
Less: Cash and bank balances*	5,176.21	1,501.69
Net debt	7,081.69	12,185.17
Total equity*	56,206.34	49,645.57
Net debt to total equity ratio	13%	25%

* excludes earmarked deposits/reserves

debt does not include amount payable to subsidiaries.

No changes were made in the objectives, policies or processes for managing capital of the Company during the current and previous year.

53. Deferred tax assets and liabilities

The tax effects of significant temporary differences that resulted in deferred tax assets and a description of the items that created these differences is given below :

Recognised deferred tax assets/liabilities

Particulars	As at 31-03-2024	As at 31-03-2023
Deferred tax assets on temporary deductible differences		
Provision for employee benefits	-	-
Unabsorbed Depreciation	10,275.17	13,756.10
Provision for Doubtful debts		
	10,275.17	13,756.10
Deferred tax liabilities on temporary taxable differences		
Property, Plant and Equipment	(9,644.39)	(10,406.04)
	(9,644.39)	(10,406.04)
Net deferred tax Asset / (Liability)	630.78	3,350.06



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2024

(All amounts are in lakhs, unless otherwise stated)

54. Trade receivables, Trade payables balances and loans and advances are subject to confirmation from the respective parties.

55. Borrowings from banks or financial institutions on the basis of security of current assets

The Company has not obtained any borrowings from Banks or Financial Institution on the basis of current assets.

56. Willful Defaulter

There is only dispute with ILFS and other financial institutions. The company has not been declared as wilful defaulter by any of the institutions

57. Relationship with Struck off Companies

The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

58. Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company filed an application with the Registrar of Companies (ROC) for registration of charge satisfaction, as all loans disbursed under the Common Loan Agreement dated March 22, 2002 (restructured under the MRA dated March 29, 2012), have been fully prepaid. Certain senior lenders objected, citing claims related to the Right of Recompense (RoR) and associated fees.

In response, the Company filed a writ petition before the Hon'ble High Court of Madras seeking directions to the ROC for appropriate action. The ROC passed an unreasoned order, leading the Company to file another writ. The High Court directed the ROC to consider the matter under Section 83 of the Companies Act, 2013, and pass a reasoned order after granting an in-person hearing and reviewing the evidence.

Despite this, the ROC again passed an order without granting a hearing. The Company issued a contempt notice and, during a subsequent hearing, submitted that no further proceedings could take place unless the impugned order is first withdrawn, as its continuation would violate and would perpetuate the Hon'ble High Court's directive and would further the contempt. The matter remains sub judice before the ROC, Coimbatore.

Separately, in the IL&FS, the status of IL&FS, loan which was sub judice before the Hon'ble NCLT, Mumbai in CA 52 of 2024, IL&FS's claim (CA 52 of 2024) for recovery of alleged dues was dismissed, while the Company's counter-application (CA 511 of 2020) was dismissed on the ground of moratorium, by order of NCLT Mumbai dated, 26.06.2025.

The Company shall file the requisite intimation for satisfaction or modification of charges with the ROC based on the final outcome of the matter.

59. Compliance with number of layers of subsidiaries

The Company has no subsidiaries

60. Details of Benami Property (If any)

There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami property Transactions Act, 1988 and rules made thereunder.

61. Undisclosed Income

The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

62. Details of Crypto Currency or Virtual Currency

During the financial year the company has not traded or invested in Crypto currency or Virtual Currency.

63. Loans and Borrowings

During the year the company has not obtained any borrowings from Banks and Financial Institution

64. Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

The Company has not given any loans or advances in the nature of loans that are repayable on demand or without repayment schedule to the directors

65. Title deeds of Immovable Properties not held in name of the Company

The Company does not have any immovable properties whose title deeds are not held in the name of the Company.



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in lakhs, unless otherwise stated)
66. Trade receivable ageing schedule for the year ended as on 31st March 2024

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3	Total
(i) Undisputed Trade receivables – considered good	1,218.69	2.83	(65.85)	(168.42)	(10.42)	976.84
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	5,289.67	3,286.77	6,009.01	13.03	11.22	14,609.70
(iii) Undisputed Trade Receivables – credit impaired						-
(iv) Disputed Trade Receivables– considered good						-
(v) Disputed Trade Receivables – which have significant increase in credit risk						-
(vi) Disputed Trade Receivables – credit impaired					123.37	123.37
	6,508.36	3,289.60	5,943.17	(155.39)	124.18	15,709.91
Less: Allowance for Expected Credit Loss	-	-	-	-	123.37	123.37
Total	6,508.36	3,289.60	5,943.17	(155.39)	0.81	15,586.54

Trade receivable ageing schedule for the year ended as on 31st March 2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3	Total
(i) Undisputed Trade receivables – considered good	1,074.01	(28.24)	0.38	1.58	(16.10)	1,031.64
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	4,668.20	3,252.12	766.95	2.74	8.39	8,698.40
(iii) Undisputed Trade Receivables – credit impaired						-
(iv) Disputed Trade Receivables– considered good						-
(v) Disputed Trade Receivables – which have significant increase in credit risk					126.79	126.79
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
	5,742.20	3,223.88	767.33	4.32	119.09	9,856.83
Less: Allowance for Expected Credit Loss	-	-	-	-	126.79	126.79
Total	5,742.20	3,223.88	767.33	4.32	(7.70)	9,730.04



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Notes to the financial statements for the year ended March 31, 2024
(All amounts are in lakhs, unless otherwise stated)
67. Trade Payable ageing schedule for the year ended as on 31st March 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	21.29	-	-	-	21.29
(ii) Others	1,808.57	(6.16)	(0.47)	25.31	1,827.25
(iii) Disputed dues – MSME	-	-	4.84	-	4.84
(iv) Disputed dues - Others	-	-	-	-	-
	1,829.87	(6.16)	4.37	25.31	1,853.38

Trade Payable ageing schedule for the year ended as on 31st March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	23.12	-	-	-	23.12
(ii) Others	1,313.89	(0.47)	9.80	0.24	1,323.45
(iii) Disputed dues – MSME	-	4.84	-	-	4.84
(iv) Disputed dues - Others	-	-	-	-	-
	1,337.01	4.37	9.80	0.24	1,351.41

Disclosure requirement as required under Micro, Small & Medium Enterprises Development Act, 2006 is as follows:

Particulars	As at 31-Mar-2024	As at 31-Mar-2023
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	21.29	23.12
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for principal payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

68. Capital work in progress ageing schedule as on 31st March 2024

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	6.20	-	-	-	6.20
(ii) Projects temporarily suspended	-	-	-	-	-
	6.20	-	-	-	6.20

Capital work in progress ageing schedule as on 31st March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	58.00	-	-	-	58.00
(ii) Projects temporarily suspended	-	-	-	-	-
	58.00	-	-	-	58.00



NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED
Notes to the Financial Statements for the Year Ended March 31, 2024
(All amounts are in lakhs, unless otherwise stated)

69. Ratios

Particulars	Numerator	Denominator	As at 31-Mar-2024	As at 31-Mar-2023	% change	Reason for Change
(a) Current Ratio (in times)	Current Asset	Current Liability	7.48	5.05	48%	Increase in FD
(b) Debt Equity Ratio (in times)	Total Debt	Shareholder's Equity	0.22	0.28	-21%	Decrease in borrowings due to pre-payment of TWIC sub-debt
(c) Debt service coverage ratio (in times)	Earnings available for Debt services	Debt Service	(4.91)	1.76	-379%	Repayment of sub-debt loans and increase in net profit during the year lead to increase in debt service ratio
(d) Return on equity ratio (in %)	Net Profit after taxes	Average Shareholder's Equity	0.13	0.32	-59%	Net profit increased and reduction in finance cost by pre-payment of loan
(e) Inventory Turnover ratio (in times)	Cost of good Sold	Average Inventory	27.17	25.44	7%	Due to increase in stock and chemicals
(f) Trade receivables turnover ratio (in times)	Net Credit sales	Average Trade Receivable	1.74	2.15	-19%	Due to poor collection in domestic segment
(g) Trade payables turnover ratio (in times)	Net Credit Purchases	Average Trade Payable	5.38	10.15	-47%	Due to advance paid to supplier
(h) Net capital turnover ratio (in times)	Revenue	Working Capital	1.35	1.42	-5%	Increase in working capital due to Fixed deposits and Revenue during the year
(i) Net profit ratio (in %)	Net Profit	Revenue	0.31	0.59	-47%	Due to reduction in sales for lower offtake in additional quantity
(j) Return on capital employed (in %)	Earnings before interest and taxes	Capital Employed	0.15	0.18	-17%	Due to reduction in sales for lower offtake in additional quantity
(k) Return on Investments	Income generated from investment	Time weighted average investment	NA	NA	NA	No investments held for the purpose of earning returns

70. Previous Year Figures

Previous year figures have been regrouped wherever necessary for comparative purposes and shown alongside or in brackets.

71. The changes were incorporated in the financial statements and notes to accounts based on the observation made by the Comptroller Accountant General of India during their supplementary audit, and the accounts were revised, which was approved by the Board of Directors in their meeting held on 23 July 2025. There is no financial impact due to the changes suggested by CAG.

Summary of significant accounting policies

1&2

As per our report of even date

For Venkat and Rangaa LLP

Chartered Accountants

Manisekaran S

Partner

Membership No.026400



For and on behalf of Board of Directors of
**NEW TIRUPUR AREA DEVELOPMENT
CORPORATION LIMITED**

Gagandeep Singh Bedi

Chairman
DIN-01854652

Saurabh Misra

Company Secretary
Membership No.A25150

B. Ganesan

Managing Director
DIN-08970943

Place: Chennai

Date: 22.06.2026

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2024

1. Company Information

New Tirupur Area Development Corporation Limited ("The Company"/ "NTADCL"), is a Public Limited Company incorporated on February 24, 1995 vide registration number U91990TZ1995PLC005869 under the Companies Act, 1956 domiciled in India. The registered office of the Company is at Tea Building, No 66, Appachi Nagar Main Road, Kongu Nagar, Tirupur, 641607.

NTADCL has been granted exclusive right to abstract water from river Cauvery, vide Concession Agreement with Government of Tamil Nadu in the year 2000. The project envisaged supply of 185 Million Litres per Day (MLD) of potable water (expandable to 250 MLD) mainly to meet the water requirements of hosiery and related industries in and around Tirupur. In addition, 15 MLD Sewage treatment plant expandable to 30 MLD was also conceived for Tirupur Corporation.

2. Summary of Material Accounting Policies

2.1 Statement of compliance and basis for preparation and presentation of financial statements

These financial statements are prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time. The Company adopted Ind AS from 1st April 2021 (Date of transition to Ind AS).

2.2 Basis of preparation and compliance

The Financial Statements have been prepared and presented under the historical cost convention on a going concern basis, on the accrual basis of accounting except for the cash flow information and certain financial assets and financial liabilities that are measures at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

Historical cost is generally based on fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the assets or liability if market participants would take those characteristics into the account when pricing the asset or liability at the measurement date.



Ind AS 1 – Presentation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies and also identify and eliminate immaterial accounting policies from the financial statements. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company has evaluated the amendment and does not expect this amendment to have any significant impact in its Financial Statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of “accounting estimates” which was absent hitherto, and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The company has evaluated the amendment and does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The company has evaluated the amendment and does not expect this amendment to have any significant impact in its financial statements.

2.3 Functional and Presentation Currency

These financial statements are presented in Indian Rupees (‘INR’ or ‘Rs.’) which is also the Company’s functional currency. All amounts are rounded-off to the nearest rupee, unless otherwise indicated.

2.4 Basis of Presentation and Measurement

These standalone financial statements have been prepared on going concern basis following accrual system of accounting. The assets and liabilities have been measured at historical cost or at amortised cost or at fair value at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

Fair value measurements are categorized into Level 1, 2 or 3 as per Ind AS requirement, which are described as follows:

- I. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- II. Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- III. Level 3 inputs are unobservable inputs for the asset or liability.

2.5 Use of Estimates and judgements and Estimation uncertainty

In preparing these financial statements, the management has made judgements, estimates and assumptions that affect the application of the Company’s accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying



assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were issued. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected prospectively when they occur.

Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

Provisions and other Contingent Liabilities

The reliable measure of the estimates and judgements pertaining to litigations and the regulatory proceedings in the ordinary course of the Company's business are disclosed as contingent liabilities.

Apart from the above, the management uses estimates determining the future obligation with respect to post employment benefits, fair value measurement etc.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

2.6 Revenue recognition

The company Recognize Revenue from sale of water and sewerage treatment are recognized based on meter reading on monthly basis and sale of services is recognized as and when the company satisfies performance obligation.

a) Sale of Goods and Services

Revenue from sale of water and sewerage treatment are recognised based on meter reading on monthly basis and sale of services is recognised as and when the company satisfies performance obligation.

Majority of the present contracts entered into are services wherein the customer receives and consumes the benefits provided by the entity's performance on a continuous basis, resulting in the performance obligation being satisfied over a period of time.

Ancillary services

Revenue from New connection works, Reconnection, Disconnection and permanent disconnection charges are recognised ratably over the period in which services are rendered.

b) Interest income

Interest income, on financial assets subsequently measured at amortized cost, is recognized using the Effective Interest Rate (EIR) method. The Effective Interest Rate (EIR) (is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to that asset's net carrying amount on initial recognition



c) Grant Income

Government grants are recognised as revenue in the statement of profit or loss in proportion to the utilization certificates received from the projects for the purposes for which the grants were allocated. Capitalized Government grants represented by either Investments in the form of equity shares or loans and project advances / grants to qualifying companies is retained on historical cost basis.

d) Loans and Advances – Ind AS 109

“Interest income is recognised in Statement of profit and loss using the effective interest method for all financial instruments measured at amortised cost. The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the Statement of profit and loss.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit impaired financial assets. When an asset becomes credit impaired, the company calculates the interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial asset cures and is no longer credit impaired, the company reverts to calculating interest income on a gross basis.”

2.7 Property Plant and Equipment (PPE) and Depreciation

- i. PPE's are tangible items that:
 - a. Are held for use in the production or supply of goods or service for rental to others or for administrative purposes and
 - b. Are expected to be used during more than one period.

Investment properties are tangible items that are held for capital appreciation or for rental to others

- ii. The cost of an item of PPE or investment property is recognized as an asset if, and only if
 - a. it is probable that future economic benefit associated with the item will flow to the entity; and
 - b. the cost of the items can be measured reliably.
- iii. The PPE and investment property are stated at cost less accumulated depreciation and accumulated impairment loss. The initial cost of PPE and investment property comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning. Expenditure



incurred after the asset have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have difference useful lives, then they are accounted for as separate items (major components) of PPE. Material items such as spare parts, stand-by-equipment and service equipment, tools, valves, charge are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

iv. Capital work-in-progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of PPE outstanding at each Balance Sheet date are disclosed under Other Non-Current Assets.

v. Depreciation:

- a) Depreciation is recognized so as to write-off the cost of assets less their residual values as per Straight line method as prescribed in Schedule II to the Companies Act, 2013 over the estimated useful lives by taking into account the minimum of
 - (i) Estimated life of the asset as given in the Companies Act or
 - (ii) Estimated useful life of the asset based on technical estimate or
 - (iii) Life of the project as indicated in the Concession agreement(CA)
- b) Depreciation on additions to/deductions from PPE during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.
- c) An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the de-recognition of an item of PPE is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.
- d) Assets costing Rs. 20,000/or less- are fully expensed off in the period of purchase.

The Company has technically assessed the fixed assets of the Company and determined the useful life of these assets based on which depreciation has been computed. Depreciation on each part of an item of Fixed Asset is provided using the Straight-Line Method.

Fixed Assets are depreciated in line with the provisions of Schedule II of Companies Act 2013 over their estimated remaining useful life by taking into account the minimum of

- (i) Estimated life of the asset as given in the Companies Act or
- (ii) Estimated useful life of the asset based on technical estimate or
- (iii) Life of the project as indicated in the Concession Agreement

Depreciation on assets sold/disposed is charged till the date of disposal of the assets.

The estimated useful lives used for computation of depreciation are as follows:

Particulars	Useful Life
Office Equipments	5
Furniture and Fixtures	10
Motor Vehicles	8/10
Plant and Machinery	25/10
Building	30/50/100
Data Processing Equipments	3/6



2.8 Intangible Assets

- a) Intangible assets with finite useful lives that are acquired separately are recognised at cost and subsequently stated at cost less accumulated amortization and impairment. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use. Amortisation is recognised on a straight-line basis over their estimated useful lives.
- b) Expenditure incurred which are eligible for capitalisation under intangible assets is carried as intangible assets under development till they are ready for their intended use.
- c) The estimated useful life of an identifiable intangible asset is based on a number of factors including license agreements, the effects of obsolescence, demand, competition and other economic factors and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortisation method and useful lives are reviewed periodically including at each financial year end.
- d) An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is de-recognised.

2.9 Financial Instruments

a) Initial Recognition:

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instruments. All financial assets and liabilities are recognized at fair value on initial recognition, except for receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added or deducted to the fair value on initial recognition. Transaction costs directly attributable to the acquisition or issue of financial assets and financial liabilities at FVTPL are recognized immediately in the statement of profit and loss.

b) Classification and Subsequent measurement of financial assets

On initial recognition, a financial asset is classified as measured at

- i. Amortized Cost
- ii. FVTOCI
- iii. FVTPL

The company's business model is assessed on an instrument by instrument basis.

Financial assets at Amortised Cost

Financial assets that meet the following conditions are subsequently measured at amortised cost using Effective Interest Rate method (EIR):

- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and



- The contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in Statement of profit and loss. Any gain and loss on derecognition is recognised in Statement of profit and loss.

Effective Interest rate method:

The effective interest rate method is a method of calculating the amortised cost of financial asset and of allocating interest income over the expected life. The company while applying EIR method, generally amortises any fees, points paid or received, transaction costs and other premiums or discount that are integral part of the effective interest rate of a financial instrument.

Income is recognised in the Statement of Profit and Loss on an effective interest rate basis for financial assets other than those classified as at FVTPL.

EIR is determined at the initial recognition of the financial asset. EIR is subsequently updated at every reset, in accordance with the terms of the respective contract.

Once the terms of financial assets are renegotiated, other than market driven interest rate movement, any gain/loss measured using the previous EIR as calculated before the modification, is recognised in the Statement of Profit and Loss in period during which such renegotiations occur.

Financial assets at FVTOCI

A financial asset is measured at FVTOCI if both the following conditions are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

All fair value changes are recognised in Other Comprehensive Income (OCI) and accumulated in Reserve.

Financial Assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL, with all changes recognised in the Statement of profit or loss.

Financial Assets are not reclassified subsequent to their initial recognition except if and in the period the Company changes its business model for managing financial assets.

c) Financial Liabilities and Equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.



Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.

Hedging

The company designates certain hedging instruments, such as derivatives, embedded derivatives and in respect of foreign currency risk, certain non-derivatives, as either fair value hedges or cash flow hedges or hedges of net investment in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted as cash flow hedges.

(a) **Fair Value Hedging:** Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedging risk. Hedge accounting is discontinued when the hedging instrument is expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged items arising from the hedge risk is amortised to profit or loss from that date.

(b) **Cash Flow Hedges:** In case of transaction related hedges, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in equity as 'hedging reserve'. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. Amounts previously recognised in other comprehensive income and accumulated in equity relating to the effective portion, are reclassified to profit or loss in the periods when the hedged items affects profit or loss, in the same head as the hedged items. The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion. In case of time period related hedges, the forward element and the spot element of a forward contract is separated and only the change in the value of the spot element of the forward contract is designated as the hedging instrument. Similarly, wherever applicable, the foreign currency basis spread is separated from the financial instrument and is excluded from the designation of that financial instrument as the hedging instrument in case of time period related hedges. The change in the fair value of the forward element of the forward contract or the foreign currency basis spread of the financial instrument is accumulated in a separate component of equity as 'cost of hedging'. The change in the fair value of such forward element or foreign currency basis spread are reclassified to profit or loss as reclassification adjustment on a straight-line basis over the period of the forward contract or the financial instrument. Hedge accounting is discontinued when the hedging instrument expires or is sold,



terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Compound Financial Instrument

Compound financial instrument issued by the company which can be converted into fixed number of equity shares at the option of the holders irrespective of change in the fair value of the instrument are accounted by separately recognizing the liability and the equity components. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

d) De-recognition

Financial Assets:

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received & receivable, and the cumulative gain or loss that had been recognised in Other Comprehensive Income and accumulated in Equity, is recognised in Statement of Profit and Loss if such gain or loss would have otherwise been recognised in Statement of Profit and Loss on disposal of that financial asset.

Financial Liabilities:

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid & payable is recognised in Statement of Profit and Loss.

e) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

f) De-recognition of financial instruments

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery as per the company policy. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in Statement of profit and loss.



2.10 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.11 Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amount of income recognised in accordance with the principles of Ind AS 115.

2.12 Inventory

Inventories are valued at lower of cost and net realizable value.
Cost is arrived on the basis of

- (a) In the case of chemicals and stores, at cost on FIFO basis.
- (b) In the case of treated water, direct cost of production.

2.13 Employee Benefits

a) Short term Employee benefits:

Short-term employee benefits like salaries and wages are expensed as the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Defined Contribution Plan:

Company's contribution paid/payable during the year towards provident fund and Pensions are charged in the statement of profit and loss when employees have rendered service entitling them to the contributions.

c) Defined Benefit Plan:

The Company's liability towards gratuity scheme is determined by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. Past services are recognised at the earlier of the plan amendment / curtailment and recognition of related restructuring costs/ termination benefits.



The net interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefit expense in the Statement of profit and loss

Re-measurement gains/losses

Re-measurement of defined benefit plans, comprising of actuarial gains / losses, return on plan assets excluding interest income are recognised immediately in the balance sheet. (Through Other Comprehensive income)

d) Earned / Unearned leave encashment

The Company provides for the encashment / availment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The liability is provided based on the number of days of unutilized leave at each balance sheet date on the basis of projected unit credit method by an independent actuarial valuation.

e) Loan to Employees

The company provides loans to employees and interest is charged on the same based on Marginal/Average Cost of Borrowing capital whichever is higher. These are initially recognised at fair value and subsequently measured at amortised cost in accordance with INDAS 19.

f) Actuarial valuation

The determination of Company's liability towards defined benefit obligation and other long term employee benefits to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in the Notes to the financial statements.

2.14 Income Taxes

Income Tax expense comprises of current, Prior and deferred tax. It is recognised in Statement of Profit and Loss, except when it relates to an item that is recognised in OCI or directly in equity, in which case, tax is also recognised in OCI or directly in equity.

Current Tax

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period

Prior Tax

Any short provision of tax of earlier years other than the reporting year is reported here



Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against liabilities, and they relate to income taxes levied by the same tax authority.

Additional Income Tax that arises from distribution of dividend is recognized at the same time when the liability to pay dividend is recognized.

2.15 Impairment

For Financial Instruments:

The Company recognizes lifetime expected credit losses (ECL) when there has been a significant increase in credit risk since initial recognition and when the financial instrument is credit impaired. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information.

Ind AS 109 provides that, despite the requirement to provide 12 month ECL for financial assets that do not have a significant increase in credit risk, an entity shall always measure the loss allowance at an amount equal to lifetime expected credit losses for trade receivables, contract assets that do not contain a significant financing component and lease receivables. Hence, the Company recognizes lifetime ECL for trade receivables, lease receivables and other contract assets. The expected credit losses on these financial assets are estimated using a provision



matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For assets other than financial instruments

The Company reviews the carrying amounts of its tangible and intangible assets at the end of each reporting period, to determine whether there is any indication that those assets have impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or group of assets.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount such that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognised in Statement of profit and loss.

2.16 Provisions and Contingent Liabilities

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as Interest cost. Expected future operating losses are not provided for. However, where the unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity will be disclosed.



Contingent assets are neither recognised nor disclosed except when realization of income is virtually certain, related asset is recognised. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.17 Leases

The company as a Lessee:

The Company's lease asset class primarily consists of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the lessee has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the lessee has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

If lease arrangements include the options to extend or terminate the lease before the end of the lease term, then ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date using written down value method. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor:



Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

2.18 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash, cheques and drafts on hand, balance with banks in current accounts and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

2.19 Current & Non-Current Classification

The Company Presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or constructed in normal operating cycle.
- Held Primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified current when:

- It is expected to be settled in normal operating cycle.
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The company classifies all other liabilities as non-current.

Deferred Tax Assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as operating cycle.



2.20 Earnings per share

a. Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without a corresponding change in resources.

b. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the period considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.21 Dividend

The final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. Income tax consequences of dividends on financial instruments classified as equity will be recognized according to where the entity originally recognized those past transactions or events that generated distributable profits.

The Company declares and pays dividends in Indian rupees. Companies are required to pay/distribute dividend after deducting applicable withholding income taxes. The remittance of dividends outside India is governed by Indian law on foreign exchange and is also subject to withholding tax at applicable rates.

2.22 Events after Reporting Period

When events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the input of such events is adjusted within the financial statements, otherwise, event after the Balance Sheet date of material size or nature are only disclosed.

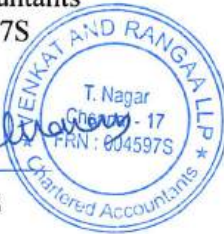


2.23 Material Prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest period presented, the opening balances of assets, liabilities and equity for the earliest period presented, are restated.

As per our report of even date
For Venkat and Rangaa LLP
Chartered Accountants
FRN No: 004597S


Manisekaran S
Partner
Membership No. 026400



For and on behalf of Board of Directors of
New Tirupur Area Development
Corporation Limited


Gagandeep Singh Bedi
Chairman
DIN-01354652


B. Ganesan
Managing Director
DIN-08970943


Saurabh Misra
Company Secretary
Membership No. A25150

Place: Chennai
Date: 22.06.2026



OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL

AUDIT-I, Tamil Nadu,

Audit Bhavan

361, Anna Salai, Teynampet, Chennai – 600 018

PAG(Audit-I)/AMGIV/Commercial/NTADCL/2026-27/62 Dt: 15.07.2026

To

The Managing Director,

Polyhose Tower, (SPIC Annex Bldg),

1st Floor, No.86 Mount Road,

Guindy, Chennai – 600 032

Sir,

**Sub: Comments of the C&AG of India u/s 143(6)(b) of the
Companies Act, 2013 on the financial statements of New
Tirupur Area Development Corporation Limited for the
year ended 31 March 2024**

I am to forward herewith the 'NIL COMMENT' Certificate of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements of New Tirupur Area Development Corporation Limited for the year ended 31 March 2024.

A copy of the minutes of the Annual General Meeting in which comments of the Comptroller & Auditor General of India are to be placed in terms of proviso to Section 143 (6) (b) of the Companies Act, 2013 may please be sent to this office early. Three copies of printed Annual Reports as and when they are ready may be forwarded to this office.

Yours faithfully,

Deputy Accountant General/ AMG-IV

Encl: As above

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF NEW TIRUPUR AREA DEVELOPMENT CORPORATION
LIMITED FOR THE YEAR ENDED 31 MARCH 2024**

The preparation of financial statements of New Tirupur Area Development Corporation Limited for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 22.06.2026

I, on behalf of the Comptroller and Auditor General of India have conducted a supplementary audit of the financial statements of New Tirupur Area Development Corporation Limited for the year ended 31 March 2024 under Section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and Company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary Audit, nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

**For and on behalf of the
Comptroller & Auditor General of India**

**Place: Chennai
Date: /07/2026**



**FREDERICK SYEMLIEH
(PRINCIPAL ACCOUNTANT GENERAL)**



NTADCL

NEW TIRUPUR AREA DEVELOPMENT CORPORATION LIMITED

Registered Office: No.66, Appachi Nagar Main Road, Kongu Nagar, Tirupur – 641 607

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Phone: +91 44 2235 1890 / 91 Fax: +91 44 2235 1894
Website: www.ntadcl.com Email: contactus@ntadcl.com

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