



**TALCHER FERTILIZERS
LIMITED**

4TH ANNUAL REPORT 2018-19

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NOTICE OF 4th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 4th Annual General Meeting of the Members of Talcher Fertilizers Limited will be held on Thursday, the 26th day of September, 2019 at 3.00 p.m. at Camillia, Mayfair Lagoon, 7B, Jaydev Vihar, Bhubaneswar, Odisha – 751013 (India) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2019 and the Reports of Directors and Auditors and comments thereon of the Comptroller and Auditor General of India.
2. To appoint a Director in place of Shri Sudhir D. Panadare (DIN 07933191), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Niranjana Lal (DIN 07965269) who retires by rotation and being eligible, offers herself for reappointment.
4. To fix remuneration of Auditors for the financial year 2019-20 and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Board of Directors of the Company be and is hereby authorized to fix the remuneration, out of pocket, statutory taxes and other ancillary expenses of Auditors to be appointed by the Comptroller and Auditor General of India for the financial year 2019-20.”



तालचेर फर्टिलाइजर्स लिमिटेड

TALCHER FERTILIZERS LIMITED

निगमित पहचान क्रमांक /Corporate Identification Number (CIN) : U24120OR2015PLC019575

SPECIAL BUSINESS:

5. To appoint Dr. A. K. Samantaray (DIN 07090691) as Director of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 161(1) and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re- enactment thereof for the time being in force) and the Articles of Association of the Company, Dr. A. K. Samantaray (DIN 07090691) who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 28th September, 2018 and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.”

6. To appoint Shri Manoj R. Meshram (DIN 08195079) as Director of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 161(1) and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re- enactment thereof for the time being in force) and the Articles of Association of the Company, Shri Manoj R. Meshram (DIN 08195079) who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 24th December, 2018 and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.”



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7. To appoint Shri Ashu Shinghal (DIN 08268176) as Director of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 161(1) and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re- enactment thereof for the time being in force) and the Articles of Association of the Company, Shri Ashu Shinghal (DIN 08268176) who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 15th March, 2019 and who holds office upto the date of this Annual General Meeting, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation.”

8. Borrowing Powers of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 180(1)(c) of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and any other applicable laws and provisions of Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company or Committee thereof (the “Board”) to borrow such sum of moneys, from time to time, at its discretion, with or without security, and upon such terms and conditions as the Board may think fit, for the purpose of business of the Company, such that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company’s bankers in the ordinary course of business) and outstanding at any point of time shall not exceed a sum of Rs.10,000 crore (Rupees Ten Thousand Crore Only);



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RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to negotiate and decide the terms and conditions of such borrowings, finalise and execute all such deeds, documents and writings as may be necessary, desirable or expedient, settle any questions, difficulties or doubts that may arise in this regard, do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable and to delegate all or any of these powers to any Committee of Directors or any other officer of the Company or any other person.”

9. To create security on the properties of the Company, both present and future, in favour of lenders and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 180(1) (a) and other applicable provisions, if any, of the Companies Act 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), and Rules made thereunder as may be amended, from time to time and Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company or Committee thereof (the “Board”) to create mortgage/hypothecation/pledge/charge/security in any form or manner on the properties of the Company whether tangible, intangible or otherwise, both present and future, in favour of lenders including Banks, Financial Institutions, Investment Institutions, Mutual Funds, Trusts, other Bodies Corporate, Trustees for holders of debentures/bonds and/or other instruments to secure all credit facilities including rupees loans, foreign currency loans, debentures, bonds and/or other instruments or non-fund based facilities availed /to be availed by the Company and/or for any other purpose, from time to time, together with interest, further interest thereon, compound interest in case of default, accumulated interest, liquidated damages, all other costs, charges and expenses payable by the Company in respect of such borrowings.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to negotiate and decided terms and conditions of such borrowings, finalise and execute all such deeds, documents and writings as may be necessary, desirable or expedient, settle any questions, difficulties or doubts that may arise in this regard, do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem



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necessary, proper or desirable and to delegate all or any of these powers to any Committee of Directors or any other officer of the Company or any other person”.

By order of the Board of Directors

R. Tawde

(Rupesh Tawde)
Company Secretary
ACS 23311

Date: 5th September, 2019

Place: Mumbai

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll only instead of himself and the proxy so appointed need not be a member of the Company.
2. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
3. A person can act as a proxy on behalf of members not exceeding fifty numbers and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent 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. Members/Proxies should bring the Attendance Slip duly completed and signed in accordance with the specimen signature registered with the Company for attending the Meeting. Attendance Slip and Proxy Form is annexed to this report.
5. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.



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6. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
7. Route map to the venue of the AGM.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following statement sets out all the material facts relating to the Special Business mentioned in the accompanying Notice.

Item No.5

The Board of Directors in its meeting held on 28th September, 2018 has appointed Dr. A. K. Samantaray as an Additional Director on the Board of the Company, pursuant to Section 161(1) of the Companies Act, 2013, will hold the office till the date of 4th Annual General Meeting.

Dr. Samantaray is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

In the opinion of the Board, Dr. Samantaray fulfils the conditions for his appointment as a Director as specified in the Act. Dr. Samantaray does not hold any shares in the Company by himself or for any other person on beneficial basis.

Except Dr. Samantaray, to whom the resolution relates, no Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors considered that keeping in view his vast expertise and knowledge, it will be in the interest of the Company to appoint him as Director.

The Directors, therefore, recommends the resolution set forth in item no. 5 for the approval of the members.



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Item No.6

The Board of Directors in its meeting held on 24th December, 2018 has appointed Shri Manoj R. Meshram as an additional Director on the Board of the Company, pursuant to Section 161(1) of the Companies Act, 2013, will hold the office till the date of 4th Annual General Meeting.

Shri Meshram is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

In the opinion of the Board, Shri Meshram fulfils the conditions for his appointment as a Director as specified in the Act. Shri Meshram does not hold any shares in the Company by himself or for any other person on beneficial basis.

Except Shri Meshram, to whom the resolution relates, no Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors considered that keeping in view his vast expertise and knowledge, it will be in the interest of the Company to appoint him as Director.

The Directors, therefore, recommends the resolution set forth in item no. 6 for the approval of the members.

Item No.7

The Board of Directors in its meeting held on 15th March, 2019 has appointed Shri Ashu Shinghal as an Additional Director on the Board of the Company, pursuant to Section 161(1) of the Companies Act, 2013, will hold the office till the date of 4th Annual General Meeting.



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Shri Shinghal is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

In the opinion of the Board, Shri Shinghal fulfils the conditions for his appointment as a Director as specified in the Act. Shri Shinghal does not hold any shares in the Company by himself or for any other person on beneficial basis.

Except Shri Shinghal, to whom the resolution relates, no Director, Key Managerial Personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors considered that keeping in view his vast expertise and knowledge, it will be in the interest of the Company to appoint him as Director.

The Directors, therefore, recommends the resolution set forth in item no. 7 for the approval of the members.

Item No.8 & 9

Board in its meeting held on 28th & 29th August, 2019 has accorded its investment approval of the coal gasification based Talcher fertilizer project with an investment of Rs 13,277 Crore (+/- 10%) with a debt equity ratio of 72:28. Out of Rs.13,277 Crore, Rs.9559.44 Crore is debt portion and the said will be borrowed from banks.

Keeping in view, the existing borrowings and the future requirement for additional funds for meeting the Capital expenditure for on-going projects and the enhanced long term working capital needs of the Company, it is proposed to fix the borrowings limits of the Company of Rs.10,000 Crore (Rupees Ten Thousand Crore Only) and creation of security on the properties of the Company and recommends Resolutions No. 8 & 9 of the accompanying Notice to the shareholders for their approval by way of special resolution.



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Pursuant to Section 180(1)(c) and 180(1)(a) of the Companies Act, 2013, approval of the shareholders by way of special resolution is required to authorize the Board of Directors to borrow moneys upto the said limits and create security in respect thereof.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Items No. 8 & 9.

By order of the Board of Directors

(Rupesh Tawde)
Company Secretary
ACS 23311

Date: 5th September, 2019

Place: Mumbai

DIRECTOR'S REPORT

To,
The Members,

Your Directors are pleased to present the 4th Annual Report together with Audited Statement of Accounts of the Company for the year ended 31st March, 2019.

FINANCIAL PERFORMANCE

Particulars	In Rs.	
	2018-19	2017-18
Total Income	94,67,037.07	26,22,478.60
Total Operating Cost	16,13,06,942.76	17,24,712.58
Operational Profit	(151839905.69)	8,97,766.02
Depreciation/Impairment	4,83,006.64	49,798
Profit/ (Loss) before tax	(15,23,22,912.33)	8,47,968.02
Provision for Tax (including deferred Tax liability/ Asset)	<u>69,960</u>	<u>1,59,585.80</u>
Net Profit / (loss)	15,23,83,872.33	6,88,382.22

PROJECT DETAILS

Talcher Fertilizers Limited a Joint Venture Company (JVC) promoted by GAIL, CIL, RCF and FCIL was formed to revive FCIL's Talcher fertilizer unit in the Angul district of Odisha. Currently GAIL holds 29.67% in this JVC. The company plans to produce approx. 1.26 MMTPA of urea using coal as feedstock. The plant shall employ coal gasification technology for production of urea with an estimated cost of more than INR 11,611 crore. In principle approval allocation of North Arkhupal Coal Mine (50%) to Talcher Fertilizers Ltd. (TFL) has been received along with bridge linkage coal for initial years. M/s PDIL is assisting TFL for this project.

The project broadly consists of Coal Gasification Unit, Ammonia Plant with design capacity of 2200 MTD and Urea Plant with design capacity of 3850 MTPD along with associated facilities, including coal based captive power plant. The project will have an output of 1.27 MMTPA of 'Neem' coated prilled urea using coal as feedstock. The total estimated cost for setting up New Coal based Ammonia-Urea Complex at the existing

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plant site of FCIL is approx. INR 11,611 cr. which will be financed through equity from shareholders and debt from financial institution in Debt: Equity ratio of 70:30. The unit will utilize about 3.3 MMTPA coal from Talcher Mines. There is also provision of blending up to 25% Pet-coke to handle high ash content in coal.

TRANSFER TO RESERVES

No amount has been transferred to Reserves as the Company is in the process of finalisation of main LSTK tenders and yet to start commercial operations.

SHARE CAPITAL

During the year under review, your Company has made allotment of 3,39,88,704 Equity Shares of face value of Rs.10/- each on right issue to the following existing shareholders:

Sr. No.	Name of existing shareholders	No. of Equity shares of Rs.10/- each
1	Rashtriya Chemicals and Fertilizers Limited	1,13,29,568
2	Coal India Limited	1,13,29,568
3	GAIL (India) Limited	1,13,29,568
	Total	3,39,88,704

DIVIDEND

Your Directors do not recommend any dividend on Equity Shares for the year under review as the Company is yet to start its commercial operations.

DEPOSITS

During the period under review, your Company has not accepted any deposits from the public.

KEY MANAGERIAL PERSONNEL

The following are Key Managerial Personnel of the Company:

1. Shri Partha Jana, Chief Executive Officer
2. Shri Sunil Dutt, Chief Financial Officer
3. Shri Rupesh Tawde, Company Secretary

DIRECTORS

The following changes took place in the Board of Directors of the Company:

- i. Shri Tapas Bandopadhyay (DIN 07318463) was ceased to be Director of the Company w.e.f. 17th April, 2018.
- ii. Shri Devendra Prasad (DIN 07965269) was nominated by CIL as Director of the Company w.e.f. 17th April, 2018
- iii. Shri A. K. Singh (DIN 03579974) was ceased to be Director of the Company w.e.f. 28th September, 2018
- iv. Shri D. M. Rao (DIN 08167718) was nominated by GAIL as Director of the Company w.e.f. 28th September, 2018.
- v. Shri Devendra Prasad (DIN 07965269) was ceased to be Director of the Company w.e.f. 28th September, 2018
- vi. Dr. A. K. Samantaray (DIN 07090691) was nominated by CIL as Director of the Company w.e.f. 28th September, 2018
- vii. Shri Manoj R. Meshram [DIN 08195079] was nominated by GAIL as Director of the Company w.e.f. 24th December, 2018
- viii. Shri D. M. Rao (DIN 08167718) was ceased to be Director of the Company w.e.f. 24th December, 2018.
- ix. Shri J. S. Saini (DIN 07675462) was ceased to be Director of the Company w.e.f. 15th March, 2019.
- x. Shri Ashu Shinghal (DIN 08268176) was nominated by GAIL as Director of the Company w.e.f. 15th March, 2019.
- xi. Shri J. S. Saini was ceased to be CEO of the Company w.e.f. 1st February, 2019

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xii. Shri Partha Jana was appointed CEO of the Company w.e.f. 1st February, 2019.

The Board has placed on record their appreciation of the Directors who have cease to be members of the Board for the valuable contribution made and the guidance/suggestion provided by them which has greatly benefited the company.

As per Article 112 of the Articles of Association of the Company, Shri Sudhir D. Panadare (DIN 07933191) and Shri Niranjan Lal (DIN 07965269) retire at the ensuing Annual General Meeting. Board recommends their re-appointment at the ensuing Annual General Meeting.

Dr. A. K. Samantaray, Shri Manoj R. Meshram and Shri Ashu Shinghal holds office till ensuing Annual General Meeting and are eligible for appointment.

CHIEF OPERATING OFFICERS

- i. Shri Sanjay Agarwal was appointed as COO(Gasification/Upstream) of the Company w.e.f. 15th May, 2017
- ii. Shri R. K. Mishra was appointed as COO(Mining) of the Company w.e.f. 15th May, 2017
- iii. Shri R. N. Khemani was appointed as COO(Downstream) of the Company w.e.f. 7th June, 2017
- iv. Shri S. N. Mishra was appointed as COO(Mining) of the Company in place of Shri R. K. Mishra w.e.f. 5th January, 2018.

AUDITOR

M/s. Harichandan Karan and Associates, Chartered Accountants, Cuttack were appointed as Auditors of the Company for the financial year 2018-19.

The Statutory Auditors for the financial year 2019-20 will be appointed by the CAG. However, their remuneration is to be fixed at the AGM by the members.

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AUDITORS' REPORT

The Auditors' Report does not contain any qualification.

PARTICULARS OF EMPLOYEES

There were no employees in the Company during the period that is in receipt of remuneration in excess of the limits specified under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

MEETINGS

During the year, fourteenth (14) meetings were held by the Board of Directors viz. on - 17th April, 2018, 30th May, 2018, 17th June, 2018, 25th June, 2018, 16th July, 2018, 30th July, 2019, 28th August, 2018, 14th September, 2018, 25th October, 2018, 21st November, 2018, 24th December, 2018, 4th January, 2019, 15th March, 2019 and 20th March, 2019.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pertaining to Conservation of energy, technology absorption and foreign exchange earnings and out go requires to be disclosed as per Section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014, has been given as under:

- Energy Conservation : N.A.
- Technology Absorption : N.A.
- Foreign Exchange earning and outgo: Nil

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DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 134(3) (c) of the Companies Act, 2013, your Directors state that:

- i] in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii] such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the loss of the Company for the period;
- iii] proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv] the annual accounts have been prepared on a going concern basis;
- v] systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

PARTICULARS OF LOANS GIVEN, INVESTMENT MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of Loans given, Investments made, Guarantees given and securities provided along with the purpose for which the loan or guarantee or security is nil during the year.

RELATED PARTY TRANSACTIONS:

There are no related party transactions made by the Company during the year.

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EXTRACT OF ANNUAL RETURN:

As per the requirements of section 92(3) of the Companies Act and rules framed hereunder, the extract of Annual Return in form MGT-9 is annexed to this Report as **Annexure A** and form an integral part of this report. The same is available on the Company's website <http://tflonline.co.in>.

ACKNOWLEDGEMENT

Your Directors wish to gratefully acknowledge the valuable guidance and support extended by the Department of Fertilizers, Government of India, State Government, Bankers, PDIL and the promoters.

**For and on behalf of the board
Talcher Fertilizers Limited**

**(Umesh V. Dhatriak)
Chairman
DIN: 07718394**

Place: 24th June, 2019
Date: New Delhi

ANNEXURE A

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. Registration and Other Details					
(i)	CIN U24120OR2015PLC019575				
(ii)	Registration Date 13 th November, 2015				
(iii)	Name of the Company Talcher Fertilizers Limited				
(iv)	Category/Sub-category of the Company Company Limited by Shares/ Non Government Company				
(v)	Address of the Registered Office and contact details Plot 2/H, Kalpana Area, BJB Nagar, Khordha, Bhubaneswar – 751014				
(vi)	Whether Listed Company No				
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any Not Applicable				
II. Principal Business Activities of the Company					
All the business activities contributing 10% or more of the total turnover of the Company shall be stated:					
Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company #		
1.	Not Applicable	Not Applicable	Not Applicable		
III. Particulars of Holding, Subsidiary and Associates Companies					
Sl No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary /Associates	% of shares held	Applicable Section
1.	Not Applicable				

IV. Share Holding Pattern (Equity Share Capital Break up as percentage of Total Equity)

i) Category-wise Shareholding										
Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 1 st April, 2018)				No. of Shares held at the end of the year (As on 31 st March 2019)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Promoters									
[1]	Indian									
(a)	Individuals / HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Govt.	0	0	0	0.00	0.00	0	0.00	0.00	0.00
(c)	State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bodies Corp.	0	1,50,50,00	1,50,50,00	100.00	0	4,90,38,70	4,90,38,70	100.00	0.00
(e)	Banks/FI	0	0	0	0.00	0	4	4	0.00	0.00
(f)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(1)	0	1,50,50,00	1,50,50,00	100.00	0	4,90,38,70	4,90,38,70	100.00	0.00
[2]	Foreign									
(a)	NRI-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other -Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00

i) Category-wise Shareholding										
Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2018)				No. of Shares held at the end of the year (As on 31st March 2019)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	Total Shareholding of Promoter(A) = (A)(1) +(A)(2)	0	1,50,50,00 0	1,50,50,00 0	100.00	0	4,90,38,70 4	4,90,38,70 4	100.00	0.00
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds	0	0	0	0	0	0	0	0	0
(b)	Banks/FI	0	0	0	0	0	0	0	0	0
(c)	Central Govt.	0	0	0	0	0	0	0	0	0
(d)	State Govt.	0	0	0	0	0	0	0	0	0
(e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f)	Insurance Companies	0	0	0	0	0	0	0	0	0
(g)	FII's	0	0	0	0	0	0	0	0	0
(h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i)	Others(Specify)	0	0	0	0	0	0	0	0	0
	Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
	UTI	0	0	0	0	0	0	0	0	0
	Sub Total (B)(1)	0	0	0	0	0	0	0	0	0
[2]	Non-Institutions									
(a)	Bodies Corporate									

i) Category-wise Shareholding										
Sr. No.	Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2018)				No. of Shares held at the end of the year (As on 31st March 2019)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(i)	Indian	0	0	0	0	0	0	0	0	0
(ii)	Overseas	0	0	0	0	0	0	0	0	0
(b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	0	0	0	0	0	0	0	0	0
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0	0	0
(c)	Others(Specify)	0	0	0	0	0	0	0	0	0
	Sub Total (B)(2)	0	0	0	0	0	0	0	0	0
	Total Public Shareholding(B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
	Total (A)+(B)	0	1,50,50,00 0	1,50,50,00 0	100.00	0	4,90,38,70 4	4,90,38,70 4	100.00	0.00
C	Shares held by Custodian & ADRs	0	0	0	0.00	0	0	0	0.000	0.00
	Total (A)+(B)+(C)	0	1,50,50,00 0	1,50,50,00 0	100.00	0	4,90,38,70 4	4,90,38,70 4	100.00	0.00

(ii) SHARE HOLDING OF PROMOTERS

SI No.	Promoter's Name	Shareholding at the beginning of the year (As on 1 st April, 2017)			Shareholding at the end of the year (As on 31 st March, 2018)			% change in shareholding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Rashtriya Chemicals and Fertilizers Limited*	50,15,000	33.32	0.00	1,63,44,568	33.33	0.00	0.01
2	Coal India Limited*	50,15,000	33.32	0.00	1,63,44,568	33.33	0.00	0.01
3	GAIL (India) Limited*	50,15,000	33.32	0.00	1,63,44,568	33.33	0.00	0.01
4	Fertilizer Corporation of India Limited	5000	0.04	0.00	5000	0.01	0.00	(0.03)

* Includes shares held through nominee

(iii) Change in Promoters' Shareholding (please specify, if there is no change)								
Sl. No.	Name of Promoter Shareholders	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1	Rashtriya Chemicals and Fertilizers Limited*	50,15,000	33.32	1 st April, 2018				
				14 th September, 2018	1,13,29,568	Right Issue	1,63,44,568	33.33
				31 st March, 2019			1,63,44,568	33.33
2	Coal India Limited*	50,15,000	33.32	1 st April, 2018				

				14 th September, 2018	1,13,29,568	Right Issue	1,63,44,568	33.33
				31 st March, 2019			1,63,44,568	33.33
3	GAIL (India) Limited*	50,15,000	33.32	1 st April, 2018				
				14 th September, 2018	1,13,29,568	Right Issue	1,63,44,568	33.33
				31 st March, 2019			1,63,44,568	33.33
4	Fertilizer Corporation of India Limited	5000	0.04	1 st April, 2018				
				31 st March, 2018			5,000	0.01

(iv) Shareholding Pattern of top Ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)								
Sl. No.	Name of the top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
Not applicable								

(v) Shareholding of Directors and Key Managerial Personnel					
Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	For each of the Directors and KMP				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Share Holding during the year specifying	-	-	-	-

	the reason for increase / decrease (e.g. allotment/ transfer /bonus /sweat equity etc.)				
	At the End of the year	-	-	-	-

V. INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but no due for payment				
Rs. in Crore				
	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year	Nil	Nil	Nil	Nil
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year	Nil	Nil	Nil	Nil
• Addition				
• Reduction				
Net Change				
Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil
(i) Principal Amount				
(ii) Interest due but not paid				
(iii) Interest accrued but not due				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL						
A. Remuneration to Managing Director, Whole-time Directors and /or Manager						Not Applicable
in `						
Sl. No.	Particulars to Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross Salary a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 b) Value of perquisites u/s 17(2) Income Tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income tax Act, 1961					
2.	Stock Option					
3.	Sweat Equity					
4.	Commission - as % of Profit - others, specify ...					
5.	Others i.e. PF, Pension, Leave encashment and medical expenses					
	Total (A)					
	Ceiling as per the Act					

B. Remuneration to other directors (in `) Not Applicable			
Sl No.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors <ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 		

B. Remuneration to other directors (in `) Not Applicable			
Sl No.	Particulars of Remuneration	Name of Directors	Total Amount
	Total (1)		
2.	Other Non-Executive Directors <ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 		
	Total (2)	-	-
	Total (B)= (1+2)		
	Total Managerial Remuneration(A+B)		
	Overall Ceiling as per the Act		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD					
Sl No.	Particulars of Remuneration	Key Managerial Personnel			
		Shri Partha Jana, CEO	Shri Sunil Dutt, CFO	Shri Rupesh Tawde, Company Secretary	Total
1.	Gross Salary a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD					
Sl No.	Particulars of Remuneration	Key Managerial Personnel			
		Shri Partha Jana, CEO	Shri Sunil Dutt, CFO	Shri Rupesh Tawde, Company Secretary	Total
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - As % of profit - Others, specify				
5.	Others, i.e. PF, Pension and Leave encashment				
	Total	Nil	Nil		

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES					
Type	Section of the Companies Act	Brief Description	Details of Penalty /punishment/compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty	Nil				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	Nil				
Punishment					
Compounding					
C. Other officer in Default					

Penalty	Nil
Punishment	
Compounding	

HARICHANDAN KARAN & ASSOCIATES

CHARTERED ACCOUNTANTS

HEAD OFFICE (BHUBANESWAR)
Duplex II, Appolo Ashiyana Appartment Complex,
Palasuni, Rasulgarh, Bhubaneswar - 751010
Odisha

CUTTACK
4D/1224, CDA, Sector -10
Cuttack-753014
Odisha

ROURKELA
No.3, Sail Market
Rourkela-769001
Odisha



INDEPENDENT AUDITOR'S REPORT

To
The Members,
M/s TALCHER FERTILIZERS LTD.

We have audited the accompanying Ind AS Financial statements of M/s TALCHER FERTILIZERS LTD. ("the company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss, Cash flow Statement and Statement of changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid stand alone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at march 31, 2019 and Profit & Loss, change in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 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 financial statements under the provisions of the Companies Act, 2013 and the Rules there under, 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 opinion.

Key Audit Matters

Key audit matters are those matters that in our professional judgment were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters 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 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 Rule 7 of the Companies (Accounts) Rules, 2016. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



Auditors' responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole 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 materials misstatement can arise from fraud or error and are considered materials if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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 omission, misrepresentation, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the act, 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether 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 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. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statement may be influenced. We consider quantitative materiality and quantitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 financial statements of the current period and are therefore the key audit matters. We describe those 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 public interest benefits of such communication.

Other Matter

- a) Our Report on the Financial Statements dated June 24, 2019 as approved by the Board of Directors of the company is revised to incorporate observations of the Comptroller and Auditor General of India" and amendments in Point No -6 and 7 made in Annexure-A to "Report on other legal and regulatory requirements". This revised Audit Report has no impact on the reported figures in the financial statements of the company. This audit report supersedes the original audit report dated June 24, 2019.

Our audit procedures on events subsequent to the date of original report is restricted solely to the amendments made to the point no. 6 and 7 in the Annexure A, "Report on other legal and regulatory requirements" to the Auditor's Report (CARO 2016).

- b) Our Report on the stand alone Financial Statements dated June 24, 2019 as approved by the Board of Directors of the company is revised to incorporate observations of the Comptroller and Auditor General of India" and amendments made in Annexure-B to report containing "Management's Responsibility, Auditor's Responsibility on Internal Financial Control" has been combined in one Report which is followed by Annexure-B. This revised Audit Report has no impact on the reported figures in the financial statements of the company.



Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016, ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure-A** statement on the matters specified in paragraphs 3 and 4 of the said Order is applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of accounts required by law have been kept by the Company so as far as it appears from our examination of those
- c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the IndAS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2019 from being appointed as a director in terms of section 165(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's report in accordance with Rule 1 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. There are no pending litigations requiring disclosure of impact of pending litigations on its financial position in its financial statements.
 - ii. The company does not have any long term contract including derivative contracts for which there were any material foreseeable losses.
 - iii. The company has not outside investor and it is a Joint Venture Four Public Sector Undertaking namely i.e. Coal India Ltd – 33.33% holding, Rashtriya Chemicals and Fertilisers Ltd – 33.33% holding, GAIL (India) Ltd – 33.33% holding and Fertiliser Corporation of India Ltd – 0.01% Holding, so the matters regarding the Investor Education and Protection Fund by the Company are not applicable to the company.



- h) As required by section 143(5) of the Companies Act 2013, our comments in regard to the directions and additional directions issued by the Comptroller & Auditor General of India is given in Annexure "C".

For Harichandan Karan & Associates
Chartered Accountants
FRN. : 326584E



CA Prahallad Karan
Partner
Membership No.: 066621



Place: Bhubaneswar
Date: 22/07/2019

HARICHANDAN KARAN & ASSOCIATES

CHARTERED ACCOUNTANTS

HEAD OFFICE (BHUBANESWAR)
Duplex II, Appolo Ashiyana Apartment Complex,
Palasuni, Rasulgarh, Bhubaneswar - 751010
Odisha

CUTTACK
4D/1224, CDA, Sector -10
Cuttack-753014
Odisha

ROURKELA
No.3, Sail Market
Rourkela-769001
Odisha



Annexure-A

M/S TALCHER FERTILISERS LTD

Annexure to the Independent Auditors' Report (Referred to in Paragraph 1 of "Report on Other Legal and Regulatory requirements' section of our Audit Report)

The Annexure referred to in our report to the members of **M/S TALCHER FERTILIZERS LTD.** for the year Ended on 31.03.2019. We report that:

1. Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - a. These fixed assets have been physically verified by the management at reasonable intervals, As per information's & explanations produced there is no material discrepancies were noticed on such verification and the same have been properly dealt with in the books of account.
 - b. As per informations and explanations given to us, There is no immovable assets in the name of the company, which requires title deeds.
2. There is no inventory in the company, Therefore no physical verification of inventory has been conducted by the management and there is no material discrepancies were noticed.
3. The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - a. whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest – Not applicable
 - b. whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular – Not Applicable
 - c. if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest- Not Applicable
4. In respect of loans, investments, guarantees, and security the provisions of section 185 and 186 of the Companies Act, 2013 have been complied.



5. The company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
6. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the company.
7. the company has no undisputed statutory dues including 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. As explained to us, there is no employees which is covered under PF & ESI, as the Employees are under Deputation.
There are no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
8. The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
9. The company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised.
10. No fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year before us.
11. Whether Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act- Deputation cost is being reimbursed by group companies as per approval by the Board.
12. whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability – Not Applicable.
13. Whether transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc, as required by the applicable accounting standards –Related party transactions is disclosed in the financial statement.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. If so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised- Not Applicable.



15. whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with: The company has not entered into any such transactions during the year.
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Harichandan Karan & Associates

Chartered Accountants

FRN. : 326584E



CA Prahallad Karan

Partner

Membership No.: 066621



Place: Bhubaneswar

Date:22/07/2019

ANEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in Sl. No. (f) under ‘Report on Other Legal Regulatory Requirement’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of M/s Talcher Fertilizers Ltd (“the Company”) as on 31st March 2019 in conjunction with our audit of the financial statements of the Company or the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal financial control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). 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.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the 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 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 (1) pertain to the maintenance of records that, in reasonable details, 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 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 inherent financial controls over financial reporting, including the possibility of collusion or improper management override of controls, materials misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all materials respects, an adequate internal financial control system over financial reporting were operating effectively as at 31st March, 2019, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Harichandan Karan & Associates
Chartered Accountants
FRN. : 326584E



CA Prahallad Karan, FCA
Partner
Membership No.: 066621



Place: Bhubaneswar
Date: 22/07/2019

ANNEXURES-C: COMMENTS IN REGARD TO THE DIRECTIONS/ADDITIONAL DIRECTIONS UNDER SEC -143(5) ISSUED BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

PART-1:

SI No	Details/Directions	Auditor's Reply
1	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 Uses Tally Accounting Packaged to maintain Accounting System. In our view, there is no adverse implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications.
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	As per the information's and explanation's given by the management, there is no restructuring of loan or cases of waiver/write off of debts/loans/interest etc made by a lender to the company.
3	Whether the funds received/receivable for specific schemes from central/ state agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	As per the information's and explanation's given by the management, no funds were received/receivable for specific schemes from Central/State agencies during the year.

PART-2 : ADDITIONAL DIRECTIONS UNDER SEC -143(5) ISSUED BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

SI No	Details/Directions	Auditor's Reply
1	Whether the company has conducted physical verification exercise of assets and properties at the time of merger/split/re-structure of an area. If so, whether the concerned subsidiary followed the requisite procedure?	Not applicable as there is no merger/split/restructuring of any area.
2	Any Other Comments	NIL

For Harichandan Karan & Associates

Chartered Accountants

FRN. : 326584E

CA Pratulad Karan

Partner

Membership No.: 066621

Place: Bhubaneswar

Date: 22/07/2019




COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES' ACT, 2013 ON THE FINANCIAL STATEMENTS OF TALCHER FERTILIZERS LIMITED FOR THE YEAR ENDED 31 MARCH 2019.

The preparation of financial statements of Talcher Fertilizers Limited for the year ended 31 March 2019 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 auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is 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 24.06.2019 and revised Audit Report dated 22.07.2019

I, on behalf of the Comptroller and Auditor-General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of Talcher Fertilizers Limited for the year ended 31 March 2019. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

In view of the revision made to the Independent Auditors' Report as indicated in (a) and (b) under "other matter" as a result of my audit observation highlighted during supplementary audit, I have no further comment to offer upon or supplement to the Statutory Auditors' Report under section 143(6)(b) of the Act.

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


(Reena Saha) .. 29/7/19

**DIRECTOR GENERAL OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD - II
KOLKATA**

Place: Kolkata, _____
Dated: 29 JUL 2019

(Amount in Rs.)

	Note No.	As at	
		31.03.2019	31.03.2018
ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipments	3	40,73,065.00	5,54,919.00
(b) Capital Work in Progress	4	886,91,189.00	66,25,681.00
(C) Other non-current assets	5	1725,51,758.00	608,82,856.00
Total Non-Current Assets (A)		2653,16,012.00	680,63,456.00
Current Assets			
(a) Financial Assets			
(i) Cash & Cash equivalents	6	1707,79,269.00	848,97,880.00
(ii) Loans and advances	7	50,000.00	20,807.00
(b) Other Current Assets	8	499,44,970.00	64,73,358.00
Total Current Assets (B)		2207,74,239.00	913,92,045.00
Total Assets (A+B)		4860,90,251.00	1594,55,501.00



(Amount in Rs.)

	Note No.	As at	
		31.03.2019	31.03.2018
<u>EQUITY AND LIABILITIES</u>			
Equity			
(a) Equity Share Capital	9	490,387,040.00	150,500,000.00
(b) Other Equity	10	-152,026,986.00	356,887.00
Total Equity (A)		338,360,054.00	150,856,887.00
Non-Current Liabilities (B)			
		-	-
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	11	48,275,888.00	315,000.00
(ii) Other Financial Liabilities	12	4,533,528.00	743,523.00
(b) Other Current Liabilities	13	94,797,041.00	7,477,311.00
(c) Current Tax Liabilities (net)		123,740.00	62,780.00
Total Current Liabilities (C)		147,730,197.00	8,598,614.00
Total Equity and Liabilities (A+B+C)		486,090,251.00	159,455,501.00

The Accompanying Notes No. 1 to 17 form an integral part of the Financial Statements.

As per our report annexed
For M/s Harichandan Karan & Associates
Chartered Accountants
Firm Registration No. 326584E




CA. Prahallad Karan, FCA
Partner
Membership No. 066621

Dated : 24.06.2019
Place : New Delhi



For and Behalf of Board of Directors
Talcher Fertilizers Limited


24.6.2019
(U.V. Dhatrak)
Chairman
DIN:07718394


(Dr. A.K. Samantaray)
Director
DIN:07090691


24/06/2019
(P. Jana)
CEO
PAN: ABQPJ7242J




24/06/19
(S. Dutt)
CFO
PAN: AEQPD9956C


(Rupesh Tawde)
Company Secretary
ACS 23311

Statement of Profit & Loss for the year ended on 31st March 2019

(Amount in Rs.)

	Particulars	Note No	Year ended on 31.03.2019	Year ended on 31.03.2018
I.	Revenue from operations		-	-
II.	Other Income	14	9,467,037.00	2,622,479.00
III.	Total Revenue (I + II)		9,467,037.00	2,622,479.00
IV.	Expenses:			
	- Depreciation/Amortization/ Impairment	15	483,007.00	49,798.00
	- Other expenses	16	161,306,943.00	1,724,713.00
	Total Expenses (IV)		161,789,950.00	1,774,511.00
V.	Profit/ (Loss) before exceptional items and tax (III - IV)		(152,322,913.00)	847,968.00
VI.	Exceptional Items		-	-
VII.	Profit before tax (V -VI)		(152,322,913.00)	847,968.00
VIII.	Tax expense:			
	-Current tax		-	96,806.00
	-Deferred tax		60,960.00	62,780.00
IX.	Profit/(Loss) for the period (VII -VIII)		(152,383,873.00)	688,382.00
X.	Other Comprehensive Income		-	-
XI.	Total Comprehensive Income for the period (IX+X)		(152,383,873.00)	688,382.00
XII.	Earning per equity share			
	(1) Basic		(3.11)	0.05
	(2) Diluted		(3.11)	0.05

The Accompanying Notes No. 1 to 17 form an integral part of the Financial Statements.

As per our report annexed
For M/s Harichandan Karan & Associates
Chartered Accountants
Firm Registration No.326584E

CA.PrahaNad Karan, FCA
Partner
Membership No. 066621

Dated : 24.06.2019
Place : New Delhi



For and Behalf of Board of Directors
Talcher Fertilizers Limited

J. d. J.
24.6.2019
(U.V. Dhattrak)
Chairman
DIN:07718394

M. Samantaray
(Dr. A.K.Samantaray)
Director
DIN:07090691

P. Jana
24/06/2019
(P.Jana)
CEO
PAN: ABQPJ7242J



S. Dutt
24/6/19
(S Dutt)
CFO
PAN: AEQPD9956C

R. Tawde
(Rupesh Tawde)
Company Secretary
ACS 23311

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2019
(INDIRECT METHOD)**

(Amount in Rs.)

Particulars	Year ended	Year ended
	31.03.2019	31.03.2018
I. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	(152,322,913.00)	847,968.00
Adjustments for :-		
Depreciation/Amortization/ Impairment	483,007.00	49,798.00
Interest income on bank deposits	(9,317,913.00)	
Operating cash flow before working capital changes	(161,157,819.00)	897,766.00
(Increase) / Decrease in Loans & advances	(29,193.00)	(20,807.00)
(Increase) / Decrease in Other Current Assets	(40,493,045.00)	(6,473,357.81)
Increase / (Decrease) in Trade Payables	47,960,888.00	315,000.00
Increase / (Decrease) in Other Current Liabilities	87,319,730.00	7,195,474.80
Increase / (Decrease) in Other Financial Liability	3,790,005.00	743,523.00
CASH GENERATED FROM OPERATIONS	(62,609,434.00)	2,657,598.99
Less : Income Tax Paid	-	96805.80
NET CASH FLOW FROM OPERATING ACTIVITIES	(62,609,434.00)	2,560,793.19
II. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed Assets	(4,001,153.00)	(604,717.04)
Increase in Non Current Assets	(111,668,902.00)	(60,882,856.00)
Increase in Capital Work in Progress	(82,065,508.00)	(6,625,681.00)
Interest income on bank deposits	6,339,346.00	
NET CASH USED IN INVESTING ACTIVITIES	(191,396,217.00)	(68,113,254.04)
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Increase in Share Capital	339,887,040.00	150,000,000.00
NET CASH FLOW FROM FINANCING ACTIVITIES	339,887,040.00	150,000,000.00
NET INCREASE IN CASH AND CASH EQUIVALENTS	85,881,389.00	84,447,539.15
Opening balance of Cash & Cash equivalents (Refer Note 6 for components of cash & cash equivalents)	84,897,880.00	450,340.63
Closing balance of Cash & Cash equivalents (Refer Note 6 for components of cash & cash equivalents)	170,779,269.00	84,897,880.00

All figures in bracket represent outflow

As per our report annexed
For M/s Harichandan Karan & Associates
Chartered Accountants
Firm Registration No.326584E

CA.Prahallad Karan,FCA
Partner
Membership No. 066621

Dated : 24.06.2019
Place : New Delhi



For and Behalf of Board of Directors
Talcher Fertilizers Limited

J. d. J.
24.6.2019
(U.V. Dhatrak)
Chairman
DIN:07718394

U.K. Samantaray
(Dr. A.K.Samantaray)
Director
DIN:07090691

Parth
24/6/2019
(P.Jana)
CEO
PAN: ABQPJ7242J



S. Dutt
(S Dutt)
CFO
PAN: AEQPD9956C

Rupesh Tawde
(Rupesh Tawde)
Company Secretary
ACS 23311

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2019

A. EQUITY SHARE CAPITAL

(Amount in Rs.)

Particulars	Balance as at 01.04.2017	Changes In Equity Share Capital during the year	Balance as at 31.03.2018	Balance as at 01.04.2018	Changes In Equity Share Capital during the year	Balance as at 31.03.2019
4,90,38,704 Equity Shares of ₹10/- each (1,50,50,000 Equity Shares of ₹10/- each)	150,500,000.00	-	150,500,000.00	150,500,000.00	339,887,040.00	490,387,040.00

B. OTHER EQUITY

	General Reserve	Retained Earnings	Total
Balance as at 01.04.2017	-	(331,495.17)	(331,495.17)
Total Comprehensive Income for the year	-	688,382.00	688,382.00
Addition/Adjustment during the year	-	-	-
Balance as at 31.03.2018	-	356,886.83	356,886.83
Balance as at 01.04.2018	-	356,886.83	356,886.83
Total Comprehensive Income for the year	-	(152,383,873.00)	(152,383,873.00)
Addition/Adjustment during the year	-	-	-
Balance as at 31.03.2019	-	(152,026,986.17)	(152,026,986.17)

As per our report annexed
For M/s Harichandan Karan & Associates
Chartered Accountants
Firm Registration No.326584E

CA. Prahalad Karan, FCA
Partner
Membership No. 066621

Dated : 24.06.2019
Place : New Delhi



For and Behalf of Board of Directors
Talcher Fertilizers Limited

J. d. S.
24.6.2019
(U.V. Dhatriak)
Chairman
DIN:07718394

(Dr. A.K.Samantaray)
Director
DIN:07090691

(P. Jana)
CEO
PAN: ABQPJ7242J



(S Dutt)
CFO
PAN: AEQPD9956C

(Rupesh Tawde)
Company Secretary
ACS 23311

NOTES TO THE FINANCIAL STATEMENTS**Note: 1 CORPORATE INFORMATION**

Talcher Fertilizers Limited is a public company domiciled in India and incorporated under The Companies Act applicable in India having its registered office at Plot 2/H, Kalpana Area, BJB Nagar, Khordha, Bhubaneswar, Odisha 751014, India.

The company is a Joint Venture between Coal India Limited, GAIL (India) Limited, Rashtriya Chemical and Fertilizers Limited and Fertilizer Corporation of India Limited. The objective of the company is to establish and operate new coal gasification based Fertilizer Complex (Ammonia Urea Complex) at Talcher Unit of FCIL, Odisha in India along with power plant and associated facilities at Talcher unit of FCIL and to market its products.

Note 2: SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of financial statements**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.1.1 Rounding of amounts

Amounts in these financial statements, unless otherwise indicated, have been presented in 'rupees' (Rounded off).

2.2 Current and 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 by the Company when:

- (a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (b) it holds the asset primarily for the purpose of trading;
- (c) it expects to realise the asset within twelve months after the reporting period; or
- (d) the asset is cash or a cash equivalent (as defined in Ind AS 7) unless the asset is 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 treated as current by the Company when:

- (a) it expects to settle the liability in its normal operating cycle;
- (b) it holds the liability primarily for the purpose of trading;
- (c) the liability is due to be settled within twelve months after the reporting period; or
- (d) it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.



2.3 Revenue recognition

2.3.1 Revenue from sale of goods/services

Company recognises revenue from Sales of goods or services when obligation is performed i.e., after transferring a promised good or service to a customer.

When a performance obligation is satisfied, the company recognises as revenue the amount of the transaction price (which excludes estimates of variable consideration that are constrained) that is allocated to that performance obligation.

Company considers the terms of the contract and its customary business practices to determine the transaction price. The transaction price is the amount of consideration to which company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both.

The Revenue from Operation in the Financial Year is Nil. Where as revenue primarily derived from interest on accrual basis, where as Tender fees is recognized as and when received.

2.3.2 Interest

Interest income is recognised using the Effective Interest Method and accrual basis.

2.4 Property, Plant and Equipment (PPE)

Item of all other Property, plant and equipment are carried at its cost less any accumulated depreciation and any accumulated impairment losses under Cost Model. The cost of an item of property, plant and equipment comprises:

- (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Company incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item depreciated separately. However, significant part(s) of an item of PPE having same useful life and depreciation method are grouped together in determining the depreciation charge.

Costs of the day to-day servicing described as for the 'repairs and maintenance' are recognised in the statement of profit and loss in the period in which the same are incurred.

Subsequent cost of replacing parts significant in relation to the total cost of an item of property, plant and equipment are recognised in the carrying amount of the item, if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. The carrying amount of those parts that are replaced is derecognised in accordance with the derecognition policy mentioned below.



When major inspection is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment as a replacement if it is probable that future economic benefits associated with the item will flow to the Company; and the cost of the item can be measured reliably. Any remaining carrying amount of the cost of the previous inspection (as distinct from physical parts) is derecognised.

An item of Property, plant or equipment is derecognised upon disposal or when no future economic benefits are expected from the continued use of assets. Any gain or loss arising on such derecognition of an item of property plant and equipment is recognised in profit and Loss. Depreciation on property, plant and equipment is provided as per cost model on straight line basis over the estimated useful lives of the asset as follows:

Computers, Laptops and other accessories	: 3 Years
Office equipment	: 5 years
Furniture and Fittings	: 10 years

The estimated useful life of the assets is reviewed at the end of each financial year.

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset.

Depreciation on the assets added / disposed of during the year is provided on pro-rata basis with reference to the date of addition / disposal.

Fully depreciated assets, retired from active use are disclosed separately as surveyed off assets at its residual value under Property, plant Equipment and are tested for impairment.

2.5 Capital Work in Progress

Expenditure incurred for construction/manufacturing of capital asset which are directly related to the asset and are separately identifiable, are capitalized as work in progress. Such expenditures presently include expenditures for Site enabling works, for water supply plant, for Silo renovation/construction.

2.6 Pre-Operative expenses

Expenditure incurred for activities directly related to the project which are not identifiable for a particular capital assets are shown as Pre-operative expenses. These expenditures include costs incurred for feasibility studies, issuing tenders, sampling of coal and water, various consultancy fees, deputation cost of technical employees, other various project related expenses etc.

Such expenses are presently shown under Non-Current assets and will be apportioned appropriately among the cost of the assets capitalized when the commercial activities of the project will be started.

2.7 Impairment of Assets (other than financial assets)

The Company assesses at the end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an



individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in the Statement of Profit and Loss.

2.8 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.8.1 Financial assets

2.8.1.1 Initial recognition and measurement

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

2.8.1.2 Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

2.8.1.2.1 Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) 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.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

2.8.1.2.2 Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met.

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and



b) The asset's contractual cash flows represent SPPI. Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

2.8.1.2.3 Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.8.1.2.4 Equity investments in subsidiaries, associates and Joint Ventures

Investment in subsidiaries, associates and joint ventures are measured at cost.

2.8.1.2.5 Other Equity Investment

All other equity investments in scope of Ind AS 109 are measured at fair value through profit or loss.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

2.8.1.3 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.



When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2.8.1.4 Impairment of financial assets (other than fair value)

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

2.8.2 Financial liabilities

2.8.2.1 Initial recognition and measurement

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

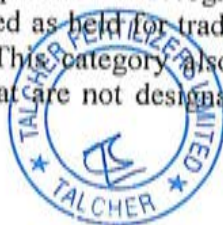
All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2.8.2.2 Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

2.8.2.2.1 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments.



hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit and loss.

2.8.2.2 Financial liabilities at amortised cost

After initial recognition, these are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

2.8.2.3 Derecognition

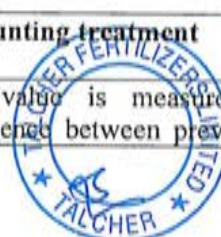
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

2.8.3 Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in profit or loss.



Original classification	Revised classification	Accounting treatment
		value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

2.8.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.8.5 Cash & Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

2.9 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Taxable profit differs from "profit before income tax" as reported in the statement of profit and loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary difference to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business



combination) of other 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. Unrecognised deferred tax assets are reassessed at the end of each reporting year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (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 consequences 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.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.10 Foreign Currency

The company's reported currency and the functional currency for majority of its operations is in Indian Rupees (INR) being the principal currency of the economic environment in which it operates.

Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates prevailing as at the end of reporting period. Exchange differences arising on the settlement of monetary assets and liabilities or on translating monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

Non-monetary items denominated in foreign currency are valued at the exchange rates prevailing on the date of transactions.

2.11 Provisions, Contingent Liabilities & Contingent Assets

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.



Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future uncertain events not wholly within the control of the company, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

2.12 Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per shares is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per shares and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.13 Judgements, Estimates and Assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and the amount of revenue and expenses during the reported period. Application of accounting policies involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed. Accounting estimates could change from period to period. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimate are recognised in the period in which the estimates are revised and, if material, their effects are disclosed in the notes to the financial statements.

2.13.1 Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

2.13.1.1 Formulation of Accounting Policies

Accounting policies are formulated in a manner that result in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

In the absence of an Ind AS that specifically applies to a transaction, other event or condition, management has used its judgement in developing and applying an accounting policy that results in information that is:

- a) relevant to the economic decision-making needs of users and
- b) reliable in that financial statements:
 - (i) represent faithfully the financial position, financial performance and cash flows of the Company; (ii) reflect the economic substance of transactions, other events and conditions, and not merely the legal form; (iii) are neutral, i.e. free from bias; (iv) are prudent; and (v) are complete in all material respects, on a consistent basis.



In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

- (a) the requirements in Ind ASs dealing with similar and related issues; and
- (b) the definitions, recognition criteria and measurement concepts for assets, liabilities, income and expenses in the Framework.

In making the judgement, management considers the most recent pronouncements of International Accounting Standards Board and in absence thereof those of the other standard-setting bodies that use a similar conceptual framework to develop accounting standards, other accounting literature and accepted industry practices, to the extent that these do not conflict with the sources in above paragraph.

The financial statements are prepared on going concern basis using accrual basis of accounting.

2.13.1.2 Materiality

Ind AS applies to items which are material. Management uses judgement in deciding whether individual items or groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further the Company may also be required to present separately immaterial items when required by law.

2.13.2 Estimates and assumptions

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 consolidated financial statements were prepared. 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 in the assumptions when they occur.

2.13.2.1 Impairment of non-financial assets

There is an indication of impairment if, the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.

2.13.2.2 Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant



management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

2.13.2.3 Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using generally accepted valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk, volatility and other relevant input /considerations. Changes in assumptions and estimates about these factors could affect the reported fair value of financial instruments.

2.14 Abbreviation used:

a.	CGU	Cash generating unit
b.	DCF	Discounted Cash Flow
c.	FVTOCI	Fair value through Other Comprehensive Income
d.	FVTPL	Fair value through Profit & Loss
e.	Ind AS	Indian Accounting Standards
f.	OCI	Other Comprehensive Income
g.	P&L	Profit and Loss
h.	PPE	Property, Plant and Equipment
i.	SPPI	Solely Payment of Principal and Interest
j.	EIR	Effective Interest Rate



NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 : PROPERTY , PLANT AND EQUIPMENT

	(Amount in ₹)				
	Furnitures & Fixtures	Office Equipment	Computer	Air Conditioner	Total
Gross Carrying Amount:					
As at 1 April 2017	-	-	-	-	-
Additions	68,433.00	42,186.00	4,18,636.00	75,462.00	6,04,717.00
Deletions/Adjustments	-	-	-	-	-
As at 31 March 2018	68,433.00	42,186.00	4,18,636.00	75,462.00	6,04,717.00
As at 1 April 2018	68,433.00	42,186.00	4,18,636.00	75,462.00	6,04,717.00
Additions	19,57,042.00	6,17,424.00	7,30,284.00	6,96,403.00	40,01,153.00
Deletions/Adjustments	-	-	-	-	-
As at 31 March 2019	20,25,475.00	6,59,610.00	11,48,920.00	7,71,865.00	46,05,870.00
Accumulated Depreciation and Impairment					
As at 1 April 2017	-	-	-	-	-
Charge for the period Impairment	2,191.00	1,716.00	41,138.00	4,753.00	49,798.00
Deletions/Adjustments	-	-	-	-	-
As at 31 March 2018	2,191.00	1,716.00	41,138.00	4,753.00	49,798.00
As at 1 April 2018	2,191.00	1,716.00	41,138.00	4,753.00	49,798.00
Charge for the period Impairment	96,457.00	53,198.00	2,36,693.00	96,659.00	4,83,007.00
Deletions/Adjustments	-	-	-	-	-
As at 31 March 2019	98,648.00	54,914.00	2,77,831.00	1,01,412.00	5,32,805.00
Net Carrying Amount					
As at 31 March 2019	19,26,827.00	6,04,696.00	8,71,089.00	6,70,453.00	40,73,065.00
As at 31 March 2018	66,242.00	40,470.00	3,77,498.00	70,709.00	5,54,919.00



NOTES TO THE FINANCIAL STATEMENTS

NOTE 4 : CAPITAL WIP

(Amount in ₹)

	Land & Development	Water plant	Silo	Total
Gross Carrying Amount:				
As at 1 April 2017	66,25,681.00			66,25,681.00
Additions	-			-
Capitalisation/ Deletions	-			-
As at 31 March 2018	66,25,681.00	-	-	66,25,681.00
As at 1 April 2018	66,25,681.00	-	-	66,25,681.00
Additions	602,24,091.00	213,41,417.00	5,00,000.00	820,65,508.00
Capitalisation/ Deletions	-			-
As at 31 March 2019	668,49,772.00	213,41,417.00	5,00,000.00	886,91,189.00
Provision and Impairment				
As at 1 April 2017				
Charge for the period				
Impairment				
Deletions/Adjustments				
As at 31 March 2018	-			
As at 1 April 2018				
Charge for the period				
Impairment				
Deletions/Adjustments				
As at 31 March 2019	-			
Net Carrying Amount				
As at 31 March 2019	668,49,772.00	213,41,417.00	5,00,000.00	886,91,189.00
As at 31 March 2018	66,25,681.00	-	-	66,25,681.00



NOTES TO THE FINANCIAL STATEMENTS
NOTE 5 : OTHER NON-CURRENT ASSETS

(Amount in ₹)

	As at	
	31.03.2019	31.03.2018
Pre Operative Exp	1725,51,758.00	608,82,856.00
Total	1725,51,758.00	608,82,856.00



NOTES TO THE FINANCIAL STATEMENTS
NOTE 6 : CASH AND CASH EQUIVALENTS

	(Amount in ₹)	
	As at	
	31.03.2019	31.03.2018
Balances with Banks		
- in Deposit Accounts	1351,09,586.00	697,80,875.00
- in Current Accounts	356,69,683.00	151,17,005.00
Cash on hand	-	-
Total	1707,79,269.00	848,97,880.00

1. Cash and cash equivalents comprises cash on hand and at bank, sweep accounts and term deposits held with banks with original maturities of three months or less.



NOTES TO THE FINANCIAL STATEMENTS
NOTE 7 : SHORT TERM LOANS AND ADVANCES

(Amount in ₹)

	As at	
	31.03.2019	31.03.2018
- Swayin & Associates	-	20,807.00
- Advance to employees	50,000.00	-
Total	50,000.00	20,807.00



NOTES TO THE FINANCIAL STATEMENTS
NOTE 8 : OTHER CURRENT ASSETS

	(Amount in ₹)	
	As at	
	31.03.2019	31.03.2018
- TDS Receivable	10,16,819.00	83,210.00
- GST Receivable	428,16,850.00	57,72,705.00
- IGST unclaimed ¹	20,70,041.00	
- Accured Interest	35,96,010.00	6,17,443.00
- Security deposits	1,60,000.00	-
- Advance to creditors	1,21,900.00	-
- Prepaid expenses	1,63,350.00	
Total	499,44,970.00	64,73,358.00

1. IGST unclaimed of Rs. 2070041/- represents the amount of IGST claimable as input tax credit. However, ITC reversed due to non-payment of the invoiced amount within six months period.



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 9 : EQUITY SHARE CAPITAL

	(Amount in ₹)	
	As at	
	31.03.2019	31.03.2018
Authorised		
10,00,00,000 Equity Shares of ₹10/- each	10000,00,000.00	5000,00,000.00
(5,00,00,000 Equity Shares of ₹10/- each)	<u>10000,00,000.00</u>	<u>5000,00,000.00</u>
Issued, Subscribed and Paid-up		
4,90,38,704 Equity Shares of ₹10/- each	4903,87,040.00	1505,00,000.00
(1,50,50,000 Equity Shares of ₹10/- each)	<u>4903,87,040.00</u>	<u>1505,00,000.00</u>

1. Shares in the company held by each shareholder holding more than 5% Shares

Name of Shareholder	31.03.2019		31.03.2018	
	No. of Shares Held (Face value of ₹10 each)	% of Total Shares	No. of Shares Held (Face value of ₹10 each)	% of Total Shares
Coal India Limited	163,44,568	33.33	50,15,000	33.32
Rashtriya Chemicals and Fertilisers Ltd.	163,44,568	33.33	50,15,000	33.32
GAIL (India) Ltd.	163,44,568	33.33	50,15,000	33.32
Fertiliser Corporation of India Ltd.	5,000	0.01	5,000	0.03

2. The Company has only one class of equity shares having a face value ₹ 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

3. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	31.03.2019	31.03.2018
Shares outstanding at the beginning of the period	150,50,000	150,50,000
Shares Issued during the period*	339,88,704	-
Shares bought back during the period	-	-
Shares outstanding at the end of the period	<u>490,38,704</u>	<u>150,50,000</u>

*During the year 11329568 number of shares have been issued to each company i.e. CIL, GAIL and RCF, totalling to 33988704 number of shares.



NOTES TO THE FINANCIAL STATEMENTS
NOTE 10 : OTHER EQUITY

(Amount in ₹)

	General Reserve	Retained Earnings	Total
Balance as at 01.04.2017	-	(3,31,495.00)	(3,31,495.00)
Total Comprehensive Income for the year	-	6,88,382.00	6,88,382.00
Addition/Adjustment during the year	-	-	-
Balance as at 31.03.2018	-	3,56,887.00	3,56,887.00
Balance as at 01.04.2018	-	3,56,887.00	3,56,887.00
Total Comprehensive Income for the year	-	(1523,83,873.00)	(1523,83,873.00)
Addition/Adjustment during the year	-	-	-
Balance as at 31.03.2019	-	(1520,26,986.00)	(1520,26,986.00)



NOTES TO THE FINANCIAL STATEMENTS
NOTE - 11 :TRADE PAYABLES

	(Amount in ₹)	
	As at	
	31.03.2019	31.03.2018
Current		
Trade Payables for Micro, Small and Medium Enterprises	1,44,950.00	-
Other Trade Payables for goods and services	81,40,724.00	3,15,000.00
Other Trade Payables for capital expenditure	399,90,214.00	
TOTAL	482,75,888.00	3,15,000.00



NOTES TO THE FINANCIAL STATEMENTS
NOTE - 12 : OTHER FINANCIAL LIABILITIES

(Amount in ₹)

	As at	
	31.03.2019	31.03.2018
Statutory dues		
- TDS	42,66,098.00	7,43,523.00
- BOCW cess	2,67,430.00	-
TOTAL	45,33,528.00	7,43,523.00



NOTES TO THE FINANCIAL STATEMENTS
NOTE - 13 : OTHER CURRENT LIABILITIES

(Amount in ₹)

	As at	
	31.03.2019	31.03.2018
Earnest Money	81,14,500.00	-
Retention Money	98,37,098.00	-
Security deposits	20,43,325.00	20,43,325.00
Liability for cost of employees on deputation ¹	7,04,06,662.00	
Audit fee payable	15,750.00	20,650.00
Provision for Expenses Payable ²	24,63,184.00	53,16,530.00
Provision for Income Tax	-	96,806.00
Other liabilities	19,16,522.00	-
TOTAL	9,47,97,041.00	74,77,311.00

1. Based on decision taken in 32nd meeting of Board of directors of the company held on 21.11.2018, the cost of salary and other expenses on travelling, hotel etc for the manpower provided by the JV partners has been booked and kept as liability w.e.f 01.04.2017.

The cost of technical employees of Rs. 47723230/- has been capitalized as pre-operative expenditure and cost of non-technical employees of Rs. 14490101/- has been charged to revenue during the year.

The liability for cost of employees on deputation above includes an amount of Rs. 35616785/- for CIL and Rs. 34789877/- for RCF.

The requirement of statutory deductions and deposit with respective authorities (viz. PF, ESIC, TDS etc) is being fulfilled by JV companies only.

The cost of employees of GAIL has not yet been provided hence could not be considered.

2. Provision for expenses payable includes Rs. 770671/- towards Rent and electricity charges payable for building of RCF at Bhubaneswar. The same has been kept as liability based on decision taken in 32nd meeting of Board of directors of the company held on 21.11.2018. Provision for expenses payable also includes expenditure incurred for honorarium paid to retired employees appointed as advisor in the company.

3. With reference to note no. 1 and 2 above, the cost of manpower, rent and electricity charges for the employees and office space respectively provided by JV partners has been booked during current financial year w.e.f. 01.04.2017 based on decision taken in meeting of Board of Directors of TFL during current financial year.





NOTES TO THE FINANCIAL STATEMENTS

NOTE - 14 :OTHER INCOME

(Amount in ₹)

	Year ended on 31.03.2019	Year ended on 31.03.2018
Interest from deposits with banks	93,17,913.00	8,32,094.00
Tender fees	45,716.00	17,86,473.00
Misc. income	59,184.00	3,912.00
Liquidated damages	11,554.00	-
Provision write back	32,670.00	-
TOTAL	94,67,037.00	26,22,479.00



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NOTES TO THE FINANCIAL STATEMENTS

NOTE - 15 :DEPRECIATION/AMORTIZATION/IMPAIRMENT

(Amount in ₹)

	Year ended on 31.03.2019	Year ended on 31.03.2018
Depreciation expense	4,83,007.00	49,798.00
TOTAL	4,83,007.00	49,798.00



NOTES TO THE FINANCIAL STATEMENTS
NOTE - 16 : OTHER EXPENSES

(Amount in ₹)

	Year ended on 31.03.2019	Year ended on 31.03.2018
ACF/AMC of NSDL and NDML	20,000.00	-
Audit Fee	17,500.00	20,650.00
Bank charges	8,283.00	11,251.00
Board Meeting Expenses	2,86,228.00	2,00,819.00
Cable expenses	15,585.00	-
Computer Expenses	22,164.00	47,043.00
Consultancy charges	1,38,020.00	-
Courier charges	21,523.00	41.00
Deputation cost of employees	141,74,079.00	-
Designing Charges	-	9,000.00
Elcctricity Charges	19,708.00	-
Internet charges	4,60,116.00	-
Joining Fee-NSDL	15,000.00	-
Legal And Professional Fee	92,000.00	1,59,920.00
Lodging & Boarding exp- outsider Meeting Expenses	19,745.00	-
Misc Expenses	1,96,710.00	33,158.00
Newspaper & Periodical Expenses	36,123.00	1,95,690.00
Office expenses	4,052.00	-
Office rent - Bhubaneswar	70,254.00	-
Printing & Stationary	6,90,200.00	-
Prior Period Expenses- Advertisement	5,44,095.00	2,79,057.00
Professional charges	-	4,20,364.00
Project Inaugration expenses ¹	1389,22,780.00	-
Repair & maintenance	3,89,566.00	-
Roc Fee	37,56,060.00	6,060.00
Sampling Charges	-	4,025.00
Staff Welfare	70,681.00	1,671.00
Support Services	6,25,657.00	2,07,182.00
Translation Expenses	10,200.00	-
Transportation Expenses	5,350.00	-
Travelling Expenses	2,45,765.00	1,18,082.00
Travelling Exp of employees (Revenue)	3,16,023.00	-
Upkeep and Cleaning Expenses	32,776.00	-
Website Maintanance Charges	80,700.00	10,700.00
TOTAL	1613,06,943.00	17,24,713.00

1. Project innauguration expenses incurred during the year has been charges to revenue based on an opinion taken from expert.



NOTES TO THE FINANCIAL STATEMENTS
NOTE - 17 : ADDITIONAL INFORMATION

1 Earnings per share

Sl. No.	Particulars	For Year ended on 31.03.2019	For Year ended on 31.03.2018
(i)	Net Profit after tax attributable to Equity Share Holders (In Rs.)	(152,383,873.00)	688,382.00
(ii)	Weighted average no. of equity shares outstanding	49,038,704	15,050,000
(iii)	Basic & Diluted Earning per share (In Rs.) (Face value Rs. 10/- per share)	(3.11)	0.05

2 Contingent liabilities at the end of the current financial year - NIL

3 There is no CSR policy framed by the company and no expenditure has been made on CSR during the year.

4 In case where balance confirmation has not been obtained, book balance have been taken.

5 There is no delayed payment due to the Micro, Small and Medium Enterprises as at the end of the year.

6 Preliminary expenses Rs. NIL/- has been written off during the year. Total preliminary expenses as on 31.03.2019 Nil/-

7 The company has not taken any bank loan during the year and the present outstanding balance as on 31.03.2019 is Rs. Nil/-

8 Informations required as per Schedule III of the Companies Act 2013:

Sr No	Particulars	2018-19	2017-18
A	CIF Value of Import	Nil	Nil
B	Expenditure in Foreign Currency	Nil	Nil
C	Value of Raw materials, Stores, Spares & Components consumed	Nil	Nil
D	Earning in Foreign Currency	Nil	Nil

9 Related Party disclosure:

Related parties:

a) Coal India Limited	Joint venture partner
b) GAIL India Limited	Joint venture partner
c) Rashtriya Chemical & Fertilizers Limited	Joint venture partner
d) Fertilizer Corporation of India Limited	Joint venture partner

Transactions with related parties:

Cost of salary and travelling exp etc. of employees/advisors during the year 2018-19

a) Coal India Limited	32233659
b) Rashtriya Chemical & Fertilizers Limited	30812291
Total	63045950

Cost of rent and electricity for office space during the year 2018-19:

a) Rashtriya Chemical & Fertilizers Limited	709,908
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10 Key Managerial Personnel:

As per The Companies Act, 2013, the key managerial personnel are:

- Shri J. S. Saini - CEO (01.04.2018 to 31.01.2019)
- Shri P. Jana - CEO (01.02.2019 till now)
- Shri S. Dutt - CFO
- Shri Rupesh Tawde - Company Secretary

Remuneration paid/payable during the year
Shri Sunil Dutt - CFO



6727401

11 The Ministry of Corporate Affairs (MCA) vide its notification dated 11.09.2018 has notified that with effect from 02.10.2018, issue of further shares and transfer of all shares by unlisted public companies shall be in dematerialized form only.

In view of above, the Board of Directors in their 32nd meeting held on 21.11.2018 has approved to dematerialize the securities of TFL. The process of dematerialization of securities is going on as on 31.03.2019.

12 Disclosure as per Directions under section 143(5) of Companies Act 2013

Sr No	Particulars	
1	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	Not applicable
2	Whether there are any cases of waiver/ write off of debts/loans/interest etc., if yes, the reasons there for and the amount involved.	Not applicable
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grant(s) from Government or other authorities.	Not applicable

13 Reconciliation between ITC filed under GSTR-3B and ITC available as per GSTR-2A has been done. An amount of Rs. 332,60,890/- has not been filed in GSTR-3B out of the amount appearing in GSTR-2A and an amount of Rs. 75,93,361/- has been filed under GSTR-3B which is not available in GSTR-2A. The effect of such reconciliation will be given in Accounts in the next financial year.

14 Previous year's figures have been restated, regrouped and rearranged wherever considered necessary.

15 Note 1 and 2 represents Corporate Information and Significant Accounting Policies respectively, Note 3 to 13 form part of the Balance Sheet as at 31.03.2019 and 14 to 16 form part of Statement of Profit & Loss for the Year ended on that date. Note 17 represents additional notes to the financial statements.

As per our report annexed

For M/s Harichandan Karan & Associates

Chartered Accountants

Firm Registration No. 326584E



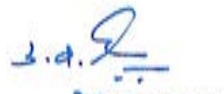
CA. Prahallad Karan, FCA

Partner

Membership No. 066621

For and Behalf of Board of Directors

Talcher Fertilizers Limited



24.6.2019
(U.V. Dhatrak)

Chairman

DIN:07718394



(Dr. A.K. Samantaray)

Director

DIN:07090691



(P. Jana)

CEO

PAN: ABQPJ7242J

Dated : 24.06.2019

Place : New Delhi




(S Dutt)

CFO

PAN: AEQPD9956C



(Rupesh Tawde)
Company Secretary
ACS 23311

4th Annual General Meeting, 26th September, 2019

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	
Email Id	
Folio No.	
DP ID	Not Applicable

I/We being the member(s) of Shares of the above named Company hereby appoint:

1. Name:

Address:

Email Id:

or failing him

2. Name:

Address:

Email Id:

or failing him

3. Name

Address

Email Id

or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/behalf at 4th Annual General Meeting of the Company to be held on Thursday, the 26th September, 2019 at 3.00 P.M. at Bhubaneswar and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolution	For	Against
	Ordinary Business		
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31 st March, 2019 and the		

TALCHER FERTILIZERS LIMITED

निगमित पहचान क्रमांक /Corporate Identification Number (CIN) : U24120OR2015PLC019575

	Reports of Directors and Auditors and comments thereon of the Comptroller and Auditor General of India..		
2.	To appoint a Director in place of Shri Sudhir D. Panadare (DIN 07933191), who retires by rotation and being eligible, offers himself for reappointment.		
3.	To appoint a Director in place of Shri Niranjana Lal (DIN 07965269) who retires by rotation and being eligible, offers herself for reappointment.		
4.	To fix remuneration of Auditors for the financial year 2019-20		
	Special Business		
5.	To appoint Dr. A. K. Samantaray (DIN 07090691) as Director of the Company		
6.	To appoint Shri Manoj R. Meshram (DIN 08195079) as Director of the Company		
7.	To appoint Shri Ashu Shinghal (DIN 08268176) as Director of the Company		
8.	Borrowing Powers of the Company		
9.	To create security on the properties of the Company, both present and future, in favour of lenders		

Signed this _____ day of _____ 2019

Signature of Shareholder

Affix Revenue Stamp of ₹ 1

Signature of the Proxy holders)

Note:

- (i) This Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not later than 48 hours before the commencement of this meeting.
- (ii) Those Members who have multiple folios with different joint holders may use copies of this Proxy Form.

4th Annual General Meeting, Thursday, 26th September, 2019

ATTENDANCE SLIP

I/We hereby confirm and record my /our presence at the 4th Annual General Meeting of Talcher Fertilizers Limited held on Thursday, the 26th September, 2019 at 3.00 p.m. at Bhubaneswar.

Folio No:	
Full Name and Address of the Shareholder/Proxy holder	
No. of shares held	
Signature of Shareholder/Proxy	

Note: Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the premise.

Route map to the Venue of the AGM

- *GAIL India Limited,
Utkal Signature Building,
610-6-12, 6th Floor,
Pahala, NH-5, Bhubaneswar,
Odisha – 752101 (India)*

