

ANNUAL REPORT &
ACCOUNTS 2022-23

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BOARD OF DIRECTORS AS ON 09.11.2023



Shri Debasish Nanda
Chairman



Shri V.K. Srivastava
Managing Director



Smt. Ambati Lakshmi Prabha
Director (Finance)



Shri Shyamal Roy
Director (Operations)



Shri Deepak Gupta
Nominee Director, GAIL



Shri P. P. Patil
Nominee Director, FCIL



Shri G. Seshadri
Nominee Director, RCF

MEMBERS OF THE BOARD

as on 09th November 2023

Shri Debasish Nanda : Chairman

Functional Directors:

Shri V K Srivastava : Managing Director

Smt. Ambati Lakshmi Prabha : Director (Finance)

Shri. Shyamal Roy : Director (Operations)

Non-Executive Directors:

Shri Deepak Gupta

Shri P. P. Patil

Shri G. Seshadri

Permanent Invitees:

Shri S. S. Patil : COO (Downstream)

Shri Satyabrata Mishra : COO (Upstream)

Company Secretary:

Shri M. Viswanathan

MANAGEMENT DURING 2022-23

Shri B Veera Reddy : Chairman [from 14.02.2022 till 21.08.2022]

Shri Debasish Nanda : Chairman [from 22.08.2022]

Functional Directors:

Shri Sachchidanand Yadav : Managing Director [from 11.06.2020]

Shri Avijit Goswami : Director (Finance) [from 11.06.2020 till 04.06.2022]

Shri Sanjay Arora : Director (Operations) [from 16.07.2020]

Smt A.Lakshmiprabha : Director (Finance) [From 14.06.2022]

Non-Executive Directors:

Shri Niranjana Lal : Nominee Director [from 24.10.2017 till 19.07.2022]

Shri Milind M. Deo : Nominee Director [from 04.03.2020 till 17.12.2022]

Shri Ashu Shinghal : Nominee Director [from 02.07.2021]

Shri P. P. Patil : Nominee Director [from 04.11.2022]

Shri G Seshadri : Nominee Director [from 17.12.2022]

Chief Financial Officer

Shri. Avijit Goswami : Chief Financial Officer [from 31.01.2020 to 04.06.2022]

Smt A. Lakshmiprabha : Chief Financial Officer [from 14.06.2022]

Company Secretary:

Shri M Viswanathan : [From 10.04.2021]

Registered Office:

Plot No. 2 Kalpana Area,
BJB Nagar, Khorda,
Bhubaneswar – 751014

Project Office:

PARC Building,
GAIL Training Institute,
Plot No. 24, Sector 16 A,
Noida – 201301

Factory Address:

Administrative Building,
Talcher Fertilizers Limited,
P.O. Vikrampur,
Talcher, Angul – 759106

Liason Office:

JHBDPL Project Office,
612, Utkal Signature,
Pahala, NH-5,
Bhubaneswar-752101

Statutory Auditors:

**M/s. Romesh Kumar & Co,
Chartered Accountants,
Bhubaneswar**

e-mail: romeshkumar_bbsr@yahoo.com

Secretarial Auditors:

**M/s. Arun Kumar Maitra & Co.
6/1, Merlin park, Kolkata: 700019
Email: akmaitra83@gmail.com**

Registrar and Share Transfer Agent:

**M/s NSDL Database Management Limited
4th Floor, Trade World, A Wing,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai-400013**

Bankers

State Bank of India, New Delhi

NOTICE OF 8th ANNUAL GENERAL MEETING

NOTICE is hereby given to the members of Talcher Fertilizers Limited (TFL) that the Eighth Annual General Meeting of the company will be held on **Thursday, the 16th November 2023 at 11.00 AM through Video Conferencing (VC)/Other Audio Visual Means(OAVM)** to transact the following businesses at a shorter notice:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023 together with the reports of the Board of Directors, Statutory Auditor and comments of the Comptroller & Auditor General of India, in terms of Section 143(6) of the Companies Act 2013 thereon.
2. To appoint a Director in place of Smt A. Lakshmiprabha (DIN 09637525), who retires by rotation under Section 152(6) of Companies Act 2013 and clause 112 of Articles of Association of the company and being eligible, offers herself for reappointment.

SPECIAL BUSINESS:

Item No-3

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 Section 152 and 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 provisions of any other guidelines issued by relevant authorities, Shri V. K. Srivastava, (DIN 10131772), who was appointed by the Board of Directors as an Additional Director to function as Director(Operations) of the Company with effect from 12th May 2023 to 31st July 2023 (FN) and 31st July 2023 (AN) to function as Managing Director and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 as amended proposing his candidature for the office of the Director, be and is hereby appointed as a Whole-time Director to function as Director(Operations) of the Company w.e.f 12th May 2023 to 31st July 2023 (FN) and Managing Director from 31st July 2023 (AN) and until further orders. He is liable to retire by rotation.

Item No-4

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 Section 152 and 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 provisions of any other guidelines issued by relevant authorities, Shri Deepak Gupta(DIN 09503339) who was appointed by the Board of Directors as an Additional Director to function as a nominee Director of the Company with effect from 12th May 2023 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 as amended proposing his candidature for the office of the Director, be and is hereby appointed as a Part-time Director of the Company w.e.f 12th May 2023. He is liable to retire by rotation.

Item No-5

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 Section 152 and 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 provisions of any other guidelines issued by relevant authorities, Shri Shyamal Roy (DIN 10304405), who was appointed by the Board of Directors as an Additional Director to function as Director(Operations) of the Company with effect from 15th September 2023 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Companies Act, 2013 as amended proposing his candidature for the office of the Director, be and is hereby appointed as a Whole-time Director to function as Director(Operations) of the Company w.e.f 15th September 23 and until further orders. He is liable to retire by rotation.

By order of the Board of Directors
For Talcher Fertilizers Limited

Sd/*****

(M Viswanathan)
Company Secretary

Date: 09th November 2023

Registered Office:

Plot 2/H, Kalpana Area,
BJB Nagar, Khurda, Bhubaneswar – 751014

Distribution to all members:

- 1. Coal India Limited**
- 2. GAIL (India) Limited**
- 3. Rashtriya Chemicals and Fertilizers Limited**
- 4. The Fertilizer Corporation of India Limited**
- 5. Shri Debasish Nanda**
- 6. Shri Seshadri Gopalan**
- 7. Shri Mahesh Kumar Agarwal**

Notes:

1. 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.
2. The Ministry of Corporate Affairs (“MCA”) has vide its circulars dated 25th September 23 read with 28th December 2022, 5th May 2020, 13th January 2021, 8th December 2021 and 5th May 2022 (collectively referred to as MCA Circulars) had permitted the holding of the Annual General Meeting of a Company through Video Conferencing (VC) /Other Audio Video Means (OAVM) without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), and MCA Circulars, the AGM of the Company is being held through VC / OAVM at a **shorter notice. The office of Chairman, TFL at Coal India Ltd, New Town, Rajarghat, Kolkata 700156 shall be deemed to the venue for the AGM.** In response to company’s request to extend the time for holding its AGM, RoC, Cuttack has extended the time by 3 months to hold its AGM vide its order dated 3rd October 2023.

The procedure for joining the AGM through VC/OAVM is mentioned in this Notice.

3. Since the AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. The Proxy Form is not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through show of hands.
4. The facility for joining the AGM shall be kept open at least 15 minutes before the time scheduled to start the Meeting and shall not be closed till the expiry of 15 minutes after such scheduled time and the Members can join accordingly.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. All documents referred to in the Notice calling the AGM and the Explanatory Statement are available for inspection through e-mode and shall be furnished through e-mail at the registered email address of the Shareholder, for inspection, as per specific request received at comsecy@tflonline.co.in.
7. Pursuant to the provisions of Section 107 of the Companies Act, 2013 a resolution put to the vote of the meeting shall, unless a poll is demanded under Section 109 of Companies Act’2013, be decided on show of hands.

8. The Notice calling the AGM has been uploaded on the website of the Company at <http://tflonline.co.in/>.
9. Brief profile and other required information about the Directors proposed to be appointed/re-appointed, as required under Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India as approved by the Central Government, is given under “Brief profile of Directors” in Annual Report 2022-23.

**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.3

The Board of Directors in its 83rd meeting held on 12th May 2023 had appointed Shri. V.K. Srivastava, as an Additional Director to function as Director (Operations) of the Company and passed the following resolutions.

“RESOLVED THAT pursuant to Article 112 of Articles of Association of the company and Sec 161(1) of the Companies Act 2013 and in terms of letter no. RCF/CT/TFL/2023/04/01 dated 19th April 23 from CGM (P & PD), RCF Board hereby ‘takes on record’ appointment of Sri V Srivastava (DIN 10131772) as an Additional Director to function as Director (Operations) from the date of the approval of the Board.

FURTHER RESOLVED THAT Company Secretary be and is hereby authorized to do all the acts, deeds and things which are necessary to give effect to this resolution.”

Further, the Board of Directors in its 88th meeting held on 31st July 2023 had appointed Sri V. K. Srivastava to function as Managing Director of the company and passed the following resolutions:

“RESOLVED THAT approval be and is hereby given for appointment of Sri. Vivek Srivastava (DIN 10131772) who had already been appointed as an Additional Director to function as Managing Director from the date of approval of the Board.

FURTHER RESOLVED THAT Company Secretary be and is hereby authorized to file necessary form to give effect to this resolution.”

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 as amended from a member proposing the candidature of Sri V.K. Srivastava as a Whole-time Director under the provisions of Section 152 of the Companies Act, 2013. The Company has received from him (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and that he is not debarred by any other authority from being appointed or continuing as a Director of a company. In the 8th Nomination and Remuneration Committee Meeting held on 12th September 23, the Committee had recommended regularisation of his appointment as a Director. The approval of members is sought for the appointment of Shri. V.K. Srivastava as a Whole-time Director to function as Director (Operations) of the Company from 12th May 2023 till 31st July 23 (FN) and Managing Director from 31st July 2023 (AN) and until further orders.

Shri Vivek Srivastava is Chemical Engineer from Institute of Technology-Banaras Hindu University, Varanasi (Now known as IIT-BHU). He is also a qualified Safety professional (Advanced diploma in industrial safety) and Certified “Energy Auditor” by Bureau of Energy Efficiency (BEE). He is a qualified “Internal Auditor” for ISO 9001: 2015, 14001: 2015, ISO 45001:2018 & ISO 50001:2018.

He joined Rashtriya Chemicals and Fertilizers Limited in December 1991 as Management Trainee and rose to the post of General Manager in April-2023. In his long career spanning more than 30 years, he has worked in various capacities in Urea, Heavy Water Plant, Fire & safety and NPK project.

His areas of expertise include Large continuous chemical plant operations , Production planning, Raw material acquisition, Project activities, Energy Management , implementation of ISO standards, Co-ordinating with regulatory Authorities & external agencies, Process Safety Management, Safety Audits, Safety training and HAZOP.

He has published & presented technical papers in various forums.

No Director, Key managerial personnel or their relatives, except Shri V.K. Srivastava to whom the resolution relates, is interested or concerned financially or otherwise in the resolution. The Board recommends the resolution set forth in Item no 3 for the approval of the members.”

Item No.4

The Board of Directors in its 83rd meeting held on 12th May 2023 had appointed Shri.Deepak Gupta (DIN 09503339) as an Additional Director to function as a nominee Director of the Company and passed the following resolutions.

“RESOLVED THAT pursuant to Article 112 of Articles of Association of the company and Sec 161(1) of the Companies Act 2013 and in terms of letter no. ND/GAIL/SECTT/23 dated 4th May 23 from Sri M.K. Agarwal, Company Secretary, GAIL, Board hereby ‘takes on record’ appointment of Sri Deepak Gupta (DIN 09503339) as an Additional Director to function as a nominee Director from the date of the approval of the Board.

FURTHER RESOLVED THAT Company Secretary be and is hereby authorized to do all the acts, deeds and things which are necessary to give effect to this resolution.”

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 as amended from a member proposing the candidature of Shri Deepak Gupta as a Part-time Director under the provisions of Section 152 of the Companies Act, 2013. The Company has received from him (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and that he is not debarred by any other

authority from being appointed or continuing as a Director of a company. In the 8th Nomination and Remuneration Committee Meeting held on 12th September 23, the Committee had recommended regularisation of his appointment as a Director. The approval of members is sought for the appointment of Shri Deepak Gupta as a Part-time Director of the Company from 12th May 2023 and until further orders.

Shri Deepak Gupta is a Mechanical Engineer, a DCE alumnus, with more than 32 years of rich and diverse experience in Oil and Gas Sector encompassing Project Management, Construction Management and Business Development functions. He is a certified Project Management Professional (PMP) by the PMI, USA.

He has comprehensive and extensive experience in Project Management of Refinery, Petrochemical and Pipeline Projects from concept to commissioning and has led the execution of several successful Projects in India in all modes of Project implementation.

Presently, as Director (Projects) in GAIL, he is responsible for the Operation & Maintenance of pipeline network, Gas Processing Units, Compressor & Booster stations, Implementation of pipeline projects PAN India, SCADA and Telecommunication Network along the pipeline and Contracts & Purchase functions.

Prior to GAIL he was in Engineers India Limited as ED (Projects) leading the implementation of the multi-billion dollar 650 KBPSD Dangote Refinery and 830 KTA Polypropylene Project in Nigeria., Implementation of one of the largest Polymer facilities for HMEL Bhatinda besides several other refinery & Petrochemical projects in India and Overseas.

Shri Gupta has authored several papers and books sharing his experiences and ideas for fast tracking Project execution. Several key innovations and initiatives proposed by him are now a part of the best execution practices and strategies. His special interests include project implementation innovations, strategy formulation, business growth initiatives, system improvement and digitalisation - for fast track project execution.

Shri Gupta has won wide appreciation for his thoughts and ideas on strategies for mega project implementation and digitalisation at key forums in India & abroad.

No Director, Key managerial personnel or their relatives, except Shri Deepak Gupta to whom the resolution relates, is interested or concerned financially or otherwise in the resolution. The Board recommends the resolution set forth in Item no 4 for the approval of the members.”

Item No.5

The Board of Directors in its 89th meeting held on 15th September 2023 had appointed Shri. Shyamal Roy, as an Additional Director to function as Director (Operations) of the Company and passed the following resolutions.

“RESOLVED THAT pursuant to Article 112 of Articles of Association of the company and Sec 161(1) of the Companies Act 2013 and in terms of office order no. GAIL/CO/TRF/09/2023 dated 14th September 23 Board hereby ‘takes on record’ appointment of Sri Shyamal Roy (DIN 10304405) as an Additional Director to function as Director (Operations) from the date of the approval of the Board.

FURTHER RESOLVED THAT Company Secretary be and is hereby authorized to do all the acts, deeds and things which are necessary to give effect to this resolution.”

The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 as amended from a member proposing the candidature of Sri Shyamal Roy (DIN 10304405) as a Whole-time Director under the provisions of Section 152 of the Companies Act, 2013. The Company has received from him (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and that he is not debarred by any other authority from being appointed or continuing as a Director of a company. In the 8th Nomination and Remuneration Committee Meeting held on 12th September 23, the Committee had recommended regularisation of his appointment as a Director. The approval of members is sought for the appointment of Shri. Shyamal Roy as a Whole-time Director to function as Director (Operations) of the Company from 15th September 23 and until further orders.

Sri. Shyamal Roy is a Chemical Engineer from Jadavpur University, Kolkata as also Certified “Energy Manager” (EA 33662) by Bureau of Energy Efficiency. He has also done Master in Business Administration in Operation Research from IGNOU, New Delhi and a qualified Internal Auditor for ISO 9001: 2015, 14001: 2015, ISO 45001. Before taking over the charge of Director (Operations), TFL, He was working as Chief Operations Officer (Upstream) of TFL looking after the construction of Coal Gasification Unit, Steam Generation Unit and Water Packages (RWTP/ DM & CPU/ ETP STP alongwith ZLD).

Earlier, he was working with GAIL (INDIA) Limited, Pata Plant located at Auraiya (UP), A Mega Petrochemical Complex having Polymer Production Capacity of 810 KTA and Liquid Hydrocarbon (LPG/ Propane/ Pentane/ Naphtha/ PFO/ BRP/ Propylene etc,) Production Capacity of 250 KTA.

He has more than 28 years of experience in Mega Petrochemical Plant operations particularly in Gas Cracker Unit, Technical Services Deptt., Integrated Offsite Plant & having wide exposure of Carrying out Mega turnaround of entire Petrochemical Complex.

Besides that, he had also worked in critical position in Production planning, Strategy Making in Polymer Grade Change Over in close coordination with marketing company for profit maximization, Raw material (Natural Gas) acquisition, Bio- diversification in plant & township and Energy Conservation.

He also acted as bridge between Marketing Services Group (MSG), Pata and Oil Marketing Company (OMC, viz. IOCL/ HPCL/ BPCL) for distribution of Liquid Hydrocarbons (LPG & Propane).

He coordinated the Process of Safety Management, Safety Audits, Documenting Standard Operating Procedures (inhouse & with Process Licensor), Safety Training, Digitization and HAZOP. He is also associated in Bathymetric Survey of Six nos. of Raw Water Reservoirs having total Capacity of 7 Lakhs M3 for assessing silt deposition on real time basis and subsequent mechanical dredging for preparing site to install floating Solar Panel, an Initiative to net zero emission.

He had successfully undertook various initiatives under the caption of 'Waste to Wealth' by recovering & selling Slop Oil (a revenue earning) earlier that was eventually converted into Oily Sludge as Hazardous Waste being disposed to TSDF involving the substantial revenue expenditure.

His combined effort with his team made the ETP/WWTP Plant a sustainable future of Mother Earth by reducing the VOC/ BOD/ COD level far below the stipulated limit of CPCB/ UPPCB/ MoEF&CC. He does not hold any other Directorship. He does not hold any share in TFL.

No Director, Key managerial personnel or their relatives, except Shyamal Roy to whom the resolution relates, is interested or concerned financially or otherwise in the resolution. The Board recommends the resolution set forth in Item no 5 for the approval of the members.”

By order of the Board of Directors

Sd/*****

**(M Viswanathan)
Company Secretary**

**Date: 09th November 23
Place: Bhubaneswar**

**DETAILS OF THE DIRECTOR SEEKING RE-APPOINTMENT AT THE AGM
PURSUANT TO SECRETARIAL STANDARD 2 ON GENERAL MEETING**

<u>Name</u>	<u>Smt A Lakshmi Prabha</u>
DIN	09637525
Date of Birth & Nationality	07.09.1978 Indian
Date of Appointment	14.06.2022
Qualification	Master of Business Administration (Finance) from Jawaharlal Nehru Technological University, Hyderabad.
Directorship held in other companies	NIL
No. of Shares held	NIL

Brief Profile of Directors

Shri Debasish Nanda [DIN- 09015566] has assumed the charge of Chairman, TFL w.e.f 22nd August'2022. He has assumed the charge of Director (Business Development), CIL w.e.f 11th July'2022. Prior to this, he was working as Executive Director (Gas) in Indian Oil Corporation. A graduate in mechanical engineering from UCE Burla, Sambalpur University, Shri. Nanda is a Post Graduate in production engineering from REC Rourkela and has to his credit a Masters in International Business from IIFT, New Delhi. Shri. Nanda joined Indian Oil Corporation in 1988 as a Management Trainee in the Marketing Division and spent 11 years in marketing of Servo lubricants. Thereafter, he moved to Business Development Group in 1999. He did a stint in Business Development activities comprising of expansion of lube business overseas, exports of POL, setting-up of Indian Oil's subsidiaries etc. before moving to Indian Oil's Gas Business in 2009. Shri. Nanda headed the 'Natural Gas' business of Indian Oil which had a turnover of over Rs. 20,000 crores. He developed many robust strategies for increasing the penetration of Indian Oil in the natural gas business. He has also handled various diverse positions for liaising with MoP&NG, PNGRB and other Industry bodies. He has chaired the US-India Energy Task Force, headed the work on pipeline RLNG exports to Bangladesh & Sri Lanka and was accorded status of aggregator of HP-HT domestic gas for urea plants. He holds Directorship in CIL. He is the non-executive Chairman of HURL and a part-time Director at Bharat Coking Coal Ltd. He is holding one share in Talcher Fertilizers Ltd, HURL and BCCL as a nominee shareholder of CIL.

Shri Vivek Srivastava (DIN 10131772): Shri Vivek Srivastava is Chemical Engineer from Institute of Technology-Banaras Hindu University, Varanasi (Now known as IIT-BHU). He is also a qualified Safety professional (Advanced diploma in industrial safety) and Certified "Energy Auditor" by Bureau of Energy Efficiency (BEE). He is a qualified "Internal Auditor" for ISO 9001: 2015, 14001: 2015, ISO 45001:2018 & ISO 50001:2018.

He joined Rashtriya Chemicals and Fertilizers Limited in December 1991 as Management Trainee and rose to the post of General Manager in April-2023. In his long career spanning more than 30 years, he has worked in various capacities in Urea, Heavy Water Plant, Fire & safety and NPK project.

He areas of expertise include Large continuous chemical plant operations , Production planning, Raw material acquisition, Project activities, Energy Management , implementation of ISO standards, Co-ordinating with regulatory Authorities & external agencies, Process Safety Management, Safety Audits, Safety training and HAZOP. He does not hold any other Directorship. He does not hold any share in TFL.

Smt. Ambati Lakshmiprabha [DIN - 09637525] Smt. Ambati Lakshmiprabha has nominated as Director (Finance), Talcher Fertilizers Limited (TFL) on 4th June 2022. She is associated with TFL from October 2018 and played active role in achievement of the Financial closure of Rs 9559.59 crores for TFL Project with Consortium of Nine Banks including execution of Loan Facility Agreement in June 2021. She was also Member of Working Committee for suitable pricing model for marketing of Methanol. She joined Coal India Limited in 2006 as Finance Officer at Cost and Budget Division of Bharat Coking Coal Limited, Dhanbad. Later in 2008 she joined International Coal Ventures Limited (ICVL), a joint venture of CIL, SAIL & NTPC at Delhi where she worked in the field of acquisitions of coal mines overseas. She completed her post graduation, Master of Business Administration (Finance) from prestigious Jawaharlal Nehru Technological University, Hyderabad in 2000. She has diverse experience of 22 years of which 16 years is in Coal Industry. She is not holding any shares in Talcher Fertilizers Ltd and does not hold any other Directorship.

Shri Deepak Gupta (DIN 09503339) Shri Deepak Gupta is a Mechanical Engineer, a DCE alumnus, with more than 32 years of rich and diverse experience in Oil and Gas Sector encompassing Project Management, Construction Management and Business Development functions. He is a certified Project Management Professional (PMP) by the PMI, USA.

He has comprehensive and extensive experience in Project Management of Refinery, Petrochemical and Pipeline Projects from concept to commissioning and has led the execution of several successful Projects in India in all modes of Project implementation.

Presently, as Director (Projects) in GAIL, he is responsible for the Operation & Maintenance of pipeline network, Gas Processing Units, Compressor & Booster stations, Implementation of pipeline projects PAN India, SCADA and Telecommunication Network along the pipeline and Contracts & Purchase functions.

Prior to GAIL he was in Engineers India Limited as ED (Projects) leading the implementation of the multi-billion dollar 650 KBPSD Dangote Refinery and 830 KTA Polypropylene Project in Nigeria., Implementation of one of the largest Polymer facilities for HMEL Bhatinda besides several other refinery & Petrochemical projects in India and Overseas.

Shri Gupta has authored several papers and books sharing his experiences and ideas for fast tracking Project execution. Several key innovations and initiatives proposed by him are now a part of the best execution practices and strategies. His special interests include project implementation innovations, strategy formulation, business growth initiatives, system improvement and digitalisation - for fast track project execution.

Shri Gupta has won wide appreciation for his thoughts and ideas on strategies for mega project implementation and digitalisation at key forums in India & abroad.

Shri Padamsing P. Patil (DIN 09747446) is Civil Servant from Indian Civil Accounts Service (ICAS), 2011. He holds a Bachelors of Technology (Agricultural Engineering) from MPKV, Rahuri, Maharashtra and a PG Diploma in Financial Management from NIFM. He has wide experience in Government accounts and finance, expenditure management, budget, internal audit, public financial management system (PFMS) etc. Presently, he is working as Director (Fertilizer Subsidy Division & FFS) in the Department of Fertilizers, Ministry of Chemicals and Fertilizers. He is also the Government Nominee Director on the Board of Projects & Development India Ltd. (PDIL), Director (Finance) in Hindustan Fertilizer Corporation Ltd. (HFCL), Director (Finance) in The Fertilizer Corporation of India Ltd. (FCIL), Non-Executive Director on the Board of Ramagundam Fertilizers and Chemicals Ltd. (RFCL) and Director in Hindustan Urvarak & Rasayan Ltd. (HURL). In past, he has worked in the field offices of Controller General of Accounts (CGA), Central Board of Direct Taxes (CBDT), Central Board of Indirect Taxes and Customs (CBIC), Central Public Works Department (CPWD), PDT Ministry of Industry, Institute of Govt Accounts & Finance (INGAF) as zonal head for western region (Maharashtra, Goa, Gujarat). His hobbies & interests include Sports (Cricket, Badminton), Cycling, Reading (Mostly classics and fiction), Movies & Music.

Shri Seshadri Gopalan (DIN 09802970) is a Bachelor of Production engineering from Rajarambapu Institute of Technology (RIT), Sangli. He is Certificate holder in “Project Management and Project Risk Management” awarded by International institute on Programme and Project Management (I2P2M). Shri Seshadri joined RCF in April 1990 as Management Trainee. Currently he is working as General Manager (Corporate Projects & Administration) at Rashtriya Chemicals and Fertilizers Limited. In his long career spanning more than 32 years, he has worked in various capacities in the field of Projects Planning & Development, Plant operation & Maintenance and Administration etc. He started his career in RCF in Projects and was involved in the execution of various critical projects such as Suphala Rehabilitation, Purge Gas recovery unit, Methanol Revamp, New Suphala Bagging and 2Mwp Solar Plant at Trombay and Formic Acid, DMAC Project at Thal. He played a critical role in establishing the Technology Demonstration Plant in association with Heavy Water Board, Department of Atomic Energy at Trombay. This Project is of national importance for Heavy Water Board (Dept of Atomic Energy) for recovery of Rare Metal from Wet Process Phosphoric Acid. As head of the maintenance, he implemented various measures such as use of appropriate MoC, ensuring timely availability of critical spares, standardization of belt conveyors, modifications, maintenance practices resulting in reduction in the downtime of the plants and saving in costs. His contribution in the successful completion of the Sewage Treatment Plant requiring liaison with various statutory authorities has been the most noteworthy. For his contribution in the success of the project he was felicitated with “Certificate of Appreciation”. He has also been awarded the prestigious

“Pearl award for the year 2019 for his excellent achievements. His role in handling the administration during the challenging period of the COVID pandemic and his skills in maintaining good interaction with cross functional departments has been of immense help to the management to function smoothly in this challenging period. He is holding one share in TFL.

Sri. Shyamal Roy (DIN 10304405) has been appointed as Director (Operations) of TFL with effect from 15th September 2023. He is a Chemical Engineer from Jadavpur University, Kolkata as also Certified “Energy Manager” (EA 33662) by Bureau of Energy Efficiency. He has also done Master in Business Administration in Operation Research from IGNOU, New Delhi and a qualified Internal Auditor for ISO 9001: 2015, 14001: 2015, ISO 45001. Before taking over the charge of Director (Operations), TFL, He was working as Chief Operations Officer (Upstream) of TFL looking after the construction of Coal Gasification Unit, Steam Generation Unit and Water Packages (RWTP/ DM & CPU/ ETP STP alongwith ZLD).

Earlier, he was working with GAIL (INDIA) Limited, Pata Plant located at Auraiya (UP), A Mega Petrochemical Complex having Polymer Production Capacity of 810 KTA and Liquid Hydrocarbon (LPG/ Propane/ Pentane/ Naphtha/ PFO/ BRP/ Propylene etc,) Production Capacity of 250 KTA.

He has more than 28 years of experience in Mega Petrochemical Plant operations particularly in Gas Cracker Unit, Technical Services Deptt., Integrated Offsite Plant & having wide exposure of Carrying out Mega turnaround of entire Petrochemical Complex.

Besides that, he had also worked in critical position in Production planning, Strategy Making in Polymer Grade Change Over in close coordination with marketing company for profit maximization, Raw material (Natural Gas) acquisition, Bio- diversification in plant & township and Energy Conservation.

He also acted as bridge between Marketing Services Group (MSG), Pata and Oil Marketing Company (OMC, viz. IOCL/ HPCL/ BPCL) for distribution of Liquid Hydrocarbons (LPG & Propane).

He coordinated the Process of Safety Management, Safety Audits, Documenting Standard Operating Procedures (inhouse & with Process Licensor), Safety Training, Digitization and HAZOP. He is also associated in Bathymetric Survey of Six nos. of Raw Water Reservoirs having total Capacity of 7 Lakhs M3 for assessing silt deposition on real time basis and subsequent mechanical dredging for preparing site to install floating Solar Panel, an Initiative to net zero emission.

He had successfully undertook various initiatives under the caption of ‘Waste to Wealth’ by recovering & selling Slop Oil (a revenue earning) earlier that was eventually converted into Oily Sludge as Hazardous Waste being disposed to TSDF involving the substantial revenue expenditure.

His combined effort with his team made the ETP/WWTP Plant a sustainable future of Mother Earth by reducing the VOC/ BOD/ COD level far below the stipulated limit of CPCB/ UPPCB/ MoEF&CC. He does not hold any other Directorship. He does not hold any share in TFL.

DIRECTOR'S REPORT

To

The Members
Talcher Fertilizers Limited (TFL),

On behalf of the Board of Directors, I have great pleasure in presenting to you, the 8th Annual Report of Talcher Fertilizers Limited (TFL) and Audited Accounts for the year ended 31st March'2023 together with the reports of Statutory Auditors and Comptroller and Auditor General of India thereon.

PROJECT DETAILS-

Talcher Fertilizers Limited, a Joint Venture Company (JVC) promoted by GAIL, CIL, RCF and FCIL was incorporated on 13th November'2015 to revive FCIL's Talcher fertilizer unit in the Angul district of Odisha. RCF, CIL, GAIL each hold 31.85% equity shares and FCIL holds 4.45% equity shares in this JV. The company plans to produce approx. 1.27 MMTPA of urea using coal as feedstock. The plant shall employ coal gasification technology for production of urea with an estimated cost of INR 17,080.69 crores (the revised cost approved by TFL Board. Board approval of promoters is awaited). M/s PDIL is the Project Management Consultant (PMC) 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 Project will be financed through equity from shareholders and debt from financial institutions in Debt: Equity ratio of nearly 60:40 (approved by TFL Board. Approval of promoters is awaited). The unit will utilize about 2.5 to 3.0 MMTPA coal from Talcher Mines. There is also a provision of blending up to 25% Pet-coke to handle high ash content in coal.

A request was made to Ministry of Coal for allocation of long- term coal linkage to TFL for meeting the feedstock requirement with the recommendation of Dept of Fertilizers.

The Company had awarded Coal Gasification Package and Ammonia Urea Package to M/s Wuhuan Engineering Co. Ltd., China on LSTK basis and work at Talcher site is underway. The tendering for various OSBL packages is underway.

Cabinet Committee on Economic Affairs (CCEA) in its meeting held on the 20th April, 2021 had approved a concession rate/ subsidy for the urea produced through coal gasification route by TFL will be determined by providing 12% Post Tax IRR on equity. The project has successfully concluded the financial closure of the project in June,

2021 by lining up debt of INR 9560 crores through a consortium of lenders led by SBI based on the already approved Project Report.

TFL has committed approx. Rs 11,650 crores for various project activities till now.

FINANCIAL PERFORMANCE-

Rs. in Lakhs

Particulars	2022-23	2021-22
Total Income	588.73	2152.61
Total Cost before Depreciation and Tax	762.21	2681.69
Profit before Depreciation and Tax	(189.18)	(529.08)
Depreciation/Impairment	60.65	58.16
Profit/ (Loss) before tax	(249.83)	(587.24)
Provision for Tax (including deferred Tax liability/ Asset)	2.69	6.76
Net Profit / (loss)	(252.52)	(593.98)

TRANSFER TO RESERVES

No amount has been transferred to Reserves as the Company is yet to start commercial operations.

AUTHORISED SHARE CAPITAL OF THE COMPANY

The Authorised Equity Share Capital of the Company is Rs.4,200 Crore crores divided into 4,20,00,00,000 Equity Shares of Rs.10/- each.

SHARE CAPITAL

The Total Paid Up Share Capital of the Company as on 31st March.'2023 was Rs **24,16,44,74,780/-** divided into 241,64,47,478 equity shares of Rs.10/- each.

DIVIDEND

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

Impact of COVID 19 PANDEMIC

Due to lockdown as per the directions of GoI/State Government on account of outbreak of COVID-19 pandemic, the construction work was temporarily regulated at Talcher project site from the last week of March 2020 and resumed in the month of May, 2020.

As the company is under construction stage, there is no impact on the ability of the company as a going concern.

DEPOSITS-

During the period under review, your Company did not accept any deposits from the public.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY-

No material changes have occurred as at the end of the financial year to which the balance sheet of the Company relates and the date of this report.

KEY MANAGERIAL PERSONNEL

The following are the Key Managerial Personnel of the Company:

1. Shri Sachchidanand Yadav, Managing Director (From 11.06.2020-31.07.2023)
2. Shri Avijit Goswami, CFO (From 31.01.2020 – 04.06.2022)
3. Shri Avijit Goswami, Director (Finance) (From 11.06.2020 – 04.06.2022)
4. Shri Sanjay Arora, Director (Operations) (From 16.07.2020 till 12.05.2023)
5. Smt. Ambati Lakshmiprabha, Director (Finance) and CFO (From 14.06.2022)
6. Shri Vivek Srivastav, Director (Operations) (From 12.05.2023 to 31.07.2023) and Managing Director from (31.07.2023 AF)
7. Shri M Viswanathan, Company Secretary (From 10.04.2021).

RISK MANAGEMENT

Your Company is yet to formulate Risk Management Policy as the Company is yet to start its commercial operations.

FRAUD PREVENTION POLICY AND WHISTLE BLOWER POLICY

Based on the recommendation of Audit Committee, Board had approved the above policies during the year and the same are uploaded in company's website for the information of all concerned.

BOARD EVALUATION

Section 134(3) (p) of Companies Act, 2013 requires the Company to disclose the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual Directors. However, all the Directors of your Company are nominee Directors nominated by respective joint venture partner, hence, the Board evaluation was not applicable to your Company during the year.

DIRECTORS

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

- i) Shri Debasish Nanda (DIN 09015566) was appointed as Chairman on 22nd August 2022 vice Shri B. Veera Reddy.
- ii) Smt A. Lakshmiprabha (DIN 09637525) was appointed as Director (Finance) and CFO on 14th June 2022 vice Sri Avijit Goswami.
- iii) Shri P.P.Patil (DIN 09747446) was appointed as a nominee Director on 4th November 2022 vice Sri Niranjan Lal.
- iv) Shri G. Seshadri (DIN 09802970) was appointed as a nominee Director on 17th December 2022 vice Shri M.M.Deo.

The Board had placed on record its deep appreciation to the Directors who had ceased to be members of the Board during the year for their valuable contribution made and the guidance/suggestion provided that had greatly benefited the company.

AUDITOR

M/s. Romesh Kumar & Co, Chartered Accountants, Bhubaneswar were appointed as Statutory Auditor of the Company for the financial year 2022-23 by the office of CAG.

AUDITORS' REPORT

The Statutory Auditors of the Company had given an unqualified report on the Financial Statements of the Company for the year ended 31st Mar'23 vide their Report dated 15th June 23. As advised by the office of CAG, they have modified their Report on 22nd September 23 and the same is enclosed as **Annexure 1**.

Supplementary Audit of Financial Statements by Comptroller and Auditor General of India (C&AG).-

Office of the C&AG on completion of supplementary audit conducted under Section 143 (6)(a) of Companies Act, 2013 have given their Report under Sec143(6)(b) of Companies Act 2013 on 3rd November 23 which is enclosed as **Annexure-2**. The comments of CAG and Management Reply to the same are enclosed as **Annexure-2A**.

REGISTRAR AND TRANSFER AGENT

Your Company has appointed NSDL Database Management Limited (NDML) as Registrar and Transfer Agent (RTA). The details of NDML is as under:

NSDL Database Management Limited RTA Division 4th Floor, Trade World A Wing, Kamala Mills Compound Senapati Bapat Marg, Lower Parel, Mumbai – 400 013

PARTICULARS OF EMPLOYEES-

There were no employees in the Company during the period who 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

1. Board Meeting:

During the year, Eleven (11) meetings were held by the Board of Directors viz. on 25th April 22, 27th June 22, 2nd August 22, 22nd August 22, 24th September 22, 4th November 22, 17th November 22, 17th December 22, 23rd December 22, 3rd March 23 and 29th March 23 respectively. The details were as under:

Sl. No.	Name of the Director	Status	Meetings attended
1.	Shri B. Veera Reddy	Chairman	3
2.	Shri Debasish Nanda	Chairman	8
3.	Shri S N Yadav	Managing Director	11
4.	Shri Avijit Goswami	Director (Finance)	1
5.	Shri Sanjay Arora	Director (Operations)	11
6.	Smt A. Lakshmiprabha	Director (Finance)	10
7.	Shri Milind Madhukar Deo	Nominee Director	8
8.	Shri Ashu Shinghal	Nominee Director	9
9.	Shri Niranjana Lal Sharma	Nominee Director	1
10.	Shri P.P.Patil	Nominee Director	6
11.	Shri G Seshadri	Nominee Director	4

2. Audit Committee:

TFL Board in its 64th meeting held on 24th June, 2021 had constituted Audit Committee consisting of Director from GAIL as Chairman, Director (Fin), TFL

and Shri Niranjana Lal as Members and Company Secretary to function as Secretary to the Committee.

During the year, Five (5) meetings of Audit Committee were held viz. on 6th June 22, 16th June 22, 7th July 22, 27th July 22 and 1st March 23 respectively. The details were as under:

Sl. No.	Name of the Director	Status	Meetings attended
1.	Shri Ashu Shinghal	Chairman	5
2.	Shri Niranjana Lal Sharma	Member	0
3.	Smt A. Lakshmiprabha	Member	5
4.	Shri P P Patil	Member	1

3. Nomination & Remuneration Committee:

TFL Board in its 64th meeting held on 24th June, 2021 had constituted Nomination & Remuneration Committee consisting of Shri Milind M Deo as Chairman, MD and Director (Operations), TFL as Members and Company Secretary to function as Secretary to the Committee.

During the year, four (4) meetings of Nomination & Remuneration Committee were held on 18th April 22, 24th June 22, 18th August 22 and 1st September 22. The details were as under:

Sl. No.	Name of the Director	Status	Meetings attended
1.	Shri Milind Madhukar Deo	Chairman	4
2.	Shri S N Yadav	Member	4
3.	Shri Sanjay Arora	Member	4

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 required 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 outgo : Rs.216.61 Crores

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, 2023;
- iii proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of 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 devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTERNAL FINANCIAL CONTROL OVER FINANCIAL REPORTING-

Your Company's Internal Financial Control is 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. Your Company's internal financial control over financial reporting includes those policies and procedures that:

- 1 pertains to the maintenance of records, in reasonable detail, which 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.

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

RELATED PARTY TRANSACTIONS:-

All contracts/arrangement/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company.

- a. Cost of Salary and travelling exp. etc. of employees / advisors:

Rs. in lakhs			
Sr. No.	Name of related party	Year ended 31.03.2023	Year ended 31.03.2022
1	Coal India Limited	254.43	268.75
2	GAIL India Limited	1800.06	1455.14
3	Rashtriya Chemicals and Fertilizers Limited	725.17	472.89

- b. Cost of Rent and electricity for office space

Rs. in lakhs			
Sr. No.	Name of related party	Year ended 31.03.2023	Year ended 31.03.2022
1	GAIL India Limited	136.19	98.84
2	Rashtriya Chemicals and Fertilizers Limited	1.70	2.18

SECRETARIAL AUDIT

In pursuance to Section 204 of Companies Act 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s. Arun Kumar Maitra & Co., Practicing Company Secretaries, Kolkata (C.P. No. 14490) to undertake the Secretarial Audit of the Company.

The Secretarial Auditor had conducted Secretarial Audit for 22-23 and submitted their report which is enclosed as **Annexure-3**. They have not given any adverse remarks/comments.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013-

During the year, no complaint of Sexual Harassment of Women at Workplace was received by your Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

SECRETARIAL STANDARDS-

During the year 2022-23, your Company has complied with the applicable Secretarial Standards issued by The Institute of Company Secretaries of India.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS -

There are no significant and material orders passed by the Regulators/Courts/Tribunals that would impact the going concern status of the Company and its future operations

ANNUAL RETURN FOR THE YEAR 202-23:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March' 2023 is available on the website of the Company (https://tflonline.co.in/pdf/Draft_Form_MGT_7.pdf)

CORPORATE GOVERNANCE REPORT

Your company has complied with the conditions of Corporate Governance, as stipulated in the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises, Government of India. A Certificate for compliance of conditions of Corporate Governance has been obtained from a practising Company Secretary is enclosed as **Annexure - 4**.

ACKNOWLEDGEMENT

The Board of Directors of your Company wishes to place on record their deep appreciation for the sincere efforts put in by the employees of the Company during the year under review. Your Directors also gratefully acknowledge the co-operation, support and guidance received from Ministry of Fertilizers, Ministry of Coal and Promoter Companies. Your Directors also acknowledge with thanks the assistance and guidance received from Statutory Auditors, the Comptroller and Auditor General of India and Secretarial Auditor.

For and on behalf of the Board of Directors

Sd/*****

(Debasish Nanda)
Chairman
DIN: 09015566

Date: 09th November 2023
Place: Kolkata



ROMESH KUMAR & CO.
CHARTERED ACCOUNTANTS

30/A, Unit - III, Bhubaneswar-751 001
Tel. : (0674) 2393915
E-mail : romeshkumar_bbsr@yahoo.com

OFFICE AT :
2, G.S. Market Complex, Jeypore
Tel. : (06854) 233153

Annexure 1

INDEPENDENT AUDITOR'S REPORT

To the Members of **TALCHER FERTILIZERS LIMITED.**

On the basis of audit queries on Independent Auditors report made by Comptroller and Auditor General of India, the revised report has been prepared in lieu of then earlier report dated 15/06/2023 to comply with the queries issued by the Comptroller and Auditor General of India.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Talcher Fertilizers Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2023 and the statement of Profit and Loss, statement of changes in equity and statement of Cash Flows 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 standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and accounting principles generally accepted in India, of the State of Affairs of the Company as at 31st March, 2023, and its Loss, Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date..

Basis for 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 thereunder, and we have fulfilled our other ethical



responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters that we have identified in the current year are as follows:

Key Audit Matter	How the matter was addressed in our audit
I. Carrying value of Property, Plant and Equipment, Intangible assets (including Capital work-in-progress and Intangible Assets under Development)	
<p>Property, plant and equipment, capital work-in-progress (CWIP), intangible assets and Intangible assets under development represent significant balances recorded in the statement of financial position.</p> <p>The evaluation of the recoverable amount of these assets requires significant judgement in determining the key assumptions supporting the expected future cash flows of the business and the utilisation of the relevant assets including impairment provisions related to the assets.</p> <p>There are a number of areas where management judgement impacts the carrying value of property, plant and equipment, intangible assets and their respective depreciation profiles. These include the decision to capitalise or expense costs; the asset life review including the impact of changes in the Company's strategy; and the timeliness of capitalisation, determination or the measurement and recognition criteria for assets retired from active use.</p>	<p>Our audit procedures relating to the carrying value of property, plant and equipment including intangible assets and capital work-in-progress included the following:</p> <p>We evaluated the assumptions made by management in the determination of carrying values and useful lives to ensure that these are consistent with the principles of Indian Accounting Standards (Ind AS) 16 Property, Plant and Equipment and Ind AS 38 Intangible Assets.</p> <p>We assessed whether the carrying values and the useful lives were reasonable by challenging management's judgements through comparing the useful lives prescribed in Schedule II to the Companies Act, 2013 and the useful lives of certain assets as per the technical assessment of the management.</p> <p>We compared the useful lives of each class of asset in the current year to the previous year to determine whether there were any significant changes in the useful lives of assets, and considered the reasonableness of changes based on our knowledge of the business and the industry.</p> <p>We assessed whether indicators of impairment existed as at 31st March 2023 based on our knowledge of the business and the industry and wherever required the provision of impairment of assets/ CWIP were reviewed.</p> <p>We tested the controls in place over the property,</p>



plant and equipment and intangible assets, evaluated the appropriateness of capitalisation policies, performed tests of details on costs capitalised and assessed the timeliness of capitalisation including decapitalisation of assets retired from active use and the application of the asset life.

In performing these substantive procedures, we assessed the judgements made by management including the nature of underlying costs capitalised; the appropriateness of asset lives applied in the calculation of depreciation and amortisation; and in assessing the need for accelerated depreciation/amortisation, if required, in the context of impairment.

2. Ascertainment, disclosure and provisioning in respect of contingent liabilities

The Company has not disclosed any contingent liabilities in the Financial Statements.

Our audit procedures relating to the ascertainment, disclosure and provisioning in respect of contingent liabilities included the following:

We obtained a detailed understanding and evaluated the design and implementation of controls that the Company has established in relation to disclosure and provisioning of contingent liabilities in accordance to Ind AS 37 Provisions, Contingent Liability and Contingent Assets.

Regarding direct and indirect tax contingent liabilities, we undertook following principal audit procedures:

Assessment of the process and relevant controls implemented to identify tax litigations and pending administrative proceedings.

Assessment of assumptions used in the evaluation of potential tax risks performed by the tax department of the Company considering the legal precedence and other rulings in similar cases.

Discussion with the management regarding the



status of the most significant disputes and inspection of the key relevant documentation.

Review of the adequacy of the disclosures in the notes to the financial statements.

In assessing the potential exposures of the Company in respect of other contingent liabilities, we have:

assessed the design and implementation of controls in relation to the monitoring of known exposures; referred Board and other meeting minutes to identify areas subject to Company consideration; consulted with the Company's internal legal advisors in understanding on-going and potential legal matters impacting the Company;

reviewed the proposed accounting and disclosure of actual and potential legal liabilities.

3. Valuation of deferred tax assets and liabilities

The Company has disclosed deferred tax assets/ liabilities in the Financial Statements.

The Company operates in activities which involves application of various provisions in income tax.

The assessment of the valuation of deferred tax assets/liability, resulting from timing differences, and provisions for uncertain tax positions is significant to our audit as the calculations are complex and depend on sensitive and judgmental assumptions. These include, amongst others, long-term future profitability and local fiscal regulations and developments.

Ascertained the completeness and accuracy of the deferred tax assets/liabilities and recognizing uncertain tax positions.

We challenged and tested the Management's assessment of the recoverability of the deferred tax assets, and the probability of future cash outflows in respect deferred tax liabilities identified by the Company.

We also assessed the applicable local fiscal regulations and developments, in particular those related to changes in the statutory income tax rate and of the statutes of limitation, as these are key assumptions underlying the valuation of the deferred tax assets/liabilities.

We analysed the tax positions and evaluated the assumptions and methodologies used by the Company.

In addition, we also focused on the adequacy of the Company's disclosures as per Ind AS 12 Income Taxes on deferred tax assets/liabilities and assumptions used.



Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information contained in the Company's Annual Report but does not include the Standalone Financial Statements and our report thereon. These reports are expected to be made available to us after the date of this auditors' report.

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

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

When we read the other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action, if required.

Responsibility of Management for Standalone Financial Statements

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

In preparing the 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.



Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, 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 omissions, misrepresentations, or the override of internal control;

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the 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 Management;

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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. 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 events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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.

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "A"** to this report a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. In compliance to directions of the Comptroller and Auditor General of India u/s. 143(5) of the Act, we give in **Annexure "B"** to this report a statement on the matters specified therein.
3. As required by Section 143(3) of the Act, we report that:
 - (a) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (b) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- (c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (d) Proviso to Rule 3 (1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1st April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Auditors and Auditors amendment) Rules, 2021 is not applicable for the financial year ended 31st March, 2023.
- (e) On the basis of the written representation received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (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 the “Annexure C”.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long –term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (h) a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entities , including foreign entities (“ intermediaries”) with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the



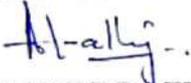
company ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries:

b. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any persons or entities, including foreign entities (" funding parties") with the understanding, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ultimate beneficiaries; and

c. Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has comes to our notices that has caused us to believe that the representations under sub-clause (i) and (ii) of rule 11 , as provided under (a) and (b) above, contain any material misstatement.

- (i) The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

For ROMESH KUMAR & CO.
CHARTERED ACCOUNTANTS
F.R NO.322390E


BHARATENDRA TRIPATHY
(Partner)
M.NO.-057213



Place: Bhubaneswar
Date: 25/09/2023

Udin- 23057213BGPYGZ6571

Appendix to the Independent Auditor's Report

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

Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, We are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.



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.

For ROMESH KUMAR & CO.
CHARTERED ACCOUNTANTS
F.R NO.322390E

M. Tripathi

BHARATENDRA TRIPATHI
(Partner)
M.NO.057213



Place: Bhubaneswar
Date: 25/09/2023

Udin- 23057213BGPYGZ6571

ANNEXURE "A"

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 OF TALCHER FERTILIZERS LIMITED.

(Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our Report of even date)

- i. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
- (b) Movable Property, Plant and Equipment have been physically verified by the Management every year. Pursuant to the program, movable Property, Plant and Equipment were physically verified during the year and there were no material discrepancies noticed on such verification conducted during the year;
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment and Intangible Assets during the year;
- (e) According to information and explanations given to us, the Company doesn't hold any benami property and therefore there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made there under;
- ii. The Company Being in the construction and pre-commissioning stage there are no stocks held by it.
- iii. During the year, the Company has not made investments in companies, firms, limited liability partnership or any other parties except in a joint venture company.



- (a) According to the information and explanations given to us, the Company has not provided loans or provided advances in the nature of loans or stood guarantee or provided security, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. Consequently, clause (iii) (a),(c),(d),(e) and (f) of paragraph 3 of the Order are not applicable;
- (b) According to the information and explanations given to us and based on the audit procedures performed by us, the investment made and the terms and conditions of the investments are not prejudicial to the interest of the Company;
- iv. According to information and explanations given to us, Section 185 of the Act regarding loans to directors is not applicable to the Company by virtue of Notification No. G.S.R. 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Govt. of India. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act with respect to the loans and investments made;
- v. We have broadly reviewed the books and records maintained by the Company as specified by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of manufacturing activities and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate and complete;
- vi. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues with the appropriate authorities. No undisputed statutory dues are outstanding for a period of more than six months from the date they became payable as at 31st March, 2023;
- vii. According to the information and explanations given to us and on examining the books of accounts, no transactions were recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;
- viii. (a) According to the information and explanations given to us, the Company has availed loans under consortium financing led by State Bank Of India. The Company has not defaulted in repayment of the loans obtained.



- (b) The Company has not been declared as wilful defaulter by any bank or financial institution or other lender;
- (c) On an overall examination of the standalone financial statements of the Company, the Company has not raised funds on short term basis and hence reporting under clause (ix)(d) of paragraph 3 of the Order is not applicable;
- (d) In our opinion and according to the information and explanation given to us, the company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its joint ventures, the Company does not have any subsidiary or associate;
- (f) The Company has not raised any loans on the pledge of securities held in its joint ventures during the year, the Company does not have any subsidiary or associate and hence reporting under clause (ix)(f) of paragraph 3 of the Order is not applicable;
- ix. (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) or term loans during the year. Accordingly, clause (x) (a) of paragraph 3 of the Order is not applicable;
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible). Accordingly, clause (x) (b) of paragraph 3 of the Order is not applicable;
- x. (a) According to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year;
- (b) No report has been filed under Sub-section (12) of Section 143 of the Companies Act by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report;
- (c) According to the information and explanations given to us, there are no whistle blower complaints received during the year;



- xi. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) (a), (b) and (c) of paragraph 3 of the Order is not applicable;
- xii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements (refer Note 40);
- xiii. (a) The Company has an internal audit system commensurate with the size and nature of its business and
- (b) We have considered the reports of Internal Auditors for the period under audit, issued to the Company during the year and till the date of this report, in determining the nature, timing and extent of our audit procedure;
- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with any director or persons connected with him as specified in Section 192 of the Act;
- xv. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934 and hence reporting under clause (xvi)(a) and (b) of paragraph 3 of the Order is not applicable;
- (c) According to the information and explanations given to us, the Company is not Core Investment Company (CIC) (as defined in the regulations made by Reserve Bank of India) and there is no CIC within the Group and hence reporting under clause (xvi)(c) and (d) of paragraph 3 of the Order is not applicable;
- xvi. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year;
- xvii. The Company being in the construction and pre-commissioning stage has incurred cash losses during the year and in the preceding financial year.
- xviii. There has been no registration of the statutory auditors during the year.
- xix. Based on the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come

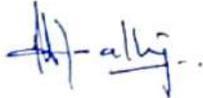


to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of this audit report and we neither give any guarantee nor any assurance that all the liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due; and

xx. (a) According to the information and explanations given to us, there is no unspent amount towards Corporate Social Responsibility (CSR) since the Company has not yet started operation being in the construction phase, during the year requiring a transfer to a fund specified in Schedule VII to the Act in compliance with second proviso to Sub-section (5) of Section 135 of the Act. Accordingly reporting under clause (xx)(a) of paragraph 3 of the Order is not applicable;

(b) According to the information and explanations given to us, there has been no unspent amount of CSR in respect of ongoing projects during the year requiring transfer to a special account as per Section 135 (6) of the Act.

For Romesh Kumar & Co.
Chartered Accountants
FRN: 322390E





(Bharatendra Tripathy)

Partner

Membership No: 057213

UDIN: 23057213BGPYGZ6571

Place: Bhubaneswar

Date: 25/09/2023

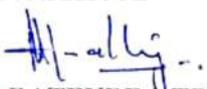
ANNEXURE – B

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE, ON THE STANDALONE FINANCIAL STATEMENTS OF TALCHER FERTILIZER LIMITED, TALCHER ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2023.

DIRECTIONS UNDER SECTION 143(5) OF THE COMPANIES ACT, 2013.

Sr. No.	DIRECTIONS	COMMENTS
1	Whether the Company has system in place to process all the accounting transaction through IT system? If yes the implication of processing of accounting transaction outside IT system on the integrity of the account along with the financial implication, if any, may be stated.	The Company has its own IT system through which the accounting transactions being processed.
2	Whether there is restructuring of any existing loan or cases of waiver write off debts / loan / interest etc. made by a lender to the there company due to the company's inability to repay the loan? If yes the financial impact may be stated.	According to the information and explanation given to us no cases waiver / write off of debts / loans/ interest etc.
3	Whether funds received / receivable for specific scheme from central / state agencies were properly accounted for / utilized as per its terms and conditions? List the case of deviation.	According to the information and explanation given to us there are no such funds received by the company.

For ROMESH KUMAR & CO.
CHARTERED ACCOUNTANTS
F.R NO.322390E


BHARATENDRA TRIPATHY
(Partner)
M.NO.-057213



Place: Bhubaneswar
Date: 25/09/2023

Udin- 23057213BGPYGZ6571

“Annexure C” to the Independent Auditor’s Report

Report on the Internal Financial Controls 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 **TALCHER FERTILIZERS LIMITED** (“the Company”) as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for 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 control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and 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 audit opinion on the Company’s internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

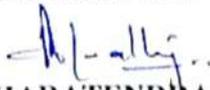
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For ROMESH KUMAR & CO.
CHARTERED ACCOUNTANTS
F.R NO.322390E



BHARATENDRA TRIPATHY
(Partner)
M.NO.057213



Place: Bhubaneswar
Date: 25/09/2023

Udin- 23057213BGPYGZ6571



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आज़ादी का
अमृत महोत्सव

सत्यमेव जयते

कार्यालय महानिदेशक लेखापरीक्षा
(कृषि, खाद्य एवं जल संसाधन), नई दिल्ली
Office of the Director General of Audit
(Agriculture, Food & Water Resources), New Delhi



लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest

Annexure 2

गोपनीय

रिपोर्ट/2-159/डी.जी.ए./ए.एफ.&डब्ल्यू.आर)/A/cs/TFL/2023-24/ 4129

दिनांक :- 03/11/2023

सेवा में,

प्रबंध निदेशक,

तालचेर फ़र्टिलाइज़र्स लिमिटेड,

Administrative building, Talcher

Post Vikrampur district Angul

Odisha 759106

विषय: भारत के नियन्त्रक एवं महालेखापरीक्षक द्वारा कम्पनी अधिनियम 2013 के अनुच्छेद 143(6)(b) के अंतर्गत तालचेर फ़र्टिलाइज़र्स लिमिटेड के 31 मार्च 2023 को समाप्त वर्ष के वित्तीय खातों पर टिप्पणियाँ ।

महोदय,

इस पत्र के साथ कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत तालचेर फ़र्टिलाइज़र्स लिमिटेड के 31 मार्च 2023 को समाप्त वर्ष के वित्तीय खातों पर टिप्पणियाँ भेजी जा रही हैं।

कृपया इस पत्र की पावती भेजने की कृपा करें।

भवदीया,

संलग्न: यथोपरी

(गुरवीन सिद्धू)

महानिदेशक लेखापरीक्षा (कृषि, खाद्य एवं जल संसाधन)

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 2023

The preparation of financial statements of **Talcher Fertilizers Limited** for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act 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 15th June 2023 which supersedes their earlier Audit Report dated 22 September 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Talcher Fertilizers Limited** for the year ended 31 March 2023 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. The Audit Report has been revised by the statutory auditor to give effect to some of my audit observations raised during supplementary audit.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.

A. Balance Sheet

A.1 Current Liabilities

Other Financial Liabilities-Current (Note 17)

Provision for expenses payable- ₹ 8.56 crore

The Company has not provided for balance amount of ₹ 1.05 crore (Total bill amount of ₹ 3.55 crore against which ₹ 2.50 crore was provided for) towards the bills of ANS construction towards land development works executed during 16.01.2023 to 20.03.2023 which was received and certified in April 2023.

The non-provision is not in compliance of Para 8 of IND AS 10 which states that 'an entity shall adjust the amounts recognised in its financial statements to reflect adjusting events after the reporting period'. Since the bill pertains to period 16.01.2023 to 20.03.2023 received in April 2023 therefore it falls under adjusting events and should have been provided for in the accounts.

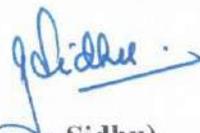
The non-provision has resulted in understatement of 'CWIP-Land & Development' and 'Provision for expenses payable' by ₹ 1.05 crore each.

B. Other Comments

B.1 The Balance Sheet and "Statement of changes in equity" has not been prepared in the format prescribed by Schedule-III (Division-II) of the Companies Act 2013. Further, in statement of Profit and Loss, "Deputation Cost" has been presented under "expenses" whereas there is no such head prescribed in format prescribed by schedule-III (Division-II) of the Companies Act 2013. This should be "Employee Benefit Expenses".

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

**Place: New Delhi
Date: 03/11/2023**


**(Gurveen Sidhu)
Director General of Audit
Agriculture, Food & Water Resources**

TALCHER FERTILIZERS LIMITED

CAG comments on the financial statements and management replies are given below-

CAG Comment	Reply of The TFL Management
<p>A. Balance Sheet A.1 Current Liabilities Other Financial Liabilities (Note 17) Provision for expenses payable Rs 8.56crores</p> <p>The Company has not provided for balance amount of Rs. 1.05 Crore (Total bill amount of Rs. 3.55 Crore against which Rs. 2.50 Crore was provided for) towards the bills of ANS Construction towards Land development works executed during the 16.01.2023 to 20.01.2023 which was received and certified in April 2023.</p> <p>The non-provision is not in compliance of Para 8 of IND AS 10 which states that ‘an entity shall adjust the amounts recognized in its financial statements to reflect adjusting events after the reporting period’.</p> <p>Since the bill pertains to period 16.01.2023 to 20.03.2023 received in April 2023 therefore it falls under adjusting events and should have been provided for in the accounts.</p> <p>The non-provision has resulted in understatement of ‘CWIP-Land & Development’ and ‘Provision for expenses payable’ by Rs.1.05 crore each</p>	<p>As per Section 129(1) of the Companies Act, 2013, the Financial Statements shall give true and fair view of the state of affairs of the Company, comply with the accounting standards notified under section 133.</p> <p>AS per Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets use of estimates is an essential part of the preparation of financial statements. The amount recognized as a provision shall be the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The estimates of outcome and financial effects are determined by the judgment of the management of the entity, supplemented by experience.</p> <p>In the instant case</p> <p>Liability of Rs 2.5 Crore was accounted for based on the amount given by Indenting Department of TFL based on work done by M/s ANS Construction Private limited on estimated basis as invoice of actual amount was not received till finalization of Liability.</p> <p>While actual invoice amount for the same was Rs 355.58 lakh which was raised by ANS construction on dated 18.04.2023 vide Invoice No. ANS/TFL/PDIL/009. The payment was made after adjustment of liability (Reversal of Liability) in FY 2023-24.</p> <p>Apart from that, as the company is in a stage of construction of project only; yet to start commercial operation, all the pre project activity will be invariably reviewed at the time of commencement of operation and capitalization of assets will be done accordingly.</p>

<p>B. Other Comments:</p> <p>B.1The Balance Sheet and "Statement of changes in equity" has not been prepared in the format prescribed by Schedule-III (Division-II) of the Companies Act 2013. Further, in statement of Profit and Loss, "Deputation Cost" has been presented under "expenses" whereas there is no such head prescribed in format prescribed by schedule-III (Division-II) of the Companies Act 2013. This should be "Employee Benefit Expenses</p>	<p>This is an oversight and adequate steps will be implemented in future annual closings to synchronize the Invoices received during the Annual closing process vis-à-vis the provision accounted for the same.</p> <p>The observation of audit is noted. It is assured that the same will be accounted for in FY 2023-24 and due care will be taken in future in this regard.</p> <p>We have already changed the format for "Statement of changes in equity" and Statement of Profit and Loss with respect to deputation cost in half yearly accounts for the FY 2023-24.</p>
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ARUN KUMAR MAITRA & CO.
Practicing Company Secretaries
6/1, Merlin Park, Ballygunge Phari
Kolkata-700019
Ph. No.- 8420975192
E-mail:akmaitra83@gmail.com
ICSI Unique CodeP2015WB086500
Peer Review Certificate No. 1504/2021
Dated 24th September,2021
UDYAM REGISTRATION NUMBER
UDYAM-WB-10-0044251
PAN No- ABUFA9914A

Annexure 3

Form No. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules 2014].

To,
The Members,
Talcher Fertilizers Limited
Plot 2/H,Kalpana Area, BJB Nagar,
Khurda Bhubneswar Khordha,
India, 751014.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Talcher Fertilizers Limited (TFL)(CIN: U24120OR2015PLC019575) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company (as specified in Annexure- A1, hereinafter referred to as "Books and Papers") and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books and Papers maintained by the Company for the Audit Period according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
3. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings; (**Not Applicable**)
5. The Company being an unlisted public company the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") are not applicable to it:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and rules made thereunder;



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- d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”);
- e. The Securities and Exchange Board of India (Issue of Capital & Disclosure Requirement) Regulations, 2009;
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- g. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;
- h. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
- i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

Since the shares of the company have been demated, the Company has appointed NSDL as Depository and NSDL Database Management Ltd as its RTA. Hence, The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client are applicable to it.

6. The Company has not yet started commercial production. Accordingly, no Specific Laws are applicable to it.
7. We have also examined compliance with the applicable clauses of the Secretarial Standards 1 and 2 as issued by The Institute of Company Secretaries of India.

Management Responsibility:

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



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Dated 24th September,2021
UDYAM REGISTRATION NUMBER
UDYAM-WB-10-0044251
PAN No- ABUFA9914A

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors.

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

Decision at the Board Meetings were taken unanimously.

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

We further report that during the audit period, the Company has not undertaken any event/actions having a major bearing on the Company's affairs in pursuance to the applicable referred laws, regulations, rules, guidelines etc.

For Arun Kumar Maitra & Co.
Practicing Company Secretaries

Arun Kumar Maitra
Partner
ACS: 3010; C.P. No.: 14490
UDIN: A003010E000489045
Date: 15th June,2023
Place: Kolkata



ARUN KUMAR MAITRA & CO.
Practicing Company Secretaries
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Kolkata-700019
Ph. No.- 8420975192
E-mail:akmaitra83@gmail.com
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ANNEXURE-A1

List of Documents

1. Corporate Matters
 - 1.1 Minutes books of the following Meetings were provided:
 - 1.1.1 Board Meeting
 - 1.1.2 General Meeting
 - 1.1.3 Audit Committee
 - 1.1.4 Nomination and Remuneration Committee
 - 1.2 Annual Report (2021-22);
 - 1.3 Annual Financial Results (2022-23);
 - 1.4 Agenda papers for Board and Committee Meetings along with Notices;
 - 1.5 Memorandum and Articles of Association;
 - 1.6 Disclosures under the Companies Act, 2013;
 - 1.7 Policies framed under the Companies Act, 2013;
 - 1.8 Forms and returns filed with the ROC;
 - 1.9 Registers maintained under the Companies Act, 2013;
 - 1.10 Disclosures under the Companies Act, 2013.

COMPANY SECRETARIES

CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members

Talcher Fertilizers Limited

Plot 2/H, Kalpana Area,

BJB Nagar, Khurda

Bhubneswar- 751014

Odisha

Annexure 4

- A. We have conducted an audit of compliance of corporate governance norms and procedures by the Company being **Talcher Fertilizers Limited (CIN: U24120OR2015PLC019575)**, having its registered office at Plot 2/H, Kalpana Area, BJB Nagar, Khurda, Bhubneswar- 751014, Odisha (hereinafter called "**the Company**") for the Financial Year ended 31st March, 2023.
- B. That our audit is an independent audit of compliance of corporate governance norms and procedures as maintained by the Company. The compliance of corporate governance norms and procedures is the responsibility of the Company.
- C. The Company has taken steps for reviewing of compliance of laws. An elaborate system is in place for management of currency as well as interest rate risk relating to foreign loan and steps have been taken in other areas of integration and alignment of risk management with corporate and operational objectives.
- D. In our opinion and to the best of our understanding, based on the records, documents, registers, and other information furnished to us by the Company's officers during the aforesaid audit and after obtaining management representation, wherever required, we hereby confirm that the Company has complied with the corporate governance norms and procedures during the period under scrutiny, save and except that-
- a. pursuant to Section 177 of the Act, the Nomination and Remuneration Committee must comprise of all non-executive directors. However, the Committee formed by the Company comprises of three directors out which two directors are executive directors and one is non-executive director. The Chair of the committee is headed by the Non-Executive Director. Hence, the Committee does not comply constitution accordingly.
- E. We further state that our audit is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, **Anushka Damani & Associates**
Company Secretaries

Place: Kolkata

Date: 13.06.2023

Anushka Damani

Proprietor

ACS No. A63849

CP. No. 23920

UDIN: A063849E000482168

Office Address: 34/A, Darpanarayan Tagore St., Kolkata-700 006; Mobile: 9038232635, 9875553935;
E-mail ID-csanushka2020@gmail.com

BALANCE SHEET AS AT 31.03.2023

(Stand Alone)

	Note No.	As at	
		31.03.2023	31.03.2022
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	12	2,41,644.75	2,41,644.75
(b) Reserve & Surplus	13	-2,466.80	-2,214.28
Total Equity (A)		2,39,177.94	2,39,430.47
Non-Current Liabilities (B)			
(a) Financial Liability			
(i) Borrowings	14	48,993.00	0.00
(ii) Other Financial Liabilities	15	0.36	0.33
Total Non-Current Liabilities (B)		48,993.36	0.33
Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables	16	78.65	96.64
(ii) Other Financial Liabilities	17	35,880.35	34,830.62
(b) Current Tax Liability (net)			
(c) Deferred Tax Liability (net)		7.78	5.09
(c) Other Current Liabilities	18	499.94	665.50
Total Current Liabilities (C)		36,466.72	35,597.85
Total Equity and Liabilities (A+B+C)		<u>3,24,638.02</u>	<u>2,75,028.65</u>
ASSETS			
Non-Current Assets			
(a) Property, Plant & Equipments	3	8972.42	9,498.09
(b) Capital Work in Progress	4	246895.40	1,38,689.27
(c) Financial Assets-Others	5	65.68	65.68
(d) Deferred Tax Assets (net)			
(e) Other non-current assets	6	14,499.25	46,736.40
Total Non-Current Assets (A)		270432.75	1,94,989.44
Current Assets			
(a) Financial Assets			
(i) Cash & Cash equivalents	7	14103.44	63,204.71
(ii) Other Bank Balances	8	41.62	41.62
(iii) Loans	9		
(iv) Other Financial Assets	10	279.30	279.30
(b) Current Tax Assets (net)		65.19	212.90
(c) Other Current Assets	11	39,715.73	16,300.68
Total Current Assets (B)		54,205.28	80,039.21
Total Assets (A+B)		<u>3,24,638.02</u>	<u>2,75,028.65</u>

The Accompanying Notes No. 1 to 22 form an integral part of the Financial Statements.

As per our Audit Report of even date

For Romesh Kumar & Co.
Chartered Accountants
Firm Registration No. 322390E

CA. Bharatendra Tripathy
Partner
Membership No. 057213
Dated:
Place: Bhubaneswar



(Sachchidanand Yadav)
DIN: 08758377
MD-TFL

(Vivek Srivastava) Director (O)
DIN:10131772

For and Behalf of Board of Directors
Talcher Fertilizers Limited

(Ambati Lakshmi Prabha)
DIN:09637525
Director(Fin)

(M Viswanathan)
Company Secretary FCS 10594

Statement of Profit & Loss for the Year ended on 31st March 2023

(Amount in ₹ lakhs)

	Particulars	Note No	Year ended on 31.03.2023	Year ended on 31.03.2022
I.	Revenue from operations			
II.	Other Income	19	588.73	2,152.61
III.	Total Revenue (I + II) Expenses:		588.73	2,152.61
IV.	Expenses			
	- Depreciation/Amortization/ Impairment	20	60.65	58.16
	- Deputation Cost*	21	422.35	426.58
	- Other expenses	22	339.87	2,255.11
	Total Expenses (IV)		822.86	2,739.85
V.	Profit/(Loss) before exceptional items and tax (III -IV)		-234.13	-587.24
VI.	Exceptional Items		-15.70	
VII.	Profit before tax (V -VI)		-249.83	-587.24
VIII.	Tax expense:			
	-Current tax			
	-Previous Year Tax Adjustment			1.12
	-Deferred tax		2.69	5.64
IX.	Profit/(Loss) for the period (VII -VIII)		-252.52	-593.98
X.	Other Comprehensive Income			
XI.	Total Comprehensive Income for the period (IX+X)		-252.52	-593.98
XII.	Earning per equity share			
	(1) Basic		-0.01	-0.05
	(2) Diluted		-0.01	-0.05

The Accompanying Notes No. 1 to 22 form an integral part of the Financial Statements.

As per our Report Annexed

For Romesh Kumar & Co.
Chartered Accountants
Firm Registration No. 322390E

H. ally
CA. Bharatendra Tripathy
Partner
Membership No. 057213
Dated:
Place: Bhubaneswar



Sachchidanand Yadav
(Sachchidanand Yadav)
DIN: 08758377
MD-TFL

Vivek
(Vivek Srivastava) Director (O)
DIN:10131772

For and Behalf of Board of Directors

Ambati Lakshmi Prabha
(Ambati Lakshmi Prabha)
DIN:09637525
Director(Fin)

M Viswanathan
(M Viswanathan)
Company Secretary FCS 10594

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2023

A. EQUITY SHARE CAPITAL

(Amount in ₹ lakhs)

As at 31.03.2023

Particulars	Balance as at 01.04.2022	Changes in Equity Share Capital due to prior period errors	Changes in Equity Share Capital during the current period	Balance as at 31.03.2023
2,41,64,47,478 Equity Shares of ₹10/- each (2,41,64,47,478 Equity Shares of ₹10/- each as on 31.03.2022)	2,41,644.75			2,41,644.75

As at 31.03.2022

Particulars	Balance as at 01.04.2021	Changes in Equity Share Capital due to prior period errors	Changes in Equity Share Capital during the current period	Balance as at 31.03.2022
2,41,64,47,478 Equity Shares of ₹10/- each (1,60,64,46,272 Equity Shares of ₹10/- each as on 31.03.2021)	1,60,644.63		81,000.12	2,41,644.75

B. OTHER EQUITY

(Amount in ₹ lakhs)

As at 31.03.2023

Particulars	Share Application Money	Reserves and Surplus		Total
		General Reserve	Retained Earnings	
Balance as at 01.04.2022	-	-	-2,214.28	-2,214.28
Total Comprehensive Income for the year	-	-	-252.52	-252.52
Addition/Adjustment during the year	-	-	-	-
Balance as at 31.03.2023	-	-	-2,466.80	-2,466.80

As at 31.03.2022

Particulars	Share Application Money	Reserves and Surplus		Total
		General Reserve	Retained Earnings	
Balance as at 01.04.2021	-	-	-1,620.29	-1,620.29
Total Comprehensive Income for the year	-	-	-593.99	-593.99
Addition/Adjustment during the year	-	-	-	-
Balance as at 31.03.2022	-	-	-2,214.28	-2,214.28

As per our Audit Report of even date

For and Behalf of Board of Directors

Talcher Fertilizers Limited



A. K. Singh

For Romesh Kumar & Co.
Chartered Accountants
Firm Registration No.
CA. Bharatendra Tripathy
Partner
Membership No. 057213
Dated:
Place: Bhubaneswar

(Sachchidanand Yadav)
DIN: 08758377
MD-TFL

(Ambati Lakshmi Prabha)
DIN:09637525
Director(Fin)

(Vivek Srivastava) Director (O)
DIN:10131772

(M Viswanathan)
Company Secretary FCS 10594

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2023

(INDIRECT METHOD)

Particulars	(Amount in ₹ lakhs)	
	Year ended 31.03.2023	Year ended 31.03.2022
I. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax		
Adjustments for :-	-252.52	-587.22
Depreciation/Amortization/ Impairment	60.65	58.16
Interest income on bank deposits	-569.87	2123.48
Operating cash flow before working capital changes	-761.75	2652.54
(Increase) / Decrease in Loans and other financial Assets	147.70	53.19
(Increase) / Decrease in Other Current Assets	-23,415.05	-14226.44
Increase / (Decrease) in Trade Payables	1,031.24	-104.11
Increase / (Decrease) in Other Current Liabilities	-162.88	88.70
Increase / (Decrease) in Other Financial Liability	-	-28461.32
CASH GENERATED FROM OPERATIONS	-23160.73	-39997.44
Less : Income Tax Paid		177.26
NET CASH FLOW FROM OPERATING ACTIVITIES	-23160.73	-40174.70
II. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed Assets	465.03	-51.31
Increase in Non Current Assets	32,237.15	-7622.48
Increase in Capital Work in Progress	-1,08,206.13	-60727.97
Interest income on bank deposits	569.87	2123.48
NET CASH USED IN INVESTING ACTIVITIES	-74934.07	-66278.28
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Increase in Share Capital		81000.12
Increase in Borrowing	48,993.03	
NET CASH FLOW FROM FINANCING ACTIVITIES	48993.03	81000.12
NET INCREASE IN CASH AND CASH EQUIVALENTS	-49101.77	-30757.95
Opening balance of Cash & Cash equivalents (Refer Note 7 for components of cash & cash equivalents)	63,204.71	93962.66
Closing balance of Cash & Cash equivalents (Refer Note 7 for components of cash & cash equivalents)	14,102.94	63204.71



NOTES TO THE FINANCIAL STATEMENTS

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT

(Amount in ₹ lakhs)

	Furnitures & Fixtures	Building (incl. Roads & Culverts)	Office Equipment	Computer	Air Conditioner	Plant & Machinery	Total
Gross Carrying Amount:							
As at 1 April 2021	43.59		27.09	18.11	10.89		99.68
Additions	18.83	9771.72	12.16	7.2	12.26	0.82	9,822.99
Capitalisation/ Deletions							
As at 31 March 2022	62.42	9771.72	39.25	25.31	23.15	0.82	9,922.67
As at 1 April 2022	62.42	9771.72	39.25	25.31	23.15	0.82	9,922.67
Additions	4.47	-43.80	2.56	10.54	0.00	0.06	17.57
Capitalisation/ Deletions							
As at 31 March 2023	66.89	9727.92	41.81	35.85	23.15	0.82	9,940.25
Accumulated Depreciation and Impairment							
As at 1 April 2021	7.38		7.75	12.76	4.27		32.16
Charge for the period	5.38	372.66	5.98	4.6	3.79		392.41
Impairment							
Deletions/Adjustments							
As at 31 March 2022	12.76	372.66	13.73	17.36	8.06	0.00	424.57
As at 1 April 2022	12.76	372.66	13.73	17.36	8.06	0.00	424.57
Charge for the period	6.12	478.15	7.08	3.69	4.35	0.08	499.47
Impairment							
Deletions/Adjustments							
As at 31 March 2023	18.88	850.81	20.81	21.05	12.41	0.08	924.04
As at 31 March 2023	48.02	8877.11	21.00	14.80	10.74	0.74	8,972.42
As at 31 March 2022	49.66	9399.06	25.52	7.95	15.09	0.82	9,498.10



NOTE 4 : Capital-Work-in Progress (CWIP)

(Amount in ₹ lakhs)

Gross Carrying Amount:

	Land & Development	Water Plant	Silo	Pre-Project Electrical Works	Roads & Culverts	Ammonia Urea plant	Coal Gasification Plant	Building Under Construction	Steam Generation Plant	Electrical Distribution System	Water Treatment Plant	Expenses During Construction - CWIP	Total
As at 1 April 2021	6523.63	698.80	5.00	1055.00	0.00	22495.44	38745.90	865.87				10695.98	81085.62
Additions	1475.06	1573.60		62.66	0.00	15485.13	34979.27	474.53				4436.77	58487.02
Capitalisation/Deletions													
As at 31 March 2022	7998.69	2272.40	5.00	1117.66	0.00	37980.57	73725.17	457.63	0.00	0.00	0.00	15132.75	138689.27
As at 1 April 2022	7998.69	2272.40	5.00	1117.66	0.00	37980.57	73725.17	457.63	0.00	0.00	0.00	15132.75	138689.27
Additions	1565.79	2639.80		-1.30	0.00	22150.82	53819.46	1054.00	15515.74	2289.63	6366.63	2805.56	108206.13
Capitalisation/Deletions													
As at 31 March 2023	9564.47	4912.19	5.00	1116.36	0.00	60131.39	127544.63	1511.03	15515.74	2289.63	6366.63	17938.32	246895.40

Provision & Impairment

As at 1 April 2021													
Additions													
Capitalisation/Deletions													
As at 31 March 2022	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at 1 April 2022													
Additions													
Capitalisation/Deletions													
As at 31 March 2023	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net Carrying Amount													
As at 31 March 2023	9564.47	4912.19	5.00	1116.36	0.00	60131.39	127544.63	1511.03	15515.74	2289.63	6366.63	17938.32	246895.40
As at 31 March 2022	7998.69	2272.40	5.00	1117.66	0.00	37980.57	73725.17	457.63	0.00	0.00	0.00	15132.75	138689.27

Ageing schedule for Capital-work-in Progress:	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress:					
Land & Development	1565.78	1475.06	2734.44	3,789.19	9564.47
Water plant	2639.79	1,573.60	67.64	631.17	4912.20
Silo	0.00	0.00	0.00	5.00	5.00
Pre-project Electrical works	-1.30	62.66	115.04	939.96	1116.36
Ammonia Urea Plant	22150.82	15485.13	22495.44		60131.39
Coal Gasification Plant	53819.46	34979.26	38745.9		127544.62
Building Underconstruction	1054.00	457.03			1511.03
Steam Gas Generation	15515.74				15515.74
Electrical Distribution System	2289.63				2289.63
Water Treatment Plant	6366.63				6366.63
Expensed during Construction	2805.57	4436.77	4320.37	6369.61	17938.32
Total	1,08,206.13	58,469.51	68,484.83	11,734.93	2,46,895.40





TALCHER FERTILIZERS LIMITED
(CIN: U24120OR2015PLC019575)

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

(Amount in ₹ lakhs)

As at

	31.03.2023	31.03.2022
Security Deposit to-TPCODL	64.57	64.57
Security Deposit to-RWSS Division	1.11	1.11
Total	65.68	65.68



NOTES TO THE FINANCIAL STATEMENTS
NOTE 6 : OTHER NON-CURRENT ASSETS

(Amount in ₹ lakhs)

As at

	31.03.2023	31.03.2022
Pre-Operative Expenses	5487.83	0.00
Capital Advances:		
- Advance for LSTK Contracts	7,295.70	45,678.17
- Advance to OFDC	119.60	112.28
- Advance to OPTCL	904.37	904.37
- Advance to CESU for Supply of Power to Intake Well	23.37	23.37
- Advance for RoR	4.11	4.34
- Advance for Water Charges	13.87	13.87
- Advance to TPCODL	361.32	0.00
<i>Advance for SBI Annual Review Charges</i>	11.80	
<i>Advance for SBI Inspection Charges</i>	0.35	
<i>Advance Sterling & Wilson PVT Limited</i>	276.93	
	14499.25	46736.40



NOTES TO THE FINANCIAL STATEMENTS

NOTE 7 : CASH AND CASH EQUIVALENTS

(Amount in ₹ lakhs)

As at

31.03.2023 31.03.2022

Balances with Banks		
- in Deposit Accounts	1763.58	62,136.28
- in Current Accounts	12189.47	2.46
Cash on hand		
Accured Interest	150.38	1,065.98
Total	14103.44	63,204.71



NOTES TO THE FINANCIAL STATEMENTS

NOTE 8: OTHER BANK BALANCES

(Amount in ₹ lakhs)

As at

31.03.2023 31.03.2022

Balances with Banks		
- in Deposit Accounts	41.62	41.62
	41.62	41.62

100% Cash margin Money deposited with bank for issuance of Bank
Guarantee for water drawl agreement between TFL and Irrigation Division,
Angul



NOTES TO THE FINANCIAL STATEMENTS

NOTE 9 : LOANS-CURRENT

(Amount in ₹ lakhs) As at

	31.03.2023	31.03.2022
Total	Nil	Nil



NOTES TO THE FINANCIAL STATEMENTS

NOTE 10: OTHER BANK BALANCES

(Amount in ₹ lakhs)

As at

31.03.2023 31.03.2022

Security Deposit to CISF	256.31	256.31
Security Deposit to-IDCO	23.00	23.00
Total	279.30	279.30



NOTES TO THE FINANCIAL STATEMENTS STATEMENTS

NOTE 11 : OTHER CURRENT ASSETS

	(Amount in ₹ lakhs)	
	As at	
	31.03.2023	31.03.2022
- GST Receivable	4,300.85	2,960.33
- GST Refundable	0.86	0.87
- GST unclaimed	33,906.88	13,036.42
- Security deposits	46.60	46.55
- Advance to employees	-0.22	0.75
- Advance to NSDL	0.01	0.01
- Advance to DAVP	0.80	0.00
-Advance to NSDL/NDML	0.01	0.01
-Advance payment of GST TDS	0.39	0.00
-Advance to Distric Emergency Section, Angul	1.66	1.66
Advance to East Coast Railway	168.39	168.39
-Advance for Coal Analysis	0.12	0.12
-Advance to CISF UNIT	2.40	2.40
-Advance for LEI Fees	0.07	0.04
-Advance to Pramod Kumar Nayak	0.00	45.00
-Advance to Pradhan Gas Services	0.10	0.10
-Royalty Recoverable-WECL	0.00	8.93
-Prepaid expenses	1.09	5.51
-Advance to SBI-Project Finance Branch	23.60	23.60
-Advance for Lead Bank Fees	11.80	
- Advance to SBI CAP Trustee	7.79	
- Advance for Insurance Premium for Terrorism Policy	31.05	
- Advance Deposition of Statutory Taxes	873.97	
- Advance to IIT Bhubaneshwar	2.36	
- Advance to IDCO	173.16	
Advance to Municipality, Talcher	25.00	
Advance to P. H Division-Angul	107.43	
Advance for Insurance-GPAI Policy for TFL Employee	0.27	
Advance for TRA Fees	23.60	
Advance for Expenses	5.68	
Total	39,715.73	16,300.68

1. GST unclaimed of Rs. 33,906.88 lakhs (Rs. 13,036.42 lakhs as on 31.03.2022) represents the amount of GST claimable as input tax credit during the extended period allowed under the Act.





TALCHER FERTILIZERS LIMITED
(CIN: U24120OR2015PLC019575)

NOTES TO THE FINANCIAL STATEMENTS

NOTE - 12 : EQUITY SHARE CAPITAL

(Amount in ₹ lakhs)

As at

	31.03.2023	31.03.2022
Authorised		
420,00,00,000 Equity Shares of ₹10/- each	420000.00	420000.00
	420000.00	420000.00
Issued, Subscribed and Paid-up		
2,41,64,47,478 Equity Shares of ₹10/- each	2,41,644.75	2,41,644.75
	2,41,644.75	2,41,644.75

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

Name of Shareholder	Nos. of Shares Held (Face value of Rs.10 each)	% of Total Shares	Nos. of Shares Held (Face value of Rs.10 each)	% of Total Shares
	31.03.2023		31.03.2022	
Coal India Limited	80,54,80,826	33.33	80,54,80,826	33.33
Rashtriya Chemicals & Fertilisers Ltd.	80,54,80,826	33.33	80,54,80,826	33.33
GAIL (India) Ltd.	80,54,80,826	33.33	80,54,80,826	33.33
Fertiliser Corporation of India Ltd.	5,000	0.01	5,000	0.01

2. The Company has only one class of equity shares having a face value of Rs.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	31.03.2023	31.03.2022
Shares outstanding at the beginning of the period	2,41,64,47,478	1,60,64,46,272
Shares issued during the period	Nil	81,00,01,206
Shares bought back during the period	Nil	Nil
Shares outstanding at the end of the period	2,41,64,47,478	2,41,64,47,478

4. Shareholding of promoter

Shares held by promoters at the end of the FY 2022-2023

Promoter's Name	No. of shares	% of total shares	% Change during the Year
1. Coal India Limited	80,54,80,826	33.33	Nil
2. Rashtriya Chemicals & Fertilisers Ltd.	80,54,80,826	33.33	Nil
3. GAIL (India) Ltd.	80,54,80,826	33.33	Nil
4. Fertiliser Corporation of India Ltd.	5,000	0.01	Nil
Total	2,41,64,47,478	100	



NOTES TO THE FINANCIAL STATEMENTS

NOTE 13 : OTHER EQUITY

(Amount in ₹ lakhs)

	General Reserve	Retained Earnings	Total
Balance as at 01.04.2021	0	-1,620.29	-1,620.29
Total Comprehensive Income for the year	0	-593.99	-593.99
Addition/Adjustment during the year	0		
Balance as at 31.03.2022	0	-2,214.28	-2,214.28
Balance as at 01.04.2022	0	-2,214.28	-2,214.28
Total Comprehensive Income for the Year	0	-252.52	-252.52
Addition/Adjustment during the Year	0	0.00	0.00
Balance as at 31.03.2023	0	-2,466.80	-2,466.80



NOTES TO THE FINANCIAL STATEMENTS

(Amount in ₹ lakhs)

As at

NOTE 14 : NON-CURRENT FINANCIAL LIABILITIES **31.03.2023** **31.03.2022**

TERM LOAN

Term Loan (Secured) from Bank of Maharashtra	2,167.00	0.00
Term Loan (Secured) from Punjab National Bank	8,718.00	0.00
Term Loan (Secured) from Canara Bank	4,334.00	0.00
Term Loan (Secured) from Indian Bank	4,334.00	0.00
Term Loan (Secured) from State Bank of India	13,890.00	0.00
Term Loan (Secured) from Indian Overseas Bank	2,167.00	0.00
Term Loan (Secured) from Bank of India	5,786.00	0.00
Term Loan (Secured) from Union Bank of India	5,418.00	0.00
Term Loan (Secured) from Exim Bank of India	2,179.00	0.00
TOTAL	48,993.00	0.00

Note : Details of Security as per Facility Agreement executed between TFL and the Consortium of Lenders

The Facility together with all the Outstandings payable to the Lenders and their trustees and agents (if any) and the Account Bank as stipulated under this Agreement or the other Financing Documents, shall be secured by:

(a) First ranking *pari passu*, Security Interest over the immovable assets, in respect of the Project, of the Borrower including but not limited to the lease hold rights over the Project Land in respect of the Project, both present and future, of the Borrower. The Security Interest over the Project Land shall be in accordance with the Substitution Agreement;

(b) First ranking *pari passu* Security Interest, on the entire moveable assets (except the Current Assets), in respect of the Project, both present and future, of the Borrower;

(c) Second ranking *pari passu* Security Interest on the entire Current Assets, in respect of the Project, including but not limited to all operating accounts (except the Accounts), deposits, inventory, investments, book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and whenever arising, both present and future, of the Borrower in respect of the Project;

(d) First ranking *pari passu* Security Interest on all the accounts of the Borrower in respect of the Project (including the Accounts opened and maintained pursuant to the Trust and Retention Account Agreement), the Debt Service Reserve Account and the monies credited or deposited therein, to the extent of Borrower's interests thereon, both present and future in respect of the Project. Provided that the Security Interest over such accounts except the Debt Service Reserve Account shall be shared on a *pari passu* basis with the working capital lenders;

(e) First *pari passu* Security Interest in favour of the Security Trustee on all the rights, title, interest, benefits, claim and demands whatsoever of the Borrower in (i) the Material Project Documents to the extent contractually permissible; (ii) any letter of credit, guarantee, performance bond provided by any counterparty to the Project Documents, in relation to the Project, if any; (iii) the insurance contracts, policies, insurance proceeds, procured by the Borrower or procured by any of its contractors favoring the Borrower in relation to the Project;

(f) First *pari passu* Security Interest in favour of the Security Trustee on all intangible assets including but not limited to goodwill, both present and future, of the Borrower in respect of the Project and/or created out of the proceeds of the Facilities; and

(g) Execution of the Substitution Agreement, wherein Lenders shall have the right to substitute the Borrower in the Concession Agreement as per terms mentioned therein.

The security detailed above shall be collectively referred to as the "Security".





TALCHER FERTILIZERS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS

NOTE 15 : NON-CURRENT FINANCIAL LIABILITIES

	(Amount in ₹ lakhs)	
	As at	
	31.03.2023	31.03.2022
Provision for Retirement Exp	0.36	0.33
Total	0.36	0.33



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 16 :TRADE PAYABLES

(Amount in ₹ lakhs)

As at

Current	31.03.2023	31.03.2022
Trade Payables for Micro, Small and Medium Enterprises	11.32	29.60
Other Trade Payables for goods and services	67.33	67.05
TOTAL	78.65	96.65

Particulars	Outstanding for following periods from transaction date				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.05	11.27			11.32
(ii) Others		67.33			67.33
(iii) Disputed dues - MSME					
(iv) Disputed dues - Others					
Total	0.05	78.60			78.65



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 17 : OTHER FINANCIAL LIABILITIES - CURRENT

Current	(Amount in ₹ lakhs)	
	As at	
	<u>31.03.2023</u>	<u>31.03.2022</u>
Earnest Money	0.00	
Retention Money	5252.87	2,549.33
Security deposits	49.11	33.76
Other Trade Payables for capital expenditure-Other	25264.55	2,604.74
Other Trade Payables for capital expenditure-MSME	28.31	231.39
Contractual Expenses: Capital	1,500.46	28,014.21
Liability for cost of employees on deputation	2779.66	1,170.50
Audit fee payable	1.40	0.27
Provision for Expenses Payable	856.27	224.74
Liability for Salary Wages and Allowance	7.31	0.39
Other liabilities	139.02	1.15
Provision for Leave Encashment	1.10	0.13
Payable for work related reimbursement	0.27	
Accrued Interest on Loan Account		
Payable to Employees	0.02	
TOTAL	35,880.35	34,830.61





TALCHER FERTILIZERS LIMITED
(CIN: U24120OR2015PLC019575)

NOTES TO THE FINANCIAL STATEMENTS
NOTE - 18 : OTHER CURRENT LIABILITIES

(Amount in ₹ lakhs)

	As at	
	31.03.2023	31.03.2022
Statutory dues		
- TDS	390.09	585.24
- GST TDS	79.80	21.19
- GST payable	20.16	56.12
- BOCW Cess	9.81	2.95
- Professional Tax payable	0.08	0
TOTAL	499.94	665.50



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 19 :OTHER INCOME

(Amount in ₹ lakhs)

	Year ended on 31.03.2023	Year ended on 31.03.2022
Interest from deposits with banks	569.87	2,123.48
Interest Income-Other Than Bank	0.00	15.70
Misc. income	4.41	4.24
Liquidated damages	2.36	1.39
LD/PRS Maa Hingula Contraction	0.40	3.57
Interest Income From TDS Refund	11.68	3.69
Recruitment Application Fees	0.00	0.54
TOTAL	588.73	2,152.61

1. Interest of Rs.15.70 lakhs had been recognised as interest income on the unadjusted balance of mobilization advance of Coal Gasification contract awarded to M/s Wuhuan Engineering Co. Ltd. on estimated basis pending clarification sought by management from experts on certain clauses of the Detailed Letter of Acceptance (DLOA) issued to M/s Wuhuan Engineering Co. Ltd. However, as per TFL Board decision the same has been reversed and credit given to M/s Wuhuan Engineering Co. Ltd on 31.03.2023. The amount of Rs.15.70 Lakh has been adjusted in Prior Period expenditure in P&L Accounts.



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 20 : DEPRECIATION/AMORTISATION/IMPAIRMENT

(Amount in ₹ lakhs)

	<u>Year ended on</u> <u>31.03.2023</u>	<u>Year ended on</u> <u>31.03.2022</u>
Depreciation Expense	60.65	58.16
TOTAL	<u><u>60.65</u></u>	<u><u>58.16</u></u>





NOTES TO THE FINANCIAL STATEMENTS

NOTE - 21 :DEPUTATION COST

(Amount in ₹ lakhs)

	Year ended on 31.03.2023	Year ended on 31.03.2022
Salary, allowances, bonus, PRP, medical exp etc	399.81	406.09
Travelling expense	22.54	20.49
TOTAL	422.35	426.58



NOTES TO THE FINANCIAL STATEMENTS

NOTE - 22 : OTHER EXPENSES

(Amount in ₹ lakhs)

	Year ended on 31.03.2023	Year ended on 31.03.2022
ACF/AMC of NSDL and NDML	0.80	0.80
Advertisement expenses	0.00	5.50
Audit Fee	1.50	0.30
Bank charges	3.21	3.38
Board Meeting Expenses	0.00	0.00
CA Certification Fee	0.19	0.05
Cable Expenses	0.01	0.04
Canteen expenses	0.00	1.09
CISF Welfare Expenses	0.00	0.04
Civil Repair	0.00	1.69
CMPDIL expenses	0.00	1951.43
Computer Expenses	0.58	2.35
Consultancy charges	3.75	3.14
Consultancy Charges-Advisor(Secretarial)	3.21	0.61
Courier charges	0.95	0.61
Electrical Repair	0.00	1.72
Electricity Charges	181.86	107.16
Fee to NSDL/NDML	0.00	0.01
Foreign Exchange Fluctuation	-57.52	0.00
Guest House expenses	0.06	2.21
Hiring of Water Tanker Exp	0.24	0.27
Internet charges	3.36	4.36
IT Support service charges	0.00	0.00
Legal And Professional Fee	3.76	1.06
Legal Fees	2.17	0.00
Lodging & Boarding exp- outsider	0.00	0.00
Lodging & Boarding Exp. -Employees	0.00	0.01
Lodging and Boarding-Revenue	0.00	0.73
Meeting Expenses	33.02	8.21
Misc Expenses	20.06	4.77
Newspaper & Periodical Expenses	0.07	0.16
Office expenses	4.31	0.28
Office rent - Bhubaneswar	2.04	2.04
Office rent - Noida	59.13	82.02
Other Repair	1.35	1.69
Plant and Equipment Repair	0.00	2.11
Printing & Stationary	5.14	10.41
Promotional Expenses	1.76	5.33
Purchase of digital signature	0.02	0.30
Recruitment Expenses	0.05	0.69
Recruitment Travelling Allowance Exp	0.00	1.15
Registration Fees to State Control Board	0.00	0.00
Repair & maintenance	0.00	0.15
Roc Fee	0.01	0.28
Staff Welfare	0.00	0.00
Stamp Duty-NSDL	0.00	4.05
Support Office Staff Services	41.82	35.72
Telephone Expenses	0.04	0.06
Translation Expenses	0.00	0.14
Transportation Expenses	1.16	0.01
Travelling Expenses	7.74	1.63
Water Charges Exp	0.05	4.07
Website Maintenance Charges	1.56	1.28
Consultancy Charges-Advisor(Co. Secy)	7.76	0.00
TA/DA - Advisor (Co.Secy)	0.48	0.00
ROR Expense-North Arkhapal Coal Block	0.19	0.00
Travelling Exp-C&AG	0.42	0.00
Reimbursement of MCA Fees	0.22	0.00
Consultancy Charges-Advisor(Fin)	2.89	0.00
Consultancy Charges - Accounting	0.45	0.00
	339.87	2255.11



NOTES TO THE FINANCIAL STATEMENTS : ADDITIONAL INFORMATION

1. Earnings per share

Sl. No.	Particulars	(Amount in ₹ lakhs)	
		For Year ended on 31.03.2023	For Year ended on 31.03.2022
i.	Net Profit after tax attributable to Equity Share Holders (In Rs. lakhs)	(252.52)	(593.98)
ii.	Weighted average no. of equity shares outstanding	241,64,47478	1,303,553,751
iii.	Basic & Diluted Earning per share (In Rs.) (Face value Rs. 10/- per share)	(0.01)	(0.05)

2. Commitment as on 31.03.2023: Rs. 917567.41 lakh (Rs. 921615.04 lakh as on 31.03.2022) and Contingent liabilities as on 31.03.2023 is Rs.10.00 Lakh (estimated) on account of Sl.No.11(2).

Particular	(Amount in ₹ lakhs)		
	Basic	Taxes	Total
Commitment	777599.50	139967.91	917567.41

3. The two major contracts for setting up the plant i.e. Coal Gasification plant and Ammonia Urea plant have been awarded to M/s Wuhan Engineering Co. Ltd (WECL), China through global tender. As per terms of contract, mobilization advance @10% is payable initially which is interest free. The said payment is to be released in two instalments (i.e. 6% and 4%) in both the currencies i.e. INR and USD. After payment of mobilization, payment of running bills is to be made based on various milestones in both the currencies i.e. INR and USD as per the terms of Contracts. From each running bill, mobilization advance is to be recovered @15% of the bill value. The said recovery is to be done within 24 months period. However, based on monthly schedule provided by M/s WECL, some unadjusted amount remains after 24 months if recovery is done @15%. Hence, this unadjusted advance was equally distributed for recovery over first 24 months which lead to recovery of more than 15% in some months. In case, the recovery of advance is delayed beyond 24 months, interest shall be levied @ 1 year MCLR+5.25% for the unadjusted amount for the delayed period beyond 24 months. Due to Covid and worldwide lockdown there was a change in the economic scenario. The Addl. Solicitor General was consulted, and on his advice and with TFL Board's approval, interest levy on recovery of mobilization advance delayed beyond 24 months has been extended to 36 months for Coal Gasification Contract and from 24 months to 33 months for Ammonia Urea Contract.

Particular	USD Portion of contracts		INR portion of Contracts (In Rs Lakhs)		Total
	USD in million	USD Converted in INR (In Rs lakh)	Basic	Taxes	
Coal Gasification Plant					
Total Contract Value	292.65	223378.13	251373.72	89866.93	341240.65
Balance Commitment value	210.72	173245.90	225630.76	40613.54	266244.30
Ammonia-Urea Plant					
Total Contract Value	148.10	113044.78	99710.24	41321.15	141031.38
Balance Commitment value	97.07	79805.24	99455.08	17901.91	117356.99

Liabilities involved foreign currency exposure as on 31.03.2023 of LSTK Contracts are provided below:

Particular	Amount in USD (In million)		Amount converted in Rs lakhs	
	Ammonia-Urea Plant	Coal Gasification Plant	Ammonia-Urea Plant	Coal Gasification Plant
Liability amount as on 31.03.2023	0.64	1.25	523.32	1025.73



4. Ministry of Environment, Forest and Climate Change had granted environment clearance in February 2018 to the Company's fertilizers project located at Angul district, Odisha. As per condition attached with the environment clearance, at least 2.5 per cent of the total cost of the project (i.e. Rs. 13,277 crore) was to be earmarked towards Enterprise Social Commitment (ESC). Till March 2022, Company had spent Rs. 590.69 lakh (Rs. 468.87 lakh as on 31.03.2021) for environment clearing and monitoring charges, tree plantation. Company has represented for relaxation in the amount towards ESC which is pending. Since the relaxation was still not granted by the Ministry till date, TFL is also implementing following measures as part of its ESC.
- Tender for Water treatment plant including Effluent treatment plant with Zero Liquid Discharge (ZLD) and Sewage Treatment plant(STP) as committed during public hearing have been awarded at the cost of Rs. 647.98 Crore (out of Rs 647.98 crore approximate Rs 400 crore is related to ETP with ZLD & STP)
 - Installation of advanced designed ammonia storage system as committed during public hearing including an in built pollution control system to prevent emission of ammonia. The total estimated cost for Ammonia Storage facility would be Rs.120-130 crores approximately. This expenditure shall also be incurred in due course

Expenses on various Environment Pollution Control measures, which includes monitoring system for emission and other statutory requirements under other acts/ regulations as stipulated in Specific/ General conditions of the ESC will be incurred once the plant comes in to operation.

- CSR policy is applicable on the company. Till date no CSR policy has been formed and no expenditure has been incurred by the company on CSR. Whenever company will start earning profits, provision for CSR will be made as per the law.
- In case where balance confirmation has not been obtained, book balance have been taken.
- There is no delayed payment due to the Micro, Small and Medium Enterprises as at the end of the period.

Details of MSME

Particulars	Rs in Lakhs	
	As at 31.03.2023	As at 31.03.2022
Trade Payable - Total outstanding dues of Micro & Small enterprises	11.32	29.60
Other Trade Payables for capital expenditure-MSME	28.31	231.39
a) Principal & Interest amount remaining unpaid but not due as at period end	Nil	Nil
b) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act,2006, along with the amount of the payment made to the supplier beyond the appointed day during the period.	Nil	Nil
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
d) Interest accrued and remaining unpaid as at period end	Nil	Nil
e) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

- The Company had requested Department of Fertilizers (DoF) to formulate and finalize the subsidy policy for urea produced through coal gasification route which should have linkage of realization price of Urea with the raw material cost. Urea subsidy policy based on Coal Gasification for TFL was approved by CCEA on 20.04.2021.



10. During the FY 2020-21, loan for an amount of Rs. 9559.59 crore has been allocated to TFL. The loan amount is to be disbursed by consortium of banks. The interest rate of loan is 6 month SBI MCLR plus spread of 0.65% p.a. The spread shall remain fixed for the entire period of the Facility except in the case as provided in the Term Sheet. MCLR shall be floating with semi -annual rests. The loan disbursement has started from 2022-23 and the present outstanding balance as on 31.03.2023 is Rs.489.93 crore.
11. Status of Legal cases:
(1) Case No-CONTC No-4330 of 2021 For admission of case (POHAP SINGH KATARIA SECURITY AGENCY V/S Ravikant & ORS) (TALCHER FERTILIZER LTD.,TALCHER)) in in the High court of Orissa. Liability amounting to Rs 41.10 Lakhs has already been provided in Books of Accounts on 31.03.2021.
(2) WP.(C) No.24062 of 2021 For admission of case (Khirood Kumar Naik V/S State of Orissa (TALCHER FERTILIZER LTD.,TALCHER) in the High court of Orissa. The petitioner has alleged that contractor engaged by TFL has adopted improper practice of ash dumping thereby water streams in nearby village area. The matter had been listed in court only once and no order has been served. Since, no financial data is involved, it is not possible to provide any financial implication pertaining to the said case.3
12. The Concession Agreement (CA) was signed for the land area measuring 899.291 acres of FCIL Talcher land. However, FCIL land area measuring 38.360 acres out of 899.291 acres land is without Record of Right (RoR). Accordingly, Board of TFL in its 79th Meeting dated 17th December, 2022, accorded its approval to sign the amended CA for facility area 860.931 acres of land including 24 acres of land which is under encroachment. The necessary action for same is currently underway.
13. As per Section 138 of the Companies Act, 2013, internal auditor is required to be appointed in the company if the paid up share capital of the company exceeds Rs. 50 crore in preceeding financial year. The paid up share capital of the company exceeded Rs. 50 crore and company has appointed internal auditors for FY 2022-23.
14. As per Rule 18(1) of CGST/SGST Rules, all registered taxpayers to display their registration certificate at a prominent location at their principal place of business along with every place of business. In compliance of the said rule the company affixed its GST registration certificate at principal place of business along with other places of business on and from the month of June 2022 is being followed.
15. As per Companies Act 2013, it is necessary for the company to have its name board outside its registered office, along with its name, Company's Identification Number, registered office address, phone number and e-mail id, fax number and website address. In compliance of above, company affixed the Name Board with all required details at registered office premises in the month of June 2022.
16. As per section 203 of Companies Act,2013 Every listed company and every other companies having paid up share capital of rupees 10 crores or more shall have a whole time company secretary in their Board. In compliance of the said section, company has appointed Mr. M.Vishwanathan, retired Company Secretary (CIL) till an alternative arrangement is made.



Particulars	As at 31.03.2023	As at 31.03.2022
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

18. Related Part 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:

	As at 31.03.2023	As at 31.03.2022
(Amount in ₹ lakhs)		
Cost of salary and travelling exp etc. of employees/advisors:		
a) Coal India Limited	254.43	268.75
b) GAIL India Limited	1800.06	1455.14
c) Rashtriya Chemical & Fertilizers Limited	725.17	472.89
TOTAL	2779.66	2196.78
(Amount in ₹ lakhs)		
Cost of rent and electricity for office space:		
a) Coal India Limited	Nil	Nil
b) GAIL India Limited	136.19	98.84
c) Rashtriya Chemical & Fertilizers Limited	1.70	2.18
TOTAL	137.89	101.02
(Amount in ₹ lakhs)		
Meeting expenses:		
a) Coal India Limited	Nil	Nil
b) GAIL India Limited	Nil	Nil
c) Rashtriya Chemical & Fertilizers Limited	Nil	0.41
TOTAL	Nil	0.41

19. Key Managerial Personnel:

Names with Designation :	Remuneration for the Year ended on 31.03.2023	Remuneration for the Year ended on 31.03.2022
a) Shri S N Yadav - Managing Director	107.87	71.66
b) Shri Sanjay Arora- Director (Operations) - outgoing	54.65	34.01
c) Shri Vivek Srivastava – Director (Operations) - incoming	Appointed in May 2023	Nil
d) Ms. A Lakshami Prabha-Director (Finance)	23.79	Nil
e) Shri M. Viswanathan - Company Secretary	7.76	Nil

20. Statement of total comprehensive income for the year ended 31.03.2023 (Rs. in Lakh):

Net increase/(decrease) in total Comprehensive income	(Rs.208.79)
Other Equity as at 31.03.2023	(Rs.2419.81)

21. Reconciliation between ITC as per GSTR 3B and as per account in ₹ Lakh)

GST Receivable as per Accounts is	Rs.38457.50
Less Output GST for March 2022 to be taken in Accounts at the time of return filing	- NIL
GST Receivable as per GSTR 3B is	Rs.15337.81

Shree



22. Variance Analysis:

(Amount in ₹ lakhs)

Ratio	Numerator	Denominator	Year ended on 31.03.2023	Year ended on 31.03.2022	Variance
(a) Current Ratio	54205.28	36466.72	1.49	2.25	-33.77%
The current ratio is a liquidity ratio that measures the current resources to meet its short-term obligations. Current ratio has been calculated as Current Assets divided by Current liabilities.					
Reason for high variance: Due to decrease in Current Assets, especially in case of decrease in Cash & Cash equivalents.					
(b) Debt-Equity Ratio	48,993.00	239,177.94	20.48 %	0.00 %	Not Applicable
The debt-equity ratio is a measure of the relative contribution of the creditors and shareholders or owners in the capital employed in business. Formula for calculation of Debt Equity ratio is Long term Debt Divided by Equity share Capital. Last year there was no borrowings by the company.					
(c) Debt Service Coverage Ratio	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
This ratio measures the net operating income available to pay the short-term debt. The Debt Service Coverage Ratio is a useful benchmark to measure company's ability to meet their debt payments with cash. Formula for calculation of DSCR = EBIT divided by Interest.					
(d) Return on Equity Ratio	-252.52	241,644.75	-0.001	-0.003	67%
Return on equity (ROE) is a measure of financial performance calculated by dividing net income by Average shareholders' equity. Where Net Income is Profit after tax for the period, average shareholders' equity = (Opening Equity share capital + Closing Equity share capital)/2					
Reason for high variance: During current period, there being reduction in loss has resulted in positive variance.					
(e) Inventory turnover ratio	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Inventory turnover is a financial ratio showing how many times inventory has been sold during a given period. Then days are divided in the period by the inventory turnover formula to calculate the days. Inventory Turnover is calculated by Divided Cost of Goods Sold/Average Value of Inventory.					
(f) Trade Receivables turnover ratio	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
The receivables turnover ratio is an accounting measure used to quantify a company's effectiveness in collecting its accounts receivable, or the money owed by customers. Account receivables Turnover = Gross Credit Sales/Average trade receivables.					
(g) Trade payables turnover ratio	339.87	87.64	3.88	1.42	173%
Trade payable turnover shows how many times a company pays off its accounts payable during a period. Trade payables turnover ratio = Total Purchases/Average Trade payables					
Reason for high variance: Due to decrease in CMPDIL expenses (Rs.1951 Lakh) and office rent Noida.					
(h) Net capital turnover ratio	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Net Capital turnover is the measure that indicates organization's efficiency in relation to the utilization of capital employed in the business and it has been calculated as a ratio of total annual turnover divided by the total amount of stockholder's equity (Share Capital+ other equity)					
(i) Net profit ratio	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Net profit as a percentage of Net Sales					
(j) Return on Capital employed	-249.83	288,171.31	-0.0009	-0.0025	71%
Earning before interest and tax (EBIT) / Capital employed, where capital employed is total of Assets - current liabilities					
Reason for high variance: During current period, losses have decreased which has resulted in positive variance.					
(k) Return on investment	-252.52	239,177.94	-0.0010	-0.0025	65%
Profit after tax (PAT)/ Equity. Where Equity is total of share capital and other equity of the company.					
Reason for high variance: During current period, losses have decreased which has resulted in positive variance.					

23. Due to implementation of lockdown as per the directions of GoI/State Government on account of outbreak of COVID-19 pandemic, the construction work was temporarily regulated at Talcher project site from last week of March 2020 and the same was resumed in the month of April, 2020. However, during this period administrative and technical activities were continued. Additional financial implication on account of the above temporary regulation was not ascertainable as on reporting date. However, the company will continue to closely monitor the future impacts, which if material, will be disclosed. As the company is under construction stage, there is no impact on the ability of the company as a going concern.

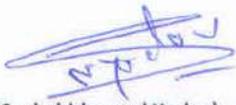


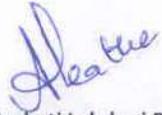
24. Previous year's figures have been restated, regrouped and rearranged wherever considered necessary.
25. Note A and B represents Corporate Information and Significant Accounting Policies respectively, Note C to M form part of the Balance Sheet as at 31.03.2023 and N to R form part of Statement of Profit & Loss for the Year ended on 31st March 2023 on that date. Note S represents additional notes to the financial statements.

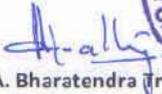
As per our Audit Report of even date

For and Behalf of Board of Directors
Talcher Fertilizers Limited

For Romesh Kumar & Co.
Chartered Accountants
Firm Registration No. 322390E

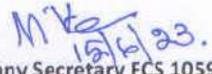

(Sachchidanand Yadav)
DIN: 08758377
MD-TFL
DIN: 08758377


(Ambati Lakshmi Prabha)
DIN:09637525
Director(Fin)
DIN:09637525


CA. Bharatendra Tripathy
Partner
Membership No. 057213
Dated:
Place: Bhubaneshwar




(Vivek Srivastava) Director (O)
DIN:10131772


Company Secretary FCS 10594
(M Viswanathan)