



**INDEPENDENT AUDITOR'S REPORT**

To  
**THE MEMBERS OF TIERRA AGROTECH LIMITED**  
Report on the Audit of the Restated Standalone financial statements

**Opinion**

We have audited the accompanying Restated Standalone financial statements of **TIERRA AGROTECH LIMITED** (the "Company") which comprise the Restated Balance Sheet as at 31<sup>st</sup> December, 2021, and the Restated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Cash Flow Statement, the Restated Statement of Changes in Equity for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "restated standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid restated standalone financial statements, give the information required by the Companies Act, 2013 (the "Act") 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 other accounting principles generally accepted in India, of the restated state of affairs of the Company as at 31<sup>st</sup> December, 2021, the restated loss, its restated cash flows, restated total comprehensive income and restated changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the restated standalone financial statements in accordance with the Standards on Auditing ("SA" s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Restated Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the restated standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the restated standalone financial statements.

**Information Other than the Standalone financial statements and Auditor's Report Thereon**

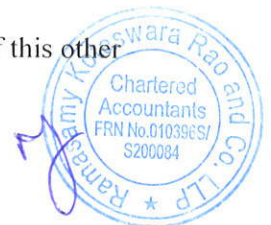
The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises of the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the restated financial statements, standalone financial statements and our auditor's report thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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E-mail: rkandco@gmail.com, Website : www.rkandco.in



### **Management's Responsibilities for the Restated Standalone financial statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these restated standalone financial statements that give a true and fair view of the restated financial position, restated financial performance including other comprehensive income, restated cash flows, restated changes in equity Company in accordance with the Ind AS and other accounting principles generally accepted in India. The Board of Directors of the company included in the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the restated standalone financial statements by the Directors of the Company, as aforesaid.

In preparing the restated standalone financial statements, the respective Board of Directors of the company are responsible for assessing the ability of the respective entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate their entity or to cease operations, or have no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Restated Standalone financial statements**

Our objectives are to obtain reasonable assurance about whether the restated standalone 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 restated standalone 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 restated standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company 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 restated standalone 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 restated standalone financial statements, including the disclosures, and whether the restated standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity within the Company to express an opinion on the restated standalone financial statements. We are responsible for the direction, supervision and performance of the audit of the standalone financial statements of such entity included in the restated standalone financial statements of which we are the independent auditors.

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

We communicate with those charged with governance of the Company in the restated standalone financial statements of which we are the independent auditors 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 restated standalone 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.



A handwritten signature in blue ink, consisting of a stylized, cursive mark.

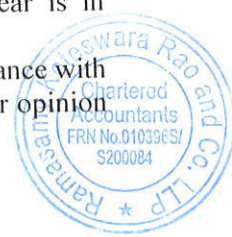
**Other Matter**

1. The National Company Law Tribunal Bench at Hyderabad vide order dated 12.11.2021 sanctioned the scheme of amalgamation of Grandeur Products Limited with the Company with effect from the appointed date i.e., 01.04.2020 and consequent to the amalgamation and upon scheme becoming effective, the name of the Company has been changed from Tierra Agrotech Private Limited to Tierra Agrotech Limited. This report is issued in the name of the transferee company Tierra Agrotech Limited which resulted after merger. As a result of above-mentioned scheme of amalgamation, Grandeur Products Limited (Holding company) is merged with Tierra Agrotech limited (formerly known as Tierra Agrotech Private Limited) which is subsidiary company of Grandeur Products Limited
2. The Company has issued and allotted 2,51,55,165 Equity Shares of ₹10 each to the shareholders of the Company without any consideration and the listing application for the same has been made to BSE Ltd on 31.12.2021 and is awaiting their approval. The entire paid-up pre-amalgamation share capital of the Company being held by the transferor Company has been cancelled pursuant to the scheme of Amalgamation.

Our conclusion on the statement is not modified in respect of the above matter.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid restated standalone financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid restated standalone financial statements have been kept so far as it appears from our examination of those books.
  - c) The Restated Balance Sheet, the Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Cash Flow Statement, Restated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the restated standalone financial statements.
  - d) In our opinion, the aforesaid restated standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors of the Company as on 31st December, 2021 taken on record by the Board of Directors of the Company, none of the directors of the Company incorporated in India is disqualified as on 31st December, 2021 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of the company, for reasons stated therein.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) 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, as amended in our opinion



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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) Provision has been made in the restated standalone financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long- term contracts including derivative contracts;
- iii) There are no balances which required to be transferred, to the Investor Education and Protection Fund by the Company.

For Ramasamy Koteswara Rao and Co LLP,  
Chartered Accountants  
Firm Registration Number: 010396S/S200084

Place: Hyderabad  
Date: 22.04.2022



  
(Murali Krishna Reddy Telluri)  
Partner  
Membership No. 223022  
UDIN: 22223022AJNBSR3628

**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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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 and to the best of our information and according to the explanations given to us, the Company, have, 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 31st December, 2021, based on the internal financial 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 Ramasamy Koteswara Rao and Co LLP,  
Chartered Accountants  
Firm Registration Number: 010396S/S200084

Place: Hyderabad  
Date: 22-04-2022



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(Murali Krishna Reddy Telluri)  
Partner  
Membership No. 223022  
UDIN: 22223022AJNBSR3628

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TIERRA AGROTECH LIMITED of even date)**

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

In conjunction with our audit of the restated standalone financial statements of the Company as of and for the year ended 31st December, 2021, we have audited the internal financial controls over financial reporting of Tierra Agrotech Limited (hereinafter referred to as the "Company").

**Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Company, are 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 (the "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 the respective 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 Act.

**Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 standalone financial statements, whether due to fraud or error.

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



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**Tierra Agrotech Limited**  
**Restated Standalone Balance sheet as at 31.12.2021**  
All amounts are in INR unless specified

| Particulars                          | Note No. | As at 31.12.2021      |
|--------------------------------------|----------|-----------------------|
|                                      | 2        | 3                     |
| <b>I Assets</b>                      |          |                       |
| <b>Non-Current Assets</b>            |          |                       |
| (a) Property, Plant and Equipment    | 2        | 1,76,99,746           |
| (b) Intangible assets                | 2        | 52,61,96,473          |
| (c) Product under Development        |          | 2,05,44,836           |
| (d) Financial Assets                 |          |                       |
| (i) Investments                      | 3        | 17,38,31,077          |
| (ii) Other Financial Assets          | 4        | 14,75,76,833          |
| (e) Deffered tax Asset (Net)         | 13       | 3,00,48,610           |
| <b>Total Non-Current Assets</b>      |          | <b>91,58,97,575</b>   |
| <b>Current Assets</b>                |          |                       |
| (a) Inventories                      | 6        | 43,28,51,928          |
| (b) Financial Assets                 |          |                       |
| i) Trade Receivables                 | 7        | 19,39,39,971          |
| ii) Cash and cash equivalents        | 8        | 24,14,284             |
| (c) Current Tax Assets (net)         | 5        | 69,00,370             |
| d) Other current assets              | 9        | 2,89,27,163           |
| <b>Total Current Assets</b>          |          | <b>66,50,33,716</b>   |
| <b>Total Assets</b>                  |          | <b>1,58,09,31,292</b> |
| <b>II Equity and Liabilities</b>     |          |                       |
| <b>Equity</b>                        |          |                       |
| a) Share Capital                     | 10       | 25,15,51,650          |
| b) Other Equity                      | 11       | 23,69,43,518          |
| <b>Total Equity</b>                  |          | <b>48,84,95,168</b>   |
| <b>Liabilities</b>                   |          |                       |
| <b>Non - current liabilities:</b>    |          |                       |
| <b>(a) Financial Liabilities</b>     |          |                       |
| i) Borrowings                        |          | -                     |
| ii) Other Financial Liabilities      |          | -                     |
| iii) Provisions                      | 12       | 72,63,714             |
| iv) Deffered tax Liabilities (Net)   | 13       | -                     |
| v) Other Non-Current liabilities     | 14       | 45,41,85,878          |
| <b>Total Non-Current Liabilities</b> |          | <b>46,14,49,592</b>   |
| <b>Current liabilities</b>           |          |                       |
| <b>(a) Financial Liabilities</b>     |          |                       |
| i) Borrowings                        | 17       | 44,09,25,531          |
| ii) Trade payables                   | 15       | 8,07,34,179           |
| iii) Other financial liabilities     | 16       | 6,19,42,802           |
| (b) Other Current Liabilities        | 18       | 1,34,60,715           |
| (c) Provisions                       | 19       | 3,39,23,304           |
| <b>Total Current liabilities</b>     |          | <b>63,09,86,531</b>   |
| <b>Total Equity and Liabilities</b>  |          | <b>1,58,09,31,291</b> |
| Significant accounting policies      |          | <b>0</b>              |

As per our Report of even date

For Ramasamy Koteswara Rao and Co LLP  
Chartered Accountants  
Firm Registration Number :010396S/S200084

*M. K. Reddy*

Murali Krishna Reddy Telluri  
Partner

M No. 223022

UDIN: 22003022AJNBSR3628

Place: Hyderabad

Date : 22-04-2022

For and on behalf of the Board of  
Tierra Agrotech Limited

*Vijay Kumar Deckonda*

Vijay Kumar Deckonda  
Whole Time Director  
DIN:06991627

*Sridevi Dasari*

Sridevi Dasari  
Director  
DIN:07512095





**Tierra Agrotech Limited**  
**Restated Profit and loss statement for the Nine months ended 31.12.2021**

| Particulars  | Note No. | For the Nine months ended 31.12.2021 |
|--|----------|--------------------------------------|
| I. Revenue from operations   | 20       | 43,32,35,387                         |
| II. Other income   | 21       | 17,15,512                            |
|  |          | <b>43,49,50,899</b>                  |
| <b>III. Total Revenue (I + II)</b>   |          |                                      |
| <b>IV. Expenses:</b>   |          |                                      |
| Purchases and Direct Expenses  | 22       | 17,02,61,134                         |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade   | 23       | 14,06,58,614                         |
| Employee benefits expense  | 24       | 9,50,29,599                          |
| Finance costs  | 25       | 6,32,18,339                          |
| Depreciation and amortization expense  |          | 18,13,660                            |
| Other expenses   | 26       | 8,32,26,811                          |
|  |          | <b>55,42,08,157</b>                  |
| <b>Profit before exceptional and extraordinary items and tax (III-IV)</b>  |          | -11,92,57,258                        |
| VI. Exceptional items  |          | -                                    |
| <b>VII. Profit before extraordinary items and tax (V - VI)</b>   |          | <b>-11,92,57,258</b>                 |
| VIII. Extraordinary Items  |          |                                      |
| <b>IX. Profit before tax (VII- VIII)</b>   |          | <b>-11,92,57,258</b>                 |
| X <b>Tax expense:</b>  |          |                                      |
| (1) Current tax -MAT Tax Expenses  |          |                                      |
| (2) current tax exp  |          |                                      |
| (2) Deferred tax   |          | (1,59,41,087)                        |
| (3) MAT Credit Entitlement   |          |                                      |
| <b>Profit (Loss) for the period from continuing operations (VII-VIII)</b>  |          | <b>-10,33,16,171</b>                 |
| XII Profit/(loss) from discontinuing operations  |          |                                      |
| XIII Tax expense of discontinuing operations   |          |                                      |
| <b>Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)</b>  |          |                                      |
| <b>XV Profit (Loss) for the period (XI + XIV)</b>  |          | <b>-10,33,16,171</b>                 |
| XVI <b>Other Comprehensive Income</b>  |          |                                      |
| (i) Items that will not be reclassified to profit and Loss   |          | -28,50,990                           |
| (ii) Income tax relating to items that will not be reclassified to profit or loss  |          | 2,86,239                             |
|  |          | -                                    |
| (ii) Income relating to items that will be reclassified to profit or loss  |          | -                                    |
|  |          |                                      |
| <b>Total Comprehensive Income for the period (XV+XVI) (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b> |          | <b>-10,07,51,421</b>                 |
| XVII Earnings per equity share:  |          |                                      |
| (1) Basic  |          | -4.11                                |
| (2) Diluted  |          | -4.11                                |

As per our Report of even date

For Ramasamy Koteswara Rao and Co LLP  
Chartered Accountants  
Firm Registration Number :010396S/S200084

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Murali Krishna Reddy Telluri  
Partner

M No. 223022

UIN: 22223022AJNB&R3628

Place: Hyderabad

Date : 22-04-2022

For and on behalf of the Board of  
Tierra Agrotech Limited

*Vijay Kumar Deekonda*

Vijay Kumar Deekonda  
Whole Time Director  
DIN:06991627

*Sridevi Dasari*

Sridevi Dasari  
Director  
DIN:07512095



**Tierra Agrotech Limited**  
**CIN:U01119TG2013PTC090004**  
**Restated Cash Flow Statement for the period ended 31st December 2021**

| Particulars  | As at<br>31.12.2021 |
|--|---------------------|
| <b>A. Cash Flows From Operating Activities:</b>                  |                     |
| Net profit before taxation, and extraordinary items              | (119,257,258)       |
| Adjusted for :   |                     |
| Interest debited to P&L A/c                                      | 57,608,041          |
| Other Income   |                     |
| Salaries   |                     |
| Depreciation   | 1,813,660           |
| Operating profits before working capital changes                 | (59,835,557)        |
| <b>Changes in current assets and liabilities</b>                 |                     |
| Inventories  | 140,658,614         |
| Trade Receivables  | (64,386,242)        |
| Other Current assets   | 5,684,061           |
| Other non current Financial assets                               | (2,461,706)         |
| Trade Payables   | (107,875,733)       |
| Other Financial Liabilities                                      | (94,578,853)        |
| Provisions   | 2,334,471           |
| Long Term provisions   | 1,870,312           |
| Cash generated from operations                                   | (178,590,633)       |
| Income tax paid  | -                   |
| Net cash generated from operating activities                     | (178,590,633)       |
| <b>B. Cash Flows From Investing Activities:</b>                  |                     |
| Purchase of fixed assets (net)                                   | (12,794,686)        |
| Product Development Exp  | (5,455,000)         |
| (Purchase)/Proceeds from Investments                             | -                   |
| Net cash used in investing activities                            | (18,249,686)        |
| <b>C. Cash Flows From Financing Activities:</b>                  |                     |
| Long Term Liabilities  | 218,138,748         |
| Increase/(Decrease) in Secured and Unsecured Loans               | 25,768,344          |
| Interest paid  | (57,608,041)        |
| Increase in share Capital  | -                   |
| Net cash generated in financing activities                       | 186,299,050         |
| <b>D. Net increase / (decrease) in cash and cash equivalents</b> | (10,541,268)        |
| <b>E. Cash and cash equivalents at the beginning of the year</b> | 12,955,552          |
| <b>F. Cash and cash equivalents at the end of the year</b>       | 2,414,284           |
| Cash & Cash Equivalents comprise:                                |                     |
| Cash in Hand   |                     |
| Balance with Banks in Current A/c                                | 2,414,284           |
| Balance with Banks in Deposit A/c                                | -                   |
| <b>Total Cash &amp; Cash Equivalents :</b>                       | 2,414,284<br>(0.00) |

As per our Report of even date

For Ramasamy Koteswara Rao and Co LLP

Chartered Accountants

Firm Registration Number :010396S/S200084

*Melli*

Murali Krishna Reddy Telluri

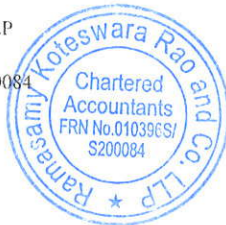
Partner

M No. 223022

UDIN: 22223022AJNBSR3628

Place: Hyderabad

Date : 22-04-2022



For and on behalf of the Board of  
Tierra Agrotech Limited

*Vijay Kumar Deekonda*  
Vijay Kumar Deekonda  
Director

DIN:06991627

*Sridevi Dasari*

Sridevi Dasari

Director

DIN: 07512095



**Tierra Agrotech Limited**

**Notes forming part of Financial statements**

**Note 10**

**Share Capital**

| Particulars  | As at 31st December 2021 |                     |
|--|--------------------------|---------------------|
|  | Number                   | Amount (Rs.)        |
| <b>Authorised</b><br>47,15,00,000/-Equity Shares of Rs.10/- each                     | 4,71,50,000              | 47,15,00,000        |
| <b>Issued,Subscribed &amp; Paid Up</b><br>2,51,55,165/-Equity Shares of Rs.10/- each | 2,51,55,165              | 25,15,51,650        |
| <b>Total</b>   | <b>2,51,55,165</b>       | <b>25,15,51,650</b> |

**Reconciliation of number of shares outstanding for the period**

| Particulars                                     | As at 31st December 2021 |              |
|---|--------------------------|--------------|
|   | In Number                | Amount       |
| Shares outstanding at the beginning of the year | 2,51,55,165              | 25,15,51,650 |
| Shares Issued during the year                   | -                        | -            |
| Shares bought back during the year              | -                        | -            |
| Shares outstanding at the end of the year       | 2,51,55,165              | 25,15,51,650 |

**Particulars of Share Holders Holding more than 5% shares during the period**

| Name of Shareholder                         | As at 31st December 2021 |              |
|---|--------------------------|--------------|
|   | No. of Shares held       | % of Holding |
| Suresh Atluri                               | 26,52,377                | 10.54        |
| Sailaja M                                   | 14,70,936                | 5.85         |
| Challa Shantha Prasad                       | 17,55,771                | 6.98         |
| KRG Polychem Private Limited                | 18,75,000                | 7.45         |
| Adbutham Business Solutions Private Limited | 18,05,000                | 7.18         |
|   |                          |              |
| <b>Total</b>                                | <b>95,59,084</b>         | <b>38.00</b> |



**Tierra Agrotech Limited**  
**Notes forming part of Financial statements**

**Note 3**

**Financial Assets - Investments**

| Particulars   | As at 31st December 2021 |
|---|--------------------------|
| <b>a) Investments in Equity Instruments - Unquoted</b>                              |                          |
| Tidas Agrotech Private Limited (Associate)<br>( No. Shares and FV need to Disclose) | 74,06,689                |
| Investment in VAMA Industries   | 84,14,392                |
| Investments in Power Mech Projects Ltd  | 1,15,442                 |
| Equity Instruments  |                          |
| Investment in Tierra Seed Science   | 15,78,94,554             |
| <b>Total</b>  | <b>17,38,31,077</b>      |

**Note 4**

**Financial Assets- Other Financial Assets**

| Particulars                               | As at 31st December 2021 |
|---|--------------------------|
| Security Deposits                         | 43,34,080                |
| <b>Unsecured Loans to Related Parties</b> |                          |
| Tidas Agrotech Private Limited            | 32,34,333                |
| Tierra Seed Science Pvt Ltd - Loan A/c    | 9,75,50,745              |
| Xylem Seeds Private Limited-New           |                          |
| Other Loans and Advances                  | 96,42,833                |
| Fixed deposits more than 3 months         | 3,28,14,842              |
| <b>Total</b>                              | <b>14,75,76,833</b>      |

**Note 5**

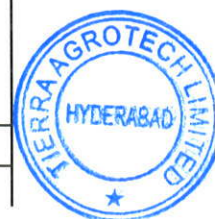
**Current Tax Assets (Net)**

| Particulars            | As at 31st December 2021 |
|------------------------|--------------------------|
| TDS and TCS Receivable | 22,28,229                |
| MAT Credit Entilement  | 46,72,141                |
| <b>Total</b>           | <b>69,00,370</b>         |

**Note 6**

**Inventories**

| Particulars      | As at 31st December 2021 |
|------------------|--------------------------|
| Packing Material | 2,02,89,121              |
| Seeds            | 41,25,62,808             |
| <b>Total</b>     | <b>43,28,51,928</b>      |



**Note 7****Trade Receivables**

| Particulars    | As at 31st December 2021 |
|----------------|--------------------------|
| Sundry Debtors | 19,39,39,971             |
| <b>Total</b>   | <b>19,39,39,971</b>      |

**Note 8****Cash and cash equivalents**

| Particulars  | As at 31st December 2021 |
|--|--------------------------|
| Balances with banks<br>This includes:<br>In Current Account<br>In Fixed Deposit Accounts | 24,14,284                |
| <b>Total</b>   | <b>24,14,284</b>         |

**Note 9****Other Current Assets**

| Particulars              | As at 31st December 2021 |
|--------------------------|--------------------------|
| Advance Tax              |                          |
| Staff Advances           |                          |
| Prepaid Expenses         | 7,48,895                 |
| Interest Receivable      | 9,48,276                 |
| Advance to Capital goods | 1,14,51,188              |
| Other Advances           | 1,25,05,534              |
| Advances to Suppliers    | 30,05,942                |
| TDS Unconsumed Amount    | 2,67,327                 |
| <b>Total</b>             | <b>2,89,27,163</b>       |



**Tierra Agrotech Limited**  
**Notes forming part of Financial statements**

**Note 12**

**Non Current Liabilities - Provisions**

| Particulars                    | As at<br>31st December 2021 |
|--------------------------------|-----------------------------|
| Provision for Gratuity         | 30,26,338                   |
| Provision For Leave Encashment | 42,37,376                   |
| <b>Total</b>                   | <b>72,63,714</b>            |

**13**

**Deferred tax liability**

| Particulars                    | As at<br>31st December 2021 |
|--------------------------------|-----------------------------|
| Opening Balance                | (1,41,07,523)               |
| Add: Additions during the year | (1,59,41,087)               |
| <b>Total</b>                   | <b>(3,00,48,610)</b>        |

**Note 14**

**Other Long Term Liabilities**

| Particulars                                    | As at<br>31st December 2021 |
|--|-----------------------------|
| <b>Unsecured Loans from Related Parties</b>    |                             |
| Tierra Seed Science Private Limited            |                             |
| Grandeur Products Limited<br>(Holding Company) |                             |
| Security Deposit                               | 3,42,98,077                 |
| Loans from NBFC                                | 31,91,53,419                |
| Loans from others                              | 6,07,79,178                 |
| Aditya Birla Finance Ltd                       | 3,99,55,204                 |
| <b>Total</b>                                   | <b>45,41,85,878</b>         |

**Note 15**

**Trade Payables**

| Particulars  | As at<br>31st December 2021 |
|--|-----------------------------|
| Outstanding dues to micro enterprises and small enterprises                      |                             |
| Outstanding dues to creditors other than micro enterprises and small enterprises | 8,07,34,179                 |
| <b>Total</b>   | <b>8,07,34,179</b>          |



| <b>Note 16</b>                     |                                     |
|------------------------------------|-------------------------------------|
| <b>Other Financial Laibilities</b> |                                     |
| <b>Particulars</b>                 | <b>As at<br/>31st December 2021</b> |
| Provident fund payable             | 12,43,265                           |
| ESI Payable                        | 36,068                              |
| Bonus Payable                      | -                                   |
| TDS Payable                        | 28,68,465                           |
| Professional Tax Payable           | 35,750                              |
| Duties and Tax Payable             | 2,43,983                            |
| Other Expenses Payables            | 98,71,205                           |
| Advance From Customers             | 4,76,44,066                         |
| <b>Total</b>                       | <b>6,19,42,802</b>                  |

| <b>Note 17</b>                         |                                     |
|--|-------------------------------------|
| <b>Borrowings</b>                      |                                     |
| <b>Particulars</b>                     | <b>As at<br/>31st December 2021</b> |
| HDFC CC Account-50200044477941         | 14,90,49,307                        |
| Kotak-7913017644-OD Account            | 4,70,59,839                         |
| Kotak Short Term Loan-7466TL0100000039 |                                     |
| Kotak Short Term Loan-7466TL0100000040 |                                     |
| Kotak Short Term Loan-7466TL0100000041 |                                     |
| Kotak Short Term Loan-7466TL0100000042 |                                     |
| Kotak Short Term Loan-7466TL0100000043 |                                     |
| Kotak Short Term Loan-7466TL0100000044 |                                     |
| Kotak Short Term Loan-7466TL0100000045 |                                     |
| Kotak Short Term Loan-7466TL0100000046 |                                     |
| Kotak Short Term Loan-7466TL0100000047 |                                     |
| Kotak Short Term Loan-7466TL0100000048 |                                     |
| Kotak Short Term Loan-7466TL0100000049 |                                     |
| Kotak Short Term Loan-7466TL0100000051 |                                     |
| Kotak Short Term Loan-7466TL0100000052 |                                     |
| Kotak Short Term Loan-7466TL0100000053 |                                     |
| Kotak Short Term Loan-7466TL0100000054 |                                     |
| Kotak Short Term Loan-7466TL0100000056 | 1,00,00,000                         |
| Kotak Short Term Loan-7466TL0100000057 | 1,00,00,000                         |
| Kotak Short Term Loan-7466TL0100000058 | 1,00,00,000                         |
| Kotak Short Term Loan-7466TL0100000062 | 1,00,00,000                         |
| Kotak Short Term Loan-7466TL0100000063 | 1,00,00,000                         |
| Kotak Short Term Loan-7466TL0100000072 | 1,00,00,000                         |
| Kotak Short Term Loan-7466TL0100000073 | 1,00,00,000                         |
| Kotak Short Term Loan-7466TL0100000074 | 1,00,00,000                         |
| Kotak Short Term Loan-7466TL0100000075 | 1,00,00,000                         |
| Kotak Short Term Loan-7466TL0100000076 | 1,00,00,000                         |
| Kotak-7945062568-OD                    | 1,62,21,420                         |
| HDFC Term Loan(ECLGS Scheme)           | 1,46,19,426                         |



|                                    |                     |
|------------------------------------|---------------------|
| Kotak Term Loan(ECLGS Scheme)      | 2,58,18,497         |
| Helcal Tubes & Ducts Pvt Ltd       | 60,00,000           |
| Jyoti Bio Energy Limited           | 2,67,97,535         |
| Sai Naren Holdings Private Limited | 53,59,507           |
| HDFC Farmer Funding                | 5,00,00,000         |
| <b>Total</b>                       | <b>44,09,25,531</b> |

**Note 18**

**Other Current Liabilities**

| <b>Particulars</b>             | <b>As at<br/>31st December 2021</b> |
|--------------------------------|-------------------------------------|
| Salary Payable                 | 28,05,455                           |
| Employee Claims                | 15,75,049                           |
| Provision for Gratuity         | 6,92,560                            |
| Provision for Leave Encashment | 19,98,151                           |
| Other Current Deposits         | 63,89,500                           |
| <b>Total</b>                   | <b>1,34,60,715</b>                  |

**Note No 19**

**Current Liabilities - Provisions**

| <b>Particulars</b>                     | <b>As at<br/>31st December 2021</b> |
|--|-------------------------------------|
| Provision for Interest                 | 71,92,400                           |
| Provision for Income Tax               | 7,53,004                            |
| Organizer Commission Payable           | 42,186                              |
| Provision for Discounts                | 2,39,72,136                         |
| Provision for Audit Fees               | 11,66,748                           |
| Provision for Professional fee payable | 7,73,500                            |
| Others                                 | 23,330                              |
| <b>Total</b>                           | <b>3,39,23,304</b>                  |





**Tierra Agrotech Limited**  
**Notes forming part of Financial statements**  
**All the Amt's in INR Unless Specified**

**Note 20**

**Sale of Goods**

| Particulars       | Period Ending 31st December<br>2021 |
|-------------------|-------------------------------------|
| Sale of Seeds     | 56,56,15,724                        |
| Less: BP Discount | 13,23,80,337                        |
| <b>Total</b>      | <b>43,32,35,387</b>                 |

**Note 21**

**Other Incomes**

| Particulars                | Period Ending 31st December<br>2021 |
|----------------------------|-------------------------------------|
| Interest on Fixed Deposits | 11,80,547                           |
| Other Incomes              | 5,34,965                            |
| <b>Total</b>               | <b>17,15,512</b>                    |

**Note 22**

**Purchases and Direct Expenses**

| Particulars                        | Period Ending 31st December<br>2021 |
|------------------------------------|-------------------------------------|
| Packing Material & Other Purchases | 2,83,21,448                         |
| Purchase of Seeds                  | 11,68,62,454                        |
| Logistic Expenses                  | 1,87,19,513                         |
| Production Expenses                | 63,57,720                           |
| <b>Total</b>                       | <b>17,02,61,134</b>                 |

**Note 23**

**Changes in inventories of finished goods work-in-progress and Stock-in-Trade**

| Particulars           | Period Ending 31st December<br>2021 |
|-----------------------|-------------------------------------|
| <b>Opening Stock:</b> |                                     |
| Packing Material      | 1,95,31,157                         |
| Seeds                 | 55,39,79,385                        |
| <b>Sub Total (a)</b>  | <b>57,35,10,542</b>                 |
| <b>Closing Stock:</b> |                                     |
| Packing Material      | 2,02,89,121                         |
| Seeds                 | 41,25,62,808                        |
| <b>Sub Total (b)</b>  | <b>43,28,51,928</b>                 |
| <b>Total (a-b)</b>    | <b>14,06,58,614</b>                 |



**Note 24****Employee Benefit Expenses**

| Particulars               | Period Ending 31st December<br>2021 |
|---------------------------|-------------------------------------|
| Salaries, Wages & Bonus   | 8,38,15,269                         |
| Staff welfare expenses    | 2,28,513                            |
| ESI Contribution          | 2,80,686                            |
| Provident Fund & PF Admin | 61,17,849                           |
| Insurance                 | 5,42,199                            |
| Gratuity                  | 14,63,687                           |
| Leave encashment          | 25,81,396                           |
| Other Benefits            |                                     |
| <b>Total</b>              | <b>9,50,29,599</b>                  |

**Note 25****Finance Charges**

| Particulars             | Period Ending 31st December<br>2021 |
|-------------------------|-------------------------------------|
| Interest on Loan        | 5,76,08,041                         |
| Interest Paid to Others | 53,37,423                           |
| Loan Processing charges | 2,72,875                            |
| <b>Total</b>            | <b>6,32,18,339</b>                  |

**Note 26****Other Expenses**

| Particulars                  | Period Ending 31st December<br>2021 |
|------------------------------|-------------------------------------|
| Audit Fee                    | 6,94,500                            |
| Professional Charges         | 49,43,010                           |
| Internet Hosting Charges     | 3,55,566                            |
| Telephone Charges            | 77,221                              |
| Field Assistant Expenses     | 90,05,002                           |
| Field Day Expenses           | 7,17,788                            |
| Travelling Expenses          | 1,95,91,652                         |
| Internal Audit Fees          | 4,50,000                            |
| Sales and Marketing Expenses | 42,74,592                           |
| Conveyance Expenses          | 2,36,633                            |
| Books & Periodicals          | 3,758                               |
| Rent                         | 24,62,874                           |
| Rates & Taxes                | 40,78,394                           |
| Computer Mainatenance        | 1,80,619                            |
| Printing & Stationery        | 2,83,784                            |
| Office Expenses              | 13,78,746                           |
| R&D Expenses                 | 3,29,47,775                         |
| Postage & Courier            | 89,818                              |
| Other Expenses               | 1,46,079                            |
| Dismantling Charges          | 6,00,000                            |
| Director's Sitting Fee       | 3,55,000                            |
| Merger Expenses              |                                     |
| Listing Fees                 | 3,54,000                            |
| <b>Total</b>                 | <b>8,32,26,811</b>                  |



as on 31.12.2021

| Asset Name              | Rate   | Gross Fixed Assets |                    |               |                    |                  | Depreciation     |                 |                             | Net Fixed Assets    |                       |  |
|-------------------------|--------|--------------------|--------------------|---------------|--------------------|------------------|------------------|-----------------|-----------------------------|---------------------|-----------------------|--|
|                         |        | Opening Balance    | Additions          | Deletions     | Closing Balance    | Opening Balance  | For the Period   | Sale / Disposal | Closing Balance- 31.12.2021 | As at 31st Dec 2021 | As at 31st March 2021 |  |
| <b>Tangible Assets</b>  |        |                    |                    |               |                    |                  |                  |                 |                             |                     |                       |  |
| Computers               | 63.16% | 29,74,437          | 90,501             | -             | 30,64,938          | 26,42,913        | 3,34,327.42      | -               | 29,77,240                   | 87,698              | 3,31,524              |  |
| Plant & Machinery       | 18.10% | 82,93,019          | 1,46,705           | -             | 84,39,724          | 29,65,824        | 8,55,582.75      | -               | 38,21,407                   | 46,18,317           | 53,27,195             |  |
| Office & Other Equipmen | 45.07% | 24,53,330          | 6,88,264           | 26,000        | 31,15,594          | 18,66,678        | 4,13,151.61      | 15,253          | 22,66,576                   | 8,49,018            | 5,86,652              |  |
| Furniture and Fixtures  | 25.89% | 2,58,316           | 1,15,31,767        | -             | 1,17,90,083        | 2,00,384         | 87,017.13        | -               | 2,87,401                    | 1,15,02,682         | 57,932                |  |
| Software                | 63.16% | 13,38,045          | -                  | -             | 13,38,045          | 11,52,426        | -                | -               | 11,52,426                   | 1,85,619            | 1,85,619              |  |
| Electrical Equipments   | 45.07% | -                  | 3,37,449           | -             | 3,37,449           | -                | 57,067.76        | -               | 57,068                      | 2,80,381            | -                     |  |
| Office Equipments       | 45.07% | 2,80,908           | -                  | -             | 2,80,908           | 2,25,192         | 47,542.00        | -               | 2,72,734                    | 8,174               | 55,716                |  |
| Computers               | 63.16% | 6,73,195           | -                  | -             | 6,73,195           | 5,16,917         | 13,680           | -               | 5,30,597                    | 1,42,598            | 1,56,278              |  |
| Accounting Software     | 63.16% | 45,781             | -                  | -             | 45,781             | 17,230           | 3,291            | -               | 20,521                      | 25,260              | 28,551                |  |
| <b>Grand Total</b>      |        | <b>1,63,17,031</b> | <b>1,27,94,686</b> | <b>26,000</b> | <b>2,90,85,717</b> | <b>95,87,564</b> | <b>18,13,660</b> | <b>15,253</b>   | <b>1,13,85,971</b>          | <b>1,76,99,746</b>  | <b>67,29,467</b>      |  |



| Tierra Agrotech Limited   |   |               |             |                  |          |
|---|---|---------------|-------------|------------------|----------|
| Notes forming part of the Restated Standalone Financial Statements for the year ended 31-12-2021. |   |               |             |                  |          |
|   | <p><b>Corporate information</b></p> <p>"Tierra Agrotech Limited ('the company') (formerly known as 'Tierra Agrotech Private Limited') is in the business of is in the business of Seed Research , Production, Processing and Marketing of Seeds and related products. The Company was incorporated on 13th September 2013 in Hyderabad. The National Company Law Tribunal Bench at Hyderabad vide order dated 12.11.2021 sanctioned the scheme of amalgamation of Grandeur Products Limited (Holding Company - Transferor Company) with Tierra Agrotech Private Limited (Subsidiary Company - Transferee Company) with effect from the appointed date i.e., 01.04.2021 and consequent to the amalgamation and upon scheme becoming effective, the name of the Company has been changed from Tierra Agrotech Private Limited to Tierra Agrotech Limited. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied in all the years presented, unless otherwise stated.</p>  |               |             |                  |          |
| <b>I</b>  | <b>Significant Accounting Policies</b>  |               |             |                  |          |
| 1.1   | <p><b>Basis of preparation of financial statements</b></p> <p>These financial statements have been prepared in accordance Indian Accounting Standards (Ind AS) according to the notification issued by the Ministry of Corporate Affairs under section 133 of the Companies Act, 2013 (the act) read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 with effect from April 1, 2017. The Restated Standalone Financial Statements for the period ended 31-12-2021 are prepared consequent to the amalgamation of Grandeur Products Limited (Holding Company - Transferor Company) with Tierra Agrotech Private Limited (Subsidiary Company - Transferee Company) with effect from the appointed date i.e. 01.04.2021.</p>  |               |             |                  |          |
| 1.2   | <p><b>Use of Accounting Estimates</b></p> <p>The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements, the reported amount of revenues and expenses during the reported period and disclosure of contingent liabilities. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.</p>  |               |             |                  |          |
| 1.3   | <p><b>Revenue recognition</b></p> <p><b>Sale of goods:</b></p> <p>Effective April 1, 2018, the company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The company has adopted Ind AS 115 using the cumulative catchup method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated i.e. the comparative information continues to be reported under Ind AS 18. The impact of adoption of the standard on the financial statements of the Company is insignificant.</p> <p>Revenue is recognised when the company satisfies a performance obligation by transferring a promised good or service to its customers. The company considers the terms of the contract and its customer's business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains control of the asset.</p> <p>Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives - discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return using the expected value method.</p> <p><b>Interest Income:</b></p> <p>Interest income is recognised on an accrual basis.</p> |               |             |                  |          |
| 1.4   | <p><b>Property, plant and equipment &amp; Capital work-in-progress</b></p> <p>Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.</p> <p>Capital work-in-progress comprises the cost of the fixed assets that are not yet ready for their intended use at the balance sheet date.</p>   |               |             |                  |          |
| 1.5   | <p><b>Depreciation and Goodwill</b></p> <p>Depreciation is provided on the straight-line method as per the useful life presented in Schedule II to the Companies Act, 2013.</p> <p>The useful lives of assets are periodically reviewed and re-determined and the unamortised depreciable amount is charged over the remaining useful life of such assets. Assets costing Rs. 5,000/- and below are depreciated over a period of one year.</p>  |               |             |                  |          |
| 1.6   | <p><b>Intangible Assets</b></p> <p>Intangible assets are stated at cost less accumulated amortization and impairment if any. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.</p> <p>During the year the company has not provided any amount amortization of intangible assets.</p> <p>The estimated useful lives of intangible asset is as follows:</p> <table border="1"> <thead> <tr> <th>Type of Asset</th> <th>Useful life</th> </tr> </thead> <tbody> <tr> <td>Intangible Asset</td> <td>10 Years</td> </tr> </tbody> </table>  | Type of Asset | Useful life | Intangible Asset | 10 Years |
| Type of Asset   | Useful life   |               |             |                  |          |
| Intangible Asset  | 10 Years  |               |             |                  |          |
| 1.7   | <p><b>Inventories</b></p> <p>Inventories comprise of Unprocessed seeds, Processed Seeds, and traded goods. Inventories are valued at the lower of cost or the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on Average basis. Cost includes all charges in bringing the goods to their present location and condition and receiving charges. The inventories is valued at Cost or NRV whichever is lower.</p>  |               |             |                  |          |
| 1.8   | <p><b>Foreign Currency Transactions</b></p> <p>The company translates all foreign currency transactions at Exchange Rates prevailing on the date of transactions. Exchange rate differences resulting from foreign exchange transactions settled during the year are recognized as income or expenses in the period in which they arise.</p> <p>Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resulting difference is also recorded in the profit and loss account.</p>   |               |             |                  |          |
| 1.9   | <p><b>Taxes on Income</b></p> <p>Income tax comprises current income tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.</p> <p>a) Current income tax: Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.</p> <p>b) Deferred tax: Deferred tax asset and liabilities are measured at the tax rates that are expected to apply to the period when the asset / liability is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred Tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.</p>   |               |             |                  |          |
| 1.10  | <p><b>Earnings Per Share (EPS)</b></p> <p>In determining earnings per share, the company considers the net profit after tax expense. The number of shares used in computing basic earnings per share is the weighted average shares used in outstanding during the period.</p>  |               |             |                  |          |
| 1.11  | <p><b>Investments</b></p> <p>Long term equitized investments are stated at cost &amp; all other investments are carried at lower of cost or fair value.</p>   |               |             |                  |          |
| 1.12  | <p><b>Impairment of non-financial assets</b></p> <p>The Company assess at each reporting date whether there is any indication that the carrying amount from non financial assets may not be recoverable. If any such indication exists then the asset's recoverable amount is estimated and an impairment loss is recognised if the carrying amount of an asset or Cash generating unit (CGU) exceeds its estimated recoverable amount in the statement of profit and loss.</p> <p>Goodwill is tested annually for impairment. For the purpose of impairment testing, goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.</p>   |               |             |                  |          |
| 1.13  | <p><b>Provisions and Contingent Liabilities</b></p> <p>A Provision is recognized if, as a result of past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the present obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made a disclosure is made as contingent liability. A disclosure for a contingent liability is also made where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.</p>   |               |             |                  |          |



**Tierra Agrotech Limited**

Notes forming part of the Restated Standalone Financial Statements for the year ended 31-12-2021.

**1.14 Financial Instruments**  
 A financial instrument is any contract that give rise to a financial asset of one entity and a financial liability or equity of another entity.

**Initial Recognition**  
 Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

**Subsequent Measurement**  
**Financial assets at fair value through other comprehensive income**  
 Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved both by collecting contractual cash flows on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding and selling financial assets.

**Financial assets at fair value through Profit and Loss**  
 Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs that are directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.

**Financial liabilities**  
 Financial liabilities are classified as measured at amortised cost or Fair Value Through Profit and Loss Account (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

**Investment in Subsidiaries**  
 Investment in Subsidiaries is carried at cost.

**De-recognition**  
 The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition as per Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

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

**1.15 Cash flow statement**  
 Cash flow statement not prepared for restated Standalone financial statements for the period ended 31-12-2021 as the same is prepared to give effect to the scheme of amalgamation.

**1.16 Earning per share**

| Particulars                   | for 9 Months ended 31-12-2021 |
|-------------------------------|-------------------------------|
| Profit (Loss) for the year    | (103,316,171)                 |
| No of Equity shares           | 25,155,165                    |
| Weighted average no of shares | 25,155,165                    |
| Basic earning per share       | (4.11)                        |
| Diluted earning per share     | (4.11)                        |

**1.17 Disclosure of Related Party Transactions for year ended 31st December, 2021**

**A. Names of related parties and related party relationships:**

| Sr. No. | Name of the Related Party           | Relationship                  |
|---------|-------------------------------------|-------------------------------|
| 1       | Tierra Seed Science Private Limited | Subsidiary of holding company |
| 2       | Tidas Agrotech Private Limited      | Joint Venture                 |
| 3       | Vijay Kumar Deekonda                | Director                      |
| 4       | Sridevi Dasari                      | Director                      |
| 5       | Srinivasa Rao Paturi                | Director                      |
| 6       | Suryanarayana Simhadri              | Director                      |
| 7       | Bandi Mohan Krishna                 | Director                      |
| 8       | Venkata Krishna Rau Goguneni        | Director                      |

The accompanying notes are an integral part of these financial statements

As per our Report of even date

For Ramasamy Koteswara Rao and Co LLP  
 Chartered Accountants  
 Firm Registration Number 010396S/S200084

Murali Krishna Reddy, Tellur  
 Partner  
 M No. 223022

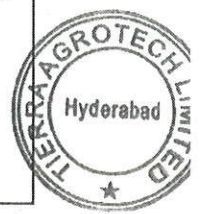
Place: Hyderabad  
 Date: 22.04.2022

For and on behalf of the Board of  
 Tierra Agrotech Limited

Vijay Kumar Deekonda  
 Whole Time Director  
 DIN 06991627

Sridevi Dasari  
 Director  
 DIN 07512095

UDIN 22022022ATNBSR3628





**INDEPENDENT AUDITOR'S REPORT**

To  
**THE MEMBERS OF TIERRA AGROTECH LIMITED**  
Report on the Audit of the Restated Consolidated Financial Statements

**Opinion**

We have audited the accompanying Restated Consolidated Financial Statements of **TIERRA AGROTECH LIMITED** (the "Company") and its subsidiaries, (the Company and its subsidiaries together referred to as the "Group") which comprise the Restated Consolidated Balance Sheet as at 31<sup>st</sup> December, 2021, and the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity for the year ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "restated consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid restated consolidated financial statements, give the information required by the Companies Act, 2013 (the "Act") 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 other accounting principles generally accepted in India, of the restated consolidated state of affairs of the Group as at 31<sup>st</sup> December, 2021, the restated consolidated loss, restated consolidated total comprehensive income, restated consolidated changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the restated consolidated financial statements in accordance with the Standards on Auditing ("SA" s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Restated Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the restated consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the restated consolidated financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the restated consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

SRI RAMCHANDRA ARCADE, D.No.8-2-293/82/JIII/573/M/ 1st Floor,  
Road No.82, Jubilee Hills, Hyderabad - 500096. Ph: 23394982/85,  
E-mail: rkandco@gmail.com, Website : www.rkandco.in



### **Management's Responsibilities for the Restated Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these restated consolidated financial statements that give a true and fair view of the restated consolidated financial position, restated consolidated financial performance including other comprehensive income, restated consolidated changes in equity Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Boards of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the restated consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the restated consolidated financial statements, the respective Boards of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate their respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Restated Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the restated consolidated 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 restated consolidated 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 restated consolidated 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.



- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 restated consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the restated consolidated financial statements, including the disclosures, and whether the restated consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the restated consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the restated consolidated financial statements of which we are the independent auditors.

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

We communicate with those charged with governance of the Company and such other entities included in the restated consolidated financial statements of which we are the independent auditors 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 restated consolidated 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.

**Other Matter**

1. This Statement includes the results of the following entities:

| S. No | Name of the Company                 | Relationship with the Holding Company |
|-------|-------------------------------------|---------------------------------------|
| 1     | Tierra Seed Science Private Limited | Subsidiary                            |
| 2     | Tidas Agrotech limited              | Joint venture                         |





2. The National Company Law Tribunal Bench at Hyderabad vide order dated 12.11.2021 sanctioned the scheme of amalgamation of Grandeur Products Limited with the Company with effect from the appointed date i.e., 01.04.2020 and consequent to the amalgamation and upon scheme becoming effective, the name of the Company has been changed from Tierra Agrotech Private Limited to Tierra Agrotech Limited. This report is issued in the name of the transferee company Tierra Agrotech Limited which resulted after merger. As a result of above-mentioned scheme of amalgamation, Grandeur Products Limited (Holding company) is merged with Tierra Agrotech limited (formerly known as Tierra Agrotech Private Limited) which is subsidiary company of Grandeur Products Limited
3. The Company has issued and allotted 2,51,55,165 Equity Shares of ₹10 each to the shareholders of the Company without any consideration and the listing application for the same has been made to BSE Ltd on 31.12.2021 and is awaiting their approval. The entire paid-up pre-amalgamation share capital of the Company being held by the transferor Company has been cancelled pursuant to the scheme of Amalgamation.
4. We have reviewed the interim financial information in respect of subsidiary Tierra Seed Science Private Limited and did not review the interim financial information in respect of Joint Venture i.e., Tidas Agrotech Private Limited included in the unaudited consolidated financial results, whose interim financial reflect total revenues of Rs.85.70 lakhs and total net loss after tax of Rs.145.75 lakhs and total comprehensive loss of Rs.771.56 lakhs for the period from April 01, 2021 to December 31, 2021. The interim financial information of the joint venture has been reviewed by other auditors whose reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of other auditors and the procedures performed by us as stated in paragraph 3 above..

Our conclusion on the statement is not modified in respect of the above matter.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Restated Consolidated Balance Sheet, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Restated Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the restated consolidated financial statements.
  - d) In our opinion, the aforesaid restated consolidated financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors of the Company as on 31st December, 2021 taken on record by the Boards of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st December, 2021 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies, for reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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, as amended 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) Provision has been made in the restated consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long- term contracts including derivative contracts;
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Ramasamy Koteswara Rao and Co LLP,  
Chartered Accountants  
Firm Registration Number: 010396S/S200084

*M. K. Reddy*

(Murali Krishna Reddy Telluri)

Partner

Membership No.223022



Place: Hyderabad  
Date: 22.04.2022

UDIN: 22223022A2AISC1084

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of TIERRA AGROTECH LIMITED of even date)

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

In conjunction with our audit of the restated consolidated financial statements of the Company as of and for the year ended 31st December, 2021, we have audited the internal financial controls over financial reporting of Tierra Agrotech Limited (hereinafter referred to as the "Company").

**Management's Responsibility for Internal Financial Controls**

The Boards of Directors of the Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (the "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 the respective 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 Act.

**Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 internal financial controls system over financial reporting of the Company.



**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 authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, which are companies incorporated in India, have, 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 31st December, 2021, based on the internal financial control over financial reporting criteria established by the respective companies 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 Ramasamy Koteswara Rao and Co LLP,  
Chartered Accountants  
Firm Registration Number: 010396S/S200084



*M. Jellu*

Place: Hyderabad  
Date: 22.04.2022

(Murali Krishna Reddy Telluri)  
Partner  
Membership No. 223022

UDIN: 22223022ATAIC61084

Tierra Agrotech Limited

CIN:U01119TG2013PLC090004

Reg Address: 1st Floor, Sravana Complex, Kamalapur Colony Lane Next to LVPrasad Hospital, Road.No.2.

BanjaraHills Hyderabad TG 500034

**Restated** Consolidated Balance sheet as at 31.12.2021

| Particulars                                | Note No. | As at 31.12.2021      |
|--|----------|-----------------------|
| 1  | 2        | 3                     |
| <b>I Assets</b>                            |          |                       |
| <b>Non-Current Assets</b>                  |          |                       |
| a) Property, Plant and Equipment           | 2        | 1,77,37,581           |
| b) Intangible assets                       | 2        | 52,62,64,666          |
| (b) Product under Development              |          | 2,05,44,836           |
| c) Goodwill on Consolidation               |          | 30,30,02,002          |
| d) Financial Assets                        |          |                       |
| (i) Investments                            | 3        | 85,29,834             |
| e) Other Non Current Assets                | 4        | 5,03,26,088           |
| f) Deferred tax Asset (Net)                |          | 2,36,16,503           |
| <b>Total Non-Current Assets</b>            |          | <b>95,00,21,511</b>   |
| <b>Current Assets</b>                      |          |                       |
| a) Inventories                             | 5        | 43,39,42,570          |
| b) Financial Assets                        |          |                       |
| (i) Investments                            | 3        |                       |
| (ii) Trade Receivables                     | 6        | 12,68,74,242          |
| (iii) Loans                                | 7        | -                     |
| c) Cash and cash equivalents               | 8        | 27,13,319             |
| d) Other current assets                    | 9        | 3,76,65,072           |
| <b>Total Current Assets</b>                |          | <b>60,11,95,203</b>   |
| <b>Total Assets</b>                        |          | <b>1,55,12,16,714</b> |
| <b>II Equity and Liabilities</b>           |          |                       |
| <b>Equity</b>                              |          |                       |
| a) Share Capital                           | 10       | 25,15,51,650          |
| b) Other Equity                            |          | 20,31,89,586          |
| <b>Total Equity</b>                        |          | <b>45,47,41,236</b>   |
| <b>Liabilities</b>                         |          |                       |
| <b>Non - current liabilities:</b>          |          |                       |
| <b>(a) Financial Liabilities</b>           |          |                       |
| (i) Borrowings                             | 11       | -                     |
| (b) Provisions                             | 12       | 79,45,746             |
| (c) Other Non-Current liabilities          | 13       | 3,52,98,077           |
| (d) Deferred Tax Liabilities               |          |                       |
| <b>Total Non-Current Liabilities</b>       |          | <b>4,32,43,822</b>    |
| <b>Current liabilities</b>                 |          |                       |
| <b>(a) Financial Liabilities</b>           |          |                       |
| a) Borrowings                              | 14       | 86,08,13,332          |
| b) Trade payables                          | 15       | 8,16,53,147           |
| c) Other financial liabilities             | 16       | 7,57,74,673           |
| d) Short Term Provisions                   | 17       | 3,49,90,512           |
| <b>Total Current liabilities</b>           |          | <b>1,05,32,31,664</b> |
| <b>Total Equity and Liabilities</b>        |          | <b>1,55,12,16,714</b> |
| Summary of significant accounting policies | 1        |                       |

The accompanying notes are an integral part of these financial statements

As per our Report of even date

For Ramasamy Koteswara Rao and Co LLP  
Chartered Accountants  
Firm Registration Number 010396S/S200084

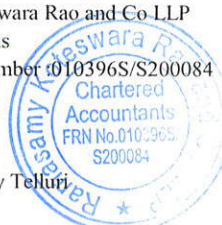
*M. Krishna Reddy*

Murali Krishna Reddy Telluri  
Partner  
M No. 223022

UDIN : 22223022A1ATSC1084

Place: Hyderabad

Date : 22-04-2022



For and on behalf of the Board of  
Tierra Agrotech Limited

*Vijay Kumar Deekonda*  
Vijay Kumar Deekonda  
Whole Time Director  
DIN:06991627

*Sridevi Dasari*  
Sridevi Dasari  
Director  
DIN:07512095



| Particulars  | Note No. | For the Period Ended<br>31.12.2021 |
|--|----------|------------------------------------|
| I. Revenue from operations   | 18       | 43,36,28,627                       |
| II. Other income   | 19       | 17,15,512                          |
| <b>III. Total Revenue (I + II)</b>   |          | <b>43,53,44,139</b>                |
| <b>IV. Expenses:</b>   |          |                                    |
| Cost of materials consumed   |          | -                                  |
| Purchases of Stock-in-Trade  | 20       | 17,02,61,134                       |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade                                     | 21       | 14,07,76,922                       |
| Employee benefits expense  | 22       | 10,50,19,252                       |
| Finance costs  | 23       | 6,32,18,339                        |
| Depreciation and amortization expense  |          | 18,21,706                          |
| Other expenses   | 24       | 8,57,55,729                        |
|  |          | <b>56,68,53,082</b>                |
| <b>Profit before exceptional and extraordinary items and tax (III-IV)</b>  |          | <b>(13,15,08,943)</b>              |
| VI. Exceptional items and extraordinary items  |          | -                                  |
| <b>Profit before non-controlling interest/share in net profit/(loss) of associate and joint venture (V - VI)</b> |          | <b>(13,15,08,943)</b>              |
| VIII. Share in net profit/(loss) of associate and joint venture  |          | (2,29,947)                         |
| <b>IX. Profit before tax (VII- VIII)</b>   |          | <b>(13,17,38,890)</b>              |
| X Tax expense:   |          |                                    |
| (1) Current tax  |          | -                                  |
| (2) Prior Year Income Tax expenditure  |          | -                                  |
| (2) Deferred tax   |          | (1,59,41,087)                      |
| (3) MAT Credit Entitlement   |          | -                                  |
| <b>XI Profit (Loss) for the year</b>   |          | <b>(11,57,97,803)</b>              |
| <b>Other comprehensive income</b>  |          |                                    |
| A. (i) Items that will not be reclassified to profit or loss   |          | (28,50,990)                        |
| (ii) Income tax relating to items that will not be reclassified to profit or loss                                |          | 2,86,239                           |
| B (i) Items that will be reclassified to profit or loss  |          |                                    |
| Remeasurement of Investments   |          | -                                  |
| (ii) Income tax relating to items that will be reclassified to profit or loss                                    |          | -                                  |
| Total other comprehensive income net of taxes  |          | (25,64,751)                        |
| <b>Total comprehensive income for the period</b>   |          | <b>(11,32,33,052)</b>              |
| XVI Earnings per equity share:   |          |                                    |
| (1) Basic  |          | (4.60)                             |
| (2) Diluted  |          | (4.60)                             |
| <b>Summary of significant accounting policies</b>  | <b>I</b> |                                    |

The accompanying notes are an integral part of these financial statements

As per our Report of even date

For Ramasamy Koteswara Rao and Co LLP  
Chartered Accountants  
Firm Registration Number :010396S/S200084

Murali Krishna Reddy Telluri  
Partner  
M No. 223022

UDIN: 22223022A9AISC1084  
Place: Hyderabad  
Date : 22-04-2022

For and on behalf of the Board of Tierra Agrotech Limited

Vijay Kumar Deekonda  
Whole Time Director  
DIN:06991627

Sridevi Dasari  
Director  
DIN:07512095



Property, Plant and Equipment

| Description                                 | Land and Building | Office Equipments | Computers     | Laboratory Equipment | Furniture and Fixtures | Plant and Machinery | Software     | Electrical Equipments | Total       |
|---|-------------------|-------------------|---------------|----------------------|------------------------|---------------------|--------------|-----------------------|-------------|
| Gross carrying amount (Cost or deemed Cost) |                   |                   |               |                      |                        |                     |              |                       |             |
| Cost as at 1st April 2021                   | 25,05,160         | 52,26,593         | 46,50,505     | 64,15,570            | 5,90,894               | 83,06,407           | 13,83,826    | 3,37,449              | 2,90,78,954 |
| Additions                                   | -                 | 2,92,989          | 52,001        | -                    | 5,01,087               | 1,23,105            | -            | 3,37,449              | 13,06,631   |
| Disposals                                   | -                 | -                 | -             | -                    | -                      | -                   | -            | -                     | -           |
| Cost as at 31st December, 2021              | 25,05,160         | 55,19,582         | 47,02,506     | 64,15,570            | 10,91,981              | 84,29,512           | 13,83,826    | 3,37,449              | 3,03,85,585 |
| Accumulated Depreciation                    |                   |                   |               |                      |                        |                     |              |                       |             |
| Charge for the year                         | 25,05,160         | 45,32,631         | 41,18,605     | 64,13,785            | 5,32,962               | 29,65,028           | 11,69,656    | 32,329                | 2,27,37,827 |
| Disposals                                   | -                 | 2,77,150          | 3,63,122      | -                    | 36,547                 | 5,70,389            | 2,194        | -                     | 12,81,731   |
| As at 31st December, 2021                   | 25,05,160         | 48,09,781         | 44,81,727     | 64,13,785            | 5,69,509               | 35,35,417           | 11,71,850    | 32,329                | 2,35,19,558 |
| Net Carrying Value                          |                   |                   |               |                      |                        |                     |              |                       |             |
| As at 31st December, 2021                   | (0)               | 7,09,801          | 2,20,778      | 1,785                | 5,22,472               | 48,94,095           | 2,11,976     | 3,05,120              | 68,00,266   |
| As at 31st March, 2021                      | (0)               | 6,93,962          | 5,31,900      | 1,785                | 57,932                 | 53,41,379           | 2,14,170     | -                     | 67,74,335   |
| Intangible Assets                           |                   |                   |               |                      |                        |                     |              |                       |             |
| Description                                 | Seed Development  | Licence Fee       | Plant Variety | Trademarks           | Other Intangible Asset | Goodwill            | Total        |                       |             |
| Gross carrying amount (Cost or deemed Cost) |                   |                   |               |                      |                        |                     |              |                       |             |
| Cost as at 1st April 2021                   | 34,47,35,400      | 66,31,840         | 89,56,200     | 2,12,91,200          | 3,01,39,100            | 11,45,81,833        | 52,63,35,573 |                       |             |
| Additions                                   | -                 | -                 | -             | -                    | -                      | -                   | -            |                       |             |
| Disposals                                   | -                 | -                 | -             | -                    | -                      | -                   | -            |                       |             |
| Cost as at 31st December, 2021              | 34,47,35,400      | 66,31,840         | 89,56,200     | 2,12,91,200          | 3,01,39,100            | 11,45,81,833        | 52,63,35,573 |                       |             |
| Accumulated Depreciation                    |                   |                   |               |                      |                        |                     |              |                       |             |
| Charge for the year                         | -                 | -                 | -             | -                    | 70,907                 | -                   | 70,907       |                       |             |
| Disposals                                   | -                 | -                 | -             | -                    | -                      | -                   | -            |                       |             |
| As at 31st December, 2021                   | -                 | -                 | -             | -                    | 70,907                 | -                   | 70,907       |                       |             |
| Net Carrying Value                          |                   |                   |               |                      |                        |                     |              |                       |             |
| As at 31st December, 2021                   | 34,47,35,400      | 66,31,840         | 89,56,200     | 2,12,91,200          | 3,00,68,193            | 11,45,81,833        | 52,62,64,666 |                       |             |
| As at 31st March, 2021                      | 34,47,35,400      | 66,31,840         | 89,56,200     | 2,12,91,200          | 3,00,68,193            | 11,45,81,833        | 52,62,64,666 |                       |             |

## Statement of Changes in Equity

All the Amt's in INR Unless Specified

## A. Equity

| Particulars                                     | Number             | in Rs.              |
|---|--------------------|---------------------|
| Balance as at 31.03.2021                        | 2,51,55,165        | 25,15,51,650        |
| Changes in equity share capital during the year | -                  | -                   |
| <b>Equity Balance as at 31.12.2021</b>          | <b>2,51,55,165</b> | <b>25,15,51,650</b> |

## B. Other Equity

| Particulars  | Securities Premium Reserve | Retained Earnings     | Other comprehensive Income | Total other equity attributable to Equity holders |
|--|----------------------------|-----------------------|----------------------------|---|
| Closing Balance as at 31.03.2021   | 35,49,25,187               | (4,08,85,738)         | 23,83,189                  | 31,64,22,638                                      |
| Securities Premium received during the year                                  | -                          | -                     | -                          | -   |
| <b>Profit for the Year</b>   | -                          | (11,57,97,803)        | -                          | (11,57,97,803)                                    |
| Other Comprehensive income   | -                          | -                     | 28,50,990                  | 28,50,990   |
| Income tax relating to items that will not be reclassified to profit or loss | -                          | -                     | (2,86,239)                 | (2,86,239)  |
| <b>Closing balance as at 31.12.2021</b>                                      | <b>35,49,25,187</b>        | <b>(15,66,83,541)</b> | <b>49,47,940</b>           | <b>20,31,89,586</b>                               |

The accompanying notes are an integral part of these financial statements

As per our Report of even date  
For Ramasamy Koteswara Rao and Co LLP

Chartered Accountants

Firm Registration Number :010396S/S200084

Murali Krishna Reddy Telluri  
Partner  
M No. 223022

UDIN: 22223022ATAISC1084

Place: Hyderabad  
Date : 22-04-2022

For and on behalf of the Board of Tierra Agrotech Limited

Vijay Kumar Deckonda  
Whole Time Director  
DIN:06991627Sridevi Dasari  
Director  
DIN:07512095



| <b>Note 10</b>                                 |                         |                     |
|--|-------------------------|---------------------|
| <b>Share Capital</b>                           |                         |                     |
| <b>Particulars</b>                             | <b>AS at 31.12.2021</b> |                     |
|  | <b>Number</b>           | <b>Amount (Rs.)</b> |
| <b><u>Authorised</u></b>                       |                         |                     |
| Equity Shares of Rs.10/- each                  | 4,71,50,000             | 47,15,00,000        |
| <b><u>Issued</u></b>                           |                         |                     |
| Equity Shares of Rs.10/- each fully paid       | 2,51,55,165             | 25,15,51,650        |
| <b><u>Subscribed &amp; Paid up</u></b>         |                         |                     |
| Equity Shares of Rs.10/- each fully paid       | 2,51,55,165             | 25,15,51,650        |
| <b><u>Subscribed but not fully Paid up</u></b> |                         |                     |
| Equity Shares of Rs.10/- each fully paid       | -                       | -                   |
| <b>Total</b>                                   | <b>2,51,55,165</b>      | <b>25,15,51,650</b> |

**Reconciliation of number of shares outstanding for the period**

| <b>Particulars</b>                               | <b>AS at 31.12.2021</b> |                     |
|--|-------------------------|---------------------|
|  | <b>Number</b>           | <b>INR</b>          |
| Equity Shares                                    |                         |                     |
| Shares outstanding at the beginning of the year  | 2,51,55,165             | 25,15,51,650        |
| Shares Issued during the year                    |                         | -                   |
| Shares bought back during the year               |                         |                     |
| <b>Shares outstanding at the end of the year</b> | <b>2,51,55,165</b>      | <b>25,15,51,650</b> |

**Particulars of Share Holders Holding more than 5% shares during the period**

| <b>Name of Shareholder</b>                  | <b>AS at 31.12.2021</b>   |                     |
|---|---------------------------|---------------------|
|   | <b>No. of Shares held</b> | <b>% of Holding</b> |
| Vishwehwar Rao.K                            | 20,05,750                 | 7.97%               |
| KRG Polychem Private Limited                | 18,75,000                 | 7.45%               |
| Adhbutam Business Solutions Private Limited | 23,00,000                 | 9.14%               |
| <b>Total</b>                                | <b>61,80,750</b>          | <b>24.57%</b>       |

**Note-A**

i. 7,50,000 Equity Shares of Rs. 20/- each(including the premium of Rs.10/- each) consequent to the conversion of 1,50,000, 6% Compulsary Convertible Debentures("CCDs") having face value of Rs.100 each to Challa Srishanth on 10-04-2018.

ii. 22,50,000 Equity Shares of Rs. 20/- each(including the premium of Rs.10/- each) consequent to the conversion of 4,50,000, 6% Compulsary Convertible Debentures("CCDs") having face value of Rs.100 each to Challa Srishanth on 07-05-2018.

iii.67,00,000 Equity Shares of Rs. 10/- each of the company at an issue price of Rs.40/- (including Premium of Rs.30/-) per equity share on 05-05-2018 on Private Placement Basis

| Note 3<br>Investment  |                  |
|---|------------------|
| Particulars   | As at 31.12.2021 |
| <b>Financial Assets: Investments - non-current</b>                        |                  |
| <b>Unquoted</b>   |                  |
| Investment carried at cost  |                  |
| Investment in equity instruments  |                  |
| Investment carried at cost  |                  |
| Investment in equity instruments of<br>Joint Venture                      | -0               |
| Tierra Seed Science Private Limited<br>(9,80,000 Shares of Rs. 10/- each) | -                |
| <b>Total Non Current Investments</b>                                      | <b>-0</b>        |
| <b>Financial Assets: Investments - current</b>                            |                  |
| <b>Quoted</b>   |                  |
| Investment carried at fair value through profit or loss                   |                  |
| Equity Instruments  | 85,29,834        |
| <b>Total Current Investments</b>  | <b>85,29,834</b> |
| <b>Total Investments</b>  | <b>85,29,834</b> |

| Note 4<br>Other financial assets - non-current |                    |
|--|--------------------|
| Particulars                                    | As at 31.12.2021   |
| <b>Measured at Cost</b>                        |                    |
| Security Deposits                              | 46,34,080          |
| Advances Recoverable in cash or kind           | -                  |
| <b>Unsecured Loans to Related Parties</b>      |                    |
| Tidas Agrotech Private Limited                 | 32,34,333          |
| Tierra Seed Science Pvt Ltd - Loan A/c         | -                  |
| Xylem Seeds Private Limited-New                | -                  |
| Fixed Deposits More than 3 Months              | 3,28,14,842        |
| Other Loans and advances                       | 96,42,833          |
| <b>Total</b>                                   | <b>5,03,26,088</b> |

| Note 5<br>Financial Assets - current: Inventories |                     |
|---|---------------------|
| Particulars                                       | As at 31.12.2021    |
| Packing Material                                  | 2,02,89,121         |
| Finished Goods                                    | 41,36,53,449        |
| <b>Total</b>                                      | <b>43,39,42,570</b> |

| Note 6<br>Financial Assets - current: Trade receivables |                     |
|---|---------------------|
| Particulars   | As at 31.12.2021    |
| <b>Unsecured</b>  |                     |
| Considered Good   | 12,68,74,242        |
| <b>Total</b>  | <b>12,68,74,242</b> |

**Note 7****Financial Assets - current: Loans**

| <b>Particulars</b>        | <b>As at 31.12.2021</b> |
|---------------------------|-------------------------|
| Inter- corporate deposits | -                       |
| <b>Total</b>              | <b>-</b>                |

**Note 8****Cash and cash equivalents**

| <b>Particulars</b>        | <b>As at 31.12.2021</b> |
|---------------------------|-------------------------|
| Cash in Hand              | -                       |
| Cash at Bank:             | -                       |
| In Current Account        | 27,13,319               |
| In Fixed Deposit Accounts | -                       |
| <b>Total</b>              | <b>27,13,319</b>        |

**Note 9****Other Current Assets**

| <b>Particulars</b>                | <b>As at 31.12.2021</b> |
|-----------------------------------|-------------------------|
| Balances with Revenue Authorities | 28,41,596               |
| Capital Advances                  | 1,14,51,188             |
| Advances to Suppliers             | 30,05,942               |
| Prepaid Expenses                  | 7,48,896                |
| Interest Receivable               | 9,48,276                |
| Other Advances                    | 1,39,97,032             |
| Other Current Assets              | -                       |
| Mat Credit Entitlement            | 46,72,141               |
| <b>Total</b>                      | <b>3,76,65,072</b>      |

| <b>Note 11</b>   |                             |
|--|-----------------------------|
| <b>Financial Liabilities: Borrowings - non-current</b> |                             |
| <b>Particulars</b>                                     | <b>As at<br/>31.12.2021</b> |
| <b>Secured</b>   |                             |
| Redeemable Non Convertible Debentures                  |                             |
| -- 6%, Debentures<br>(See Note i)                      | -                           |
| -- 6%, Debentures<br>(See Note ii)                     | -                           |
| -- 10%, Debentures<br>(See Note iii)                   | -                           |
| <b>Total</b>   | <b>-</b>                    |
| <b>Note 12</b>   |                             |
| <b>Non Current Liabilities: Provisions</b>             |                             |
| <b>Particulars</b>                                     | <b>As at<br/>31.12.2021</b> |
| Provision for Gratuity                                 | 35,81,179                   |
| Provision For Leave Encashment                         | 43,64,567                   |
| <b>Total</b>   | <b>79,45,746</b>            |
| <b>Note 13</b>   |                             |
| <b>Other Non Current Liabilities</b>                   |                             |
| <b>Particulars</b>                                     | <b>As at<br/>31.12.2021</b> |
| Unsecured Loans from Related Parties                   | -                           |
| Security Deposit                                       | 3,52,98,077                 |
| <b>Total</b>   | <b>3,52,98,077</b>          |
| <b>Note 14</b>   |                             |
| <b>Financial Liabilities: Borrowings - current</b>     |                             |
| <b>Particulars</b>                                     | <b>As at<br/>31.12.2021</b> |
| <b>Secured</b>   |                             |
| From Bank  | 40,27,68,489                |
| From NBFC  | 35,91,08,623                |
| <b>Unsecured</b>                                       |                             |
| Inter Corporate Deposits                               | -                           |
| Other Loan payable on demand                           | 9,89,36,220                 |
| <b>Total</b>   | <b>86,08,13,332</b>         |

**Note 15**

**Financial liabilities - current: Trade payables**

| Particulars  | As at<br>31.12.2021 |
|--|---------------------|
| Outstanding dues to micro enterprises and small enterprises                      | -                   |
| Outstanding dues to creditors other than micro enterprises and small enterprises | 8,16,53,147         |
| <b>Total</b>   | <b>8,16,53,147</b>  |

**Note 16**

**Other Financial Liabilities**

| Particulars                    | As at<br>31.12.2021 |
|--------------------------------|---------------------|
| Other Expenses Payables        | 98,71,205           |
| Advance From Customers         | 4,76,44,066         |
| Interest accrued on debentures | -                   |
| Interest Payable on Borrowings | 71,92,400           |
| Statutory Liabilities          | 46,77,498           |
| Other Current Deposit          | 63,89,500           |
| <b>Total</b>                   | <b>7,57,74,669</b>  |

**Note No 17**

**Short-term Provisions**

| Particulars                            | As at<br>31.12.2021 |
|--|---------------------|
| Provision for employee benefits        | 81,02,604           |
| Other Provisions                       | 65,516              |
| Provision for Discounts                | 2,39,72,140         |
| Provision for Audit Fees               | 13,23,748           |
| Provision for professional fee Payable | 7,73,500            |
| Provision for Interest                 | -                   |
| Provision for income tax               | 7,53,004            |
| <b>Total</b>                           | <b>3,49,90,512</b>  |

| <b>Notes forming part of Consolidated Financial statements</b>          |                             |
|---|-----------------------------|
| All the Amt's in INR Unless Specified                                   |                             |
| <b>Note 18</b>  |                             |
| <b>Revenue from Operations</b>  |                             |
| <b>Particulars</b>  | <b>As at<br/>31.12.2021</b> |
| Sale of Products  | 43,36,28,627                |
| Sale of Services  | -                           |
| <b>Total</b>  | <b>43,36,28,627</b>         |
| <b>Note 19</b>  |                             |
| <b>Other Incomes</b>  |                             |
| <b>Particulars</b>  | <b>As at<br/>31.12.2021</b> |
| Interest Income   | 11,80,547                   |
| Profit on Redemption of Debt Mutual Fund                                | -                           |
| Net gain on Investment designated at fair value through profit and loss | -                           |
| Rent Received   | -                           |
| Interest on IT refund   | -                           |
| Dividend income from Shares   | -                           |
| Other Misc Incomes  | 5,34,965                    |
| <b>Total</b>  | <b>17,15,512</b>            |
| <b>Note 20</b>  |                             |
| <b>Purchases of Stock-in-Trade</b>                                      |                             |
| <b>Particulars</b>  | <b>As At<br/>31.12.2021</b> |
| Purchases during the year   | 14,51,83,901                |
| Logistic & Production Expenses  | 2,50,77,233                 |
| <b>Total</b>  | <b>17,02,61,134</b>         |
| <b>Note 21</b>  |                             |
| <b>Changes in Inventories</b>   |                             |
| <b>Particulars</b>  | <b>As at<br/>31.12.2021</b> |
| <b>Opening Stock:</b>   |                             |
| Packing Material  | 1,95,31,157                 |
| Finished Goods  | 55,51,88,335                |
| <b>Closing Stock</b>  |                             |
| Packing Material  | 2,02,89,121                 |
| Finished Goods  | 41,36,53,449                |
| <b>Total</b>  | <b>14,07,76,922</b>         |

| <b>Notes forming part of Consolidated Financial statements</b> |                             |
|--|-----------------------------|
| All the Amt's in INR Unless Specified                          |                             |
| <b>Note 22</b>   |                             |
| <b>Employee Benefit Expenses</b>                               |                             |
| <b>Particulars</b>   | <b>As at<br/>31.12.2021</b> |
| Salaries, Wages & Bonus  | 9,19,76,630                 |
| Director Remuneration  | 9,20,000                    |
| Remuneration to Company Secretary                              | 3,09,027                    |
| Staff welfare expenses   | 2,41,952                    |
| Insurance  | 5,42,199                    |
| Leave encashment   | 26,81,034                   |
| Contribution to PF and ESIC                                    | 63,98,535                   |
| Gratuity   | 19,49,876                   |
| <b>Total</b>   | <b>10,50,19,252</b>         |
| <b>Note 23</b>   |                             |
| <b>Finance Cost</b>  |                             |
| <b>Particulars</b>   | <b>As at<br/>31.12.2021</b> |
| Interest Paid on Debentures                                    | -                           |
| Interest on Loan from banks                                    | 5,76,08,041                 |
| Loan Processing charges  | 2,72,875                    |
| Interest Paid to Others  | 53,37,423                   |
| <b>Total</b>   | <b>6,32,18,339</b>          |
| <b>Note 24</b>   |                             |
| <b>Other Expenses</b>  |                             |
| <b>Particulars</b>   | <b>As at<br/>31.12.2021</b> |
| R & D Expenses   | 3,29,47,775                 |
| Sales & Marketing Expenses                                     | 42,74,592                   |
| Travelling Expenses  | 1,97,42,342                 |
| Field Assistant Expenses                                       | 90,05,002                   |
| Listing Expenses   | 3,54,000                    |
| Professional Charges   | 71,44,596                   |
| Director Sitting Fee   | 3,55,000                    |
| Rent   | 24,62,874                   |
| Rates and Taxes  | 40,78,394                   |
| Other Administration Expenses                                  | 32,42,908                   |
| Office Expenses  | 13,78,746                   |
| <b>Payment to Auditors</b>                                     | -                           |
| a) Audit Fee   | 7,69,500                    |
| b) for Other Services  | -                           |
| <b>Total</b>   | <b>8,57,55,729</b>          |

**Corporate information**

"Tierra Agrotech Limited ('the company') (formerly known as Tierra Agrotech Private Limited) is in the business of is in the business of Seed Research , Production, Processing and Marketing of Seeds and related products. The Company was incorporated on 13th September 2013 in Hyderabad. The National Company Law Tribunal Bench at Hyderabad vide order dated 12.11.2021 sanctioned the scheme of amalgamation of Grandeur Products Limited (Holding Company - Transferor Company) with Tierra Agrotech Private Limited (Subsidiary Company - Transferee Company) with effect from the appointed date i.e., 01.04.2021 and consequent to the amalgamation and upon scheme becoming effective, the name of the Company has been changed from Tierra Agrotech Private Limited to Tierra Agrotech Limited. The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

**1 Significant Accounting Policies**

**1.1 Basis of preparation of financial statements**

These financial statements have been prepared in accordance Indian Accounting Standards (Ind As) according to the notification issued by the Ministry of Corporate Affairs under section 133 of the Companies Act, 2013 ('the act') read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 with effect from April 1, 2017. The Restated Consolidated Financial Statements for the period ended 31-12-2021 are prepared consequent to the amalgamation of Grandeur Products Limited (Holding Company - Transferor Company) with Tierra Agrotech Private Limited (Subsidiary Company - Transferee Company) with effect from the appointed date i.e., 01.04.2021.

**1.2 Use of Accounting Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial Statements, the reported amount of revenues and expenses during the reported period and disclosure of contingent liabilities. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

**1.3 Revenue recognition**

**Sale of goods:**

Effective April 1, 2018, the company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The company has adopted Ind AS 115 using the cumulative catchup method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated i.e. the comparative information continues to be reported under Ind AS 18. The impact of adoption of the standard on the financial statements of the Company is insignificant.

Revenue is recognized when the company satisfies a performance obligation by transferring a promised good or service to its customers. The company considers the terms of the contract and its customary business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives / discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

**Interest Income:**

Interest Income is recognised on an accrual basis.

**1.4 Property, plant and equipment & Capital work-in-progress**

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

Capital work-in-progress comprises the cost of the fixed assets that are not yet ready for their intended use at the balance sheet date.

**1.5 Depreciation and Goodwill**

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The useful lives of assets are periodically reviewed and re-determined and the unamortised depreciable amount is charged over the remaining useful life of such assets. Assets costing Rs. 5,000/- and below are depreciated over a period of one year

**1.6 Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment if any. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

During the year the company has not provided any amount amortization of intangible assets.

The estimated useful lives of intangible asset is as follows:

| Type of Asset    | Useful life |
|------------------|-------------|
| Intangible Asset | 10 Years    |



**Tierra Agrotech Limited**

**Notes forming part of the Restated Consolidated Financial Statements for the year ended 31-12-2021.**

|      |   |
|------|---|
| 1.7  | <p><b>Inventories</b><br/>Inventories comprise of Unprocessed seeds, Processed Seeds, and traded goods. Inventories are valued at the lower of cost or the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost is determined on Average basis. Cost includes all charges in bringing the goods to their present location and condition and receiving charges. The inventories is valued at, Cost or NRV whichever is lower.</p>  |
| 1.8  | <p><b>Foreign Currency Transactions</b><br/>The company translates all foreign currency transactions at Exchange Rates prevailing on the date of transactions. Exchange rate differences resulting from foreign exchange transactions settled during the year are recognized as income or expenses in the period in which they arise.<br/>Monetary current assets and monetary current liabilities that are denominated in foreign currency are translated at the exchange rate prevalent at the date of the balance sheet. The resulting difference is also recorded in the profit and loss account.</p>   |
| 1.9  | <p><b>Taxes on Income</b><br/>Income tax comprises current income tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.<br/>a) Current income tax: Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company off sets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.<br/>b) Deferred tax: Deferred tax asset and liabilities are measured at the tax rates that are expected to apply to the period when the asset / liability is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred Tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.</p>   |
| 1.10 | <p><b>Earning Per Share (EPS)</b><br/>In determining earnings per share, the company considers the net profit after tax expense. The number of shares used in computing basic earnings per share is the weighted average shares used in outstanding during the period.</p>  |
| 1.11 | <p><b>Investments</b><br/>Long term unquoted investments are stated at cost &amp; all other investments are carried at lower of cost or fair value.</p>   |
| 1.12 | <p><b>Impairment of non-financial assets</b><br/>The Company assess at each reporting date whether there is any indication that the carrying amount from non financial assets may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated and an impairment loss is recognised if the carrying amount of an asset or Cash generating unit (CGU) exceeds its estimated recoverable amount in the statement of profit and loss.<br/>Goodwill is tested annually for impairment. For the purpose of impairment testing, goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.</p>  |
| 1.13 | <p><b>Provisions and Contingent Liabilities</b><br/>A Provision is recognized if, as a result of past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the present obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.</p>  |
| 1.14 | <p><b>Financial Instruments</b><br/>A financial instrument is any contract that give rise to a financial asset of one entity and a financial liability or equity of another entity.</p> <p><b>Initial Recognition</b><br/>Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.</p> <p><b>Subsequent Measurement</b><br/><b>Financial assets at fair value through other comprehensive income</b><br/>Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved both by collecting contractual cash flows on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding and selling financial assets.</p> <p><b>Financial assets at fair value through Profit and Loss</b><br/>Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs that are directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.</p> <p><b>Financial liabilities</b><br/>Financial liabilities are classified as measured at amortised cost or Fair Value Through Profit and Loss Account (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.</p> <p><b>Investment in Subsidiaries</b><br/>Investment in Subsidiaries is carried at cost</p> <p><b>De-recognition</b><br/>The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition as per Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.</p> <p><b>Cash and cash equivalents</b><br/>Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above are considered an integral part of the Company's cash management.</p> |

**Tierra Agrotech Limited**

Notes forming part of the Restated Consolidated Financial Statements for the year ended 31-12-2021.

**1.15 Cash flow statement**  
Cash flow statement not prepared for restated consolidated financial statements for the period ended 31-12-2021 as the same is prepared to give effect to the scheme of amalgamation.

**1.16 Earning per share**

| Particulars                   | for 9 Months ended<br>31-12-2021 |
|-------------------------------|----------------------------------|
| Profit (Loss) for the year    | (11,57,97,803)                   |
| No. of Equity shares          | 2,51,55,165                      |
| Weighted average no of shares | 2,51,55,165                      |
| Basic earning per share       | (4.60)                           |
| Diluted earning per share     | (4.60)                           |

**1.17 Disclosure of Related Party Transactions for year ended 31st December, 2021**

**A. Names of related parties and related party relationships:**

| Sr. No. | Name of the Related Party           | Relationship                  |
|---------|-------------------------------------|-------------------------------|
| 1       | Tierra Seed Science Private Limited | Subsidiary of holding company |
| 2       | Tidas Agrotech Private Limited      | Joint Venture                 |
| 3       | Vijay Kumar Deekonda                | Director                      |
| 4       | Sridevi Dasari                      | Director                      |
| 5       | Srinivasa Rao Paturi                | Director                      |
| 6       | Suryanarayana Simhadri              | Director                      |
| 7       | Bandi Mohan Krishna                 | Director                      |
| 8       | Venkata Krishna Rau Gogineni        | Director                      |

The accompanying notes are an integral part of these financial statements

As per our Report of even date

For Ramasamy Koteswara Rao and Co LLP  
Chartered Accountants  
Firm Registration Number :010396S/S200084

*Melli*  
Murali Krishna Reddy Telluri  
Partner



M No. 223022  
**UDIN: 22223022AJAISC1084**  
Place: Hyderabad  
Date : 22.04.2022

For Tierra Agrotech Limited

*Vijay Kumar Deekonda*  
Vijay Kumar Deekonda  
Whole Time Director  
DIN:06991627

*Sridevi Dasari*  
Sridevi Dasari  
Director  
DIN:07512095

