

**TIERRA
STANDALONE**

Financials for
FY 2016-17

INDEPENDENT AUDITOR'S REPORT

To The Members of
Tierra Enviro Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Tierra Enviro Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement, and a summary of the significant accounting policies and other explanatory information for the year then ended.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in



"Annexure B"; and

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 17 to the financial statements.

For Luthra & Luthra
Chartered Accountants

FRN: 002081N



Naresh Agrawal
Partner

M.No: 504922



Place: New Delhi

Date: May 17, 2017

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2017

1.
 - a. The Company is generally maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. As per the information and explanations given to us, fixed assets have been physically verified by the Management at reasonable intervals, and no discrepancy was noticed.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of immovable properties is held in the name of the company.
2. As the company does not hold any inventory, clause 3(ii) of the order is not applicable to the Company.
3. The Company has granted loans to Companies covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act')
 - a) In our opinion terms and conditions on which the loans had been granted to the bodies corporate listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
 - b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the principal and interest as stipulated.
 - c) There are no overdue amounts in respect of the loan granted to a body corporate listed in the register maintained under section 189 of the Act.
4. In our opinion and according to the information and explanations given to us, the Company has not given loan/investment/guarantee/security to any parties covered u/s 185 of the Companies Act, 2013 and as the Company is an infrastructure Company, Section 186 of the Companies Act, 2013 is not applicable to it.
5. According to the information and explanations given to us the company has not accepted deposits.
6. According to the information and explanation given to us, the Company is not required to be maintained cost records u/s 148(1) of the Companies Act, 2013.
7.
 - a. According to the information and explanations given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities during the year. There were no undisputed amounts payable on account of the above dues in arrears as at March 31, 2017 for a period of more than six months from the date they became payable



- b. According to the information and explanation given to us, there is no due on account of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of dispute.
8. As per the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowing to banks and financial institutions during the year.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Term loan taken during the year have been applied for the purpose for which it was raised.
10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid/provided for managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. According to the information and explanation given to us and based on the legal opinion, the Company being an Industrial Company, provisions of section 45-IA of the Reserve Bank of India Act 1934 is not applicable to it. Accordingly, paragraph 3(xvi) of the Order is not applicable.

Place: New Delhi
Date: May 17, 2017

For Luthra & Luthra
Chartered Accountants
FRN: 002081N


Naresh Agrawal
Partner
M.No: 504922



Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of Tierra Enviro Limited ("the Company") as of 31st March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, 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.

Place: New Delhi
Date: May 17, 2017

For Luthra & Luthra
Chartered Accountants
FRN: 002081N



Naresh Agrawal
Partner
M.No: 504922

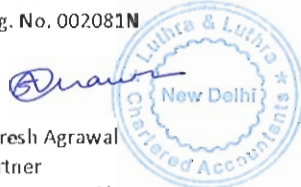


Tierra Enviro Limited
Balance Sheet as at March 31, 2017

Particulars	Note No.	As at March 31, 2017 (Rupees)	As at March 31, 2016 (Rupees)
I EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	45,004,370	45,004,370
Reserves and surplus	4	(2,417,463)	(4,120,517)
Non-Current liabilities			
Long Term Borrowings	5	74,000,000	350,000,000
Trade Payable			
- Total Outstanding dues of micro enterprises and small enterprises		-	-
- Total Outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Current liabilities			
Short Term Borrowings	6	1,853,711,490	2,010,000,000
Other Current Liabilities	7	86,491,981	85,705,275
Short Term Provision		-	-
Total		2,056,790,378	2,486,589,128
II ASSETS			
Non - current assets			
Fixed assets (Net)			
Tangible Assets	8(a)	36,587,948	36,971,933
Capital work-in-progress	8(b)	15,769,548	13,559,160
Long Term Loans & Advances	9	207,228,283	1,509,005,439
Current assets			
Cash and cash equivalents	10	45,637,949	16,571,858
Short term loan and advances	11	1,656,526,892	850,000,000
Other Current Asset	12	95,039,758	60,480,738
Total		2,056,790,378	2,486,589,128
Summary of significant accounting policy	2		

Notes 1 to 20 forms part of the financial Statements
As per our report on even date attached

For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N



Naresh Agrawal
Partner
(M.No.504922)

Place : New Delhi
Date: May 17, 2017

For and on behalf of the Board

Debashish Tripathy
Director
DIN: 02402795

Suresh Chandra Dangayach
Director
DIN: 00643559

Place : New Delhi
Date: May 17, 2017

Tierra Enviro Limited
Statement of Profit and Loss for the Year Ended March 31, 2017

Particulars	Note No.	Year ended March 31, 2017 (Rupees)	Year ended March 31, 2016 (Rupees)
INCOME			
Other Income	13	380,172,620	86,511,638
Total Revenue		380,172,620	86,511,638
EXPENSES			
Finance Cost	14	374,969,350	85,193,972
Depreciation and amortisation expenses	8	383,985	390,330
Other expenses	15	1,679,726	146,815
Total Expenses		377,033,061	85,731,116
Profit before tax		3,139,559	780,522
Tax Expense		1,088,775	148,728
Tax Expense related to previous Year		347,730	-
MAT Credit Entitlement		-	(148,728)
Profit after Tax		1,703,054	780,522
Earnings per equity share:	16		
Basic & Diluted		0.70	0.17
Summary of significant accounting policy	2		

Notes 1 to 20 forms part of the financial Statements
As per our report on even date attached

For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N



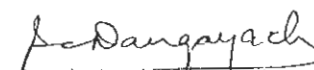
Naresh Agrawal
Partner
(M.No.504922)

Place : New Delhi
Date: May 17, 2017

For and on behalf of the Board


Debashish Tripathy
Director
DIN: 02402795

Place : New Delhi
Date: May 17, 2017



Suresh Chandra Dangayach
Director
DIN: 00643559

Tierra Enviro Limited
Cash Flow Statement for the Year Ended March 31, 2017

Particulars	For the Year ended March 31, 2017 (Rupees)	For the Year ended March 31, 2016 (Rupees)
CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT/(LOSS) BEFORE TAX	3,139,559	780,522
Adjustments for:		
Interest Income	(380,172,620)	(86,511,638)
Interest Expense	374,969,350	85,193,972
Depreciation and amortisation expenses	383,985	390,330
	(1,679,726)	(146,814)
Adjustments for changes in:		
Decrease/(Increase) in Other Current, Other Non-current Assets & Trade Receivables	-	(148,728)
(Decrease)/Increase in Other Current, Other Non-current Liabilities & Trade Payables	(13,561,368)	7,467,971
Cash Flow from Operating Activities	(15,241,094)	7,172,429
Payment of Taxes	(29,659,349)	(8,519,477)
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	(44,900,443)	(1,347,048)
CASH FLOW FROM INVESTING ACTIVITIES		
Loan to related parties	(3,211,501,977)	(2,350,000,000)
Repayment of loan Received Back	3,734,975,085	-
Purchase of Fixed Assets & CWIP	(2,710,388)	(678,562)
Interest Received	345,613,600	26,030,900
NET CASH FROM (USED IN) INVESTING ACTIVITIES	866,876,320	(2,324,647,662)
CASH FROM FINANCING ACTIVITIES		
Short term borrowing	1,734,000,000	2,010,000,000
Repayment of Loan	(2,166,288,510)	-
Proceeds from Long Term Borrowings	-	350,000,000
Interest Paid	(360,621,276)	(17,774,397)
NET CASH FROM/(USED IN) FINANCING ACTIVITIES	(792,909,786)	2,342,225,603
Net Increase(decrease) in Cash and Cash Equivalents	29,066,091	16,230,893
Cash and Cash Equivalent at the beginning of the year	16,571,858	340,965
Cash and Cash Equivalent at the end of the year (note no. 10)	45,637,949	16,571,858
	29,066,091	16,230,893

Notes 1 to 20 forms part of the financial Statements
As per our report on even date attached

For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N

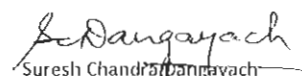

Naresh Agrawal
Partner
(M.No.504922)



Place : New Delhi
Date: **May 17, 2017**

For and on behalf of the Board


Debashish Tripathy
Director
DIN: 02402795


Suresh Chandrangayach
Director
DIN: 00643559

Place : New Delhi
Date: **May 17, 2017**

Note No. 1 - Background

Tierra Enviro Limited (TEL) was incorporated on November 23, 2010 as Private Limited Company and has been converted into Public Limited Company during previous year. TEPL is engaged in the business of electronic waste management and is currently working to establish facility in Alwar, Rajasthan.

Note No. 2 - Significant Accounting Policies

I Basis of preparation of Financial Statements

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India, and accounting standards as per section 133 of the companies act 2013 read with rule 7 of companies (accounts) rules 2014.

All incomes and expenditures having a material bearing on the financial statements are recognised on accrual basis.

II Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions considered in the reported amounts of the assets and liabilities as of the date of the financial statements, Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates.

III Revenue recognition

Interest income is accrued evenly over the period of the instrument.

IV Fixed Assets and Depreciation/Amortisation

a Fixed assets:

Fixed assets acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition cost includes the purchase price (excluding refundable taxes) and expenses, such as delivery and handling costs, installation, legal services and consultancy services, directly attributable to bringing the asset to the site and in working condition for its intended use.

b Depreciation:

Leasehold Land is amortised over the lease period.

Depreciation on Intangible Asset i.e. Trade Marks provided on Straight Line Method (SLM) basis over the useful life of 5 years. (till previous year -4 years)

c Impairment of assets

The carrying values of assets of the Company's cash-generating units are reviewed for impairment annually or more often if there is an indication of decline in value. If any indication of such impairment exists, the recoverable amounts of those assets are estimated and impairment loss is recognised, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the estimated future cash flows to their present value based on appropriate discount factor.



V Foreign Currency Transactions

a. Transactions in foreign currencies are translated to the reporting currency based on the exchange rate on the date of the transaction. Exchange difference arising on settlement thereof during the year is recognised as income or expenses in the Profit and Loss Account.

b. Monetary items denominated in foreign currency outstanding as at the year-end are valued at closing date rates, and unrealised translation differences are included in the statement of Profit and loss.

VI Employee Benefits

Short term employee benefits are recognised as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the Company.

VII Taxes on Income

a. Taxes include taxes on income, adjustment attributable to earlier periods and changes in deferred taxes. Taxes are determined in accordance with enacted tax regulations and tax rates in force and in the case of deferred taxes at rates that have been substantively enacted.

b. Deferred tax is calculated to correspond to the tax effect arising when final tax is determined. Deferred tax corresponds to the net effect of tax on all timing differences, which occur as a result of items being allowed for income tax purposes during a period different from when they are recognised in the financial statements.

c. Deferred tax assets are recognised with regard to all deductible timing differences to the extent that it is probable that taxable profit will be available against which deductible timing differences can be utilised. When the company's carry forward unused tax losses and unabsorbed depreciation, deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which deferred tax assets can be realised.

d. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced by the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or a part of the aggregate deferred tax asset to be utilised.

VIII Provisions, Contingent Liabilities and Contingent Assets

a. A provision is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

b. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on best estimates required to settle the obligation at the Balance Sheet date.

c. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

d. Contingent liabilities are not recognised but are disclosed in the notes to the financial statement.

e. A contingent asset is neither recognised nor disclosed.



IX Segment Reporting

a. Segment revenues, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the Segment.

b. Revenue, expenses, assets and liabilities, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, are included under "Unallocated Revenue/Expenses/Assets/Liabilities".

X Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Where funds are temporarily invested pending their expenditures on the qualifying asset, any such investment income, earned on such fund is deducted from the borrowing cost incurred.

All other borrowing costs are recognised as finance charges in the income statement in the period in which they are incurred.

XI Leases

Finance leases which effectively transfer to the company substantial risks and benefits incidental to ownership of the leased item, are capitalized and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on the straight line basis over the lease term.

XII Earnings Per Share

a. Basic earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares in issue during the year.

b. Diluted earnings per share is calculated by dividing the net profit after tax for the year attributable to equity shareholders of the company by the weighted average number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive securities.

XIII Cash and Cash Equivalents

Cash and bank balances, and current investments that have insignificant risk of change in value and original duration of up to three months, are included in the Company's cash and cash equivalents in the Cash Flow Statement.

XIV Cash Flow Statement

The Cash Flow Statement is prepared in accordance with the "Indirect Method" as explained in the Accounting Standard (AS) 3 on "Cash Flow Statement".

XV Preliminary expenditure

Preliminary expenditure has been written off as and when incurred.



Note No. 3 - Share Capital

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number	Rupees	Number	Rupees
Authorised				
Equity Shares of Rs. 10/- each	5,000,000	50,000,000	5,000,000	50,000,000
	-	-	-	-
	5,000,000	50,000,000	5,000,000	50,000,000
Issued, Subscribed and Paid up				
Equity Shares of Rs. 10/- each fully paid up (Refer foot notes (a), (b) & (c) below)	4,500,437	45,004,370	4,500,437	45,004,370
Total	4,500,437	45,004,370	4,500,437	45,004,370

Footnotes:

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2017		As at March 31, 2016	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	4,500,437	45,004,370	4,500,437	45,004,370
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,500,437	45,004,370	4,500,437	45,004,370

(b) Shares held by Holding Company

45,00,437 Equity Shares (Previous year 45,00,437) are held by IL&FS Environmental Infrastructure and Services Ltd, the holding company.

(c) Shareholder holding more than 5 percent shares:

Particulars	Equity Shares		Equity Shares	
	As at March 31, 2017		As at March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
IL&FS Environmental Infrastructure and Services Ltd	4,500,437	100%	4,500,437	100.00%

(d) The company has only one class of ordinary equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. Each holder of these ordinary shares are entitled to receive dividends as and when declared by the company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportionate to the number of equity shares held by the shareholders.



Note No. 4 - Reserves and Surplus

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Surplus/(deficit) in Statement of Profit and Loss		
Opening Balance	(4,120,517)	(4,901,039)
Net profit/(Loss) for the year	1,703,054	780,522
Total	(2,417,463)	(4,120,517)

Note No. 5 Long Term Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Secured Loans		
Term Loan from bank (refer footnote 1)	-	350,000,000
Term Loan From Related Party (refer footnote 2)	74,000,000	-
	74,000,000	350,000,000

1. Term loan from Banks is secured by First Parri-Passu charge on on moveable fixed assets and current assets of the company (both present & future). During the year the Company has repaid full amount.
2. Term Loan of Rs. 74,000,000 from its related party carries interest @ 16.50% and is repayable after after completion of 36 Months from the date of first disbursement i.e January 11, 2020.

Note No. 6 Short Term Borrowings

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Secured		
From related party (refer footnote)	1,787,711,490	2,000,000,000
Unsecured		
From related party	66,000,000	10,000,000
Total	1,853,711,490	2,010,000,000

1. Short term Borrowing together with all principal, interest, liquidated damages, fee costs, charges, expenses and other monies and all other amounts stipulated and payable to the lenders is secured by first charge by way of hypothecation on the entire current assets of the company including but not limited to book debts, operating cash flow, receivables, loan & advances, deposit, commissions, revenue of whatsoever nature and wherever arising both present and future.



Note No. 7 Other Current Liabilities

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Statutory dues	4,289,874	7,676,427
Interest Accrued but not due on loan-Related party	68,648,200	67,318,890
Interest Accrued and due on loan-Related party	13,119,449	-
Interest Accrued and due on loan-Banks	-	100,685
Advance Interest received from related party	213,596	-
Expenses payable		
- To Related party	1,764	10,429,085
- To Others	219,098	180,188
Total	86,491,981	85,705,275



Tierra Enviro Limited

Notes to Financial Statement for the year ended March 31, 2017

Note No. 8- Fixed Assets

(Rupees)

Particulars	Gross Block			Accumulated Depreciation		Net Block	
	As at April 1, 2016	Additions	Deletions	As at March 31, 2017	Depreciation charge for the year	As at March 31, 2017	As At March 31, 2016
(a) Tangible Assets							
Leasehold Land	37,553,164	-	-	37,563,164	383,985	975,216	36,971,933
Total	37,553,164	-	-	37,563,164	383,985	975,217	36,971,933
(b) Intangible Assets							
Trademarks	59,670	-	-	59,670	-	59,670	-
Total	59,670	-	-	59,670	-	59,670	-
Grand Total	37,622,834	-	-	37,622,834	383,985	1,034,887	36,587,948
Previous year	37,622,834	-	-	37,622,834	390,330	650,901	37,362,263

Particulars	As At April 1, 2016	Addition during the Period	Capitalised /Recovery during the year	Charged Off to Statement of Profit & Loss	As At March 31, 2017
(b)					
Land	-	-	-	-	-
Civil Work	-	-	-	-	-
Pre-Operative Expense	13,559,160	2,210,388	-	-	15,769,548
Total	13,559,160	2,210,388	-	-	15,769,548
Previous Year	9,271,655	4,287,505	-	-	13,559,160



Note No. 9 - Long Term Loans & Advances

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Unsecured, considered good		
Loans to Related Parties	170,000,000	1,500,000,000
Security Deposit with RIICO	337,234	337,234
Advance Tax (net of Provision)	36,891,049	8,519,477
MAT Credit Entitlement	-	148,728
Total	207,228,283	1,509,005,439

Note No. 10- Cash And Cash Equivalents

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Cash and Cash Equivalents		
Cash on hand	28,082	28,813
Bank balance in current accounts	45,609,867	16,543,045
Total	45,637,949	16,571,858

Note No. 11 - Short-Term Loans And Advances

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Unsecured Short term Loans		
Loans to Related Parties	1,606,526,892	850,000,000
Loans to others	50,000,000	
Total	1,656,526,892	850,000,000

Note No. 12 - Other Current Assets

Particulars	As at March 31, 2017	As at March 31, 2016
	Rupees	Rupees
Interest Accrued but not Due (Related party)	53,624,925	60,480,738
Interest Accrued and due (Related Party)	41,414,833	-
Total	95,039,758	60,480,738



Note No. 13- Other Income

Particulars	Year ended March 31,2017	Year ended March 31,2016
	Rupees	Rupees
Interest Income	379,798,196	86,511,638
Interest on IT Refund	374,424	
Total	380,172,620	86,511,638

Note No. 14 - Finance Cost

Particulars	Year ended March 31,2017	Year ended March 31,2016
	Rupees	Rupees
Interest on Secured Loan	369,863,691	85,189,725.00
Interest on Unsecured loan	5,105,659	4,247
	374,969,350	85,193,972

Note No. 15 - Other Expenses

Particulars	Year ended March 31,2017	Year ended March 31,2016
	Rupees	Rupees
Legal & Professional fee	145,344	133,793
ROC Fee	40,800	6,060
Development Charges_Alwar Inds.Land	205,160	-
Rent-Land(Economic)	4,216	-
Misc. Expense	202,528	-
Printing & Stationery	2,415	
Interest on Tax	1,078,251	
Bank Charges	1,012	6,962
Total	1,679,726	146,815

Footnote:

Auditors' remuneration (Legal and Professional Expenses includes payment to auditors)

Particulars	Year ended March 31,2017	Year ended March 31,2016
	As auditors	75,000
Other Services	34,250	45,000
	109,250	124,445



Note No. 16- Earnings Per Equity Share

Particulars		Year ended March 31,2017	Year ended March 31,2016
Earnings Per Equity Shares:			
Net profit/(loss) after tax	Rupees	3,139,559	780,522
Weighted average number of equity shares outstanding during the year	Numbers	4,500,437	4,500,437
Nominal Value of Equity Shares	Rupees	10	10
Basic Earnings per Share	Rupees	0.70	0.17
Equity shares used to compute diluted earnings per share	Numbers	4,500,437	4,500,437
Diluted Earnings per Share	Rupees	0.70	0.17



Notes to Financial Statement for the year ended March 31, 2017

Note No. 17 - Specified Bank Notes Disclosure (SBN's)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	ODNs	Total
Closing cash on hand as on 08 Nov 2016	-	28,770	28,770
(+) Non Permitted receipts -	-	-	-
(+) Permitted receipts -	-	-	-
(-) Permitted payments -	-	-	-
(-) Amounts Deposited in Banks	-	-	-
Closing cash on hand as on 30 Dec 2016	-	28,770	28,770

Note No. 18 - Segment Reporting

The Company is engaged in setting up of project and has yet to start its commercial operations, hence considered to be a single business segment. The Company operates in a single geographic segment. In the absence of separate reportable business or geographic segments the disclosures required under the Accounting Standard (AS) 17 on "Segment Reporting" have not been made.

Note No. 19- Related Party Disclosures

Disclosures as required by the Accounting Standard (AS) 18 – "Related Party Disclosures" are as

A. Name of the related parties and nature of relationship (With whom the Company has transactions during the year):

Nature of Relationship	Name of Entity
Ultimate Holding Company	Infrastructure Leasing & Financial Services Limited
Holding Company	IL&FS Environmental Infrastructure Services Ltd
Fellow Subsidiaries	IL&FS Financial Services Ltd
	East Delhi Waste Processing Company Limited
	IL&FS Transportation Network Limited
	RDF Power Project Limited
	Unique Waste Processing Company Limited
	Chenani Nashri Tunnelway Limited
	Apptex Marketing Services & Solution Limited
	IL&FS Engineering & Construction Company Limited
	Kanak Resources Management Limited
	Bhopal E-Governance Limited
	IL&FS Airport Limited
	IL&FS Cluster Development Initiatives Limited
	IL&FS Renewable Energy Limited



Tierra Enviro Limited
Notes to Financial Statement for the year ended March 31, 2017

Sr. No.	Nature of transactions	Holding Company	Fellow Subsidiaries
			Amount in Rupees
A. Transactions during the year			
<u>INCOME</u>			
1	Interest Income		
	IL&FS Environmental Infrastructure and Services Ltd.	17,644,349 (301,507)	- (-)
	East Delhi Waste Processing Company Limited		63,314,756 (2,696,575)
	IL&FS Transportation Network Limited		150,978,918 (73,826,712)
	Kanak Resources Management Limited		2,132,630 (-)
	RDF Projects Power Limited		30,466,628 (3,465,205)
	Unique Waste Processing Company Limited		32,576,292 (100,685)
	IL&FS Renewable Energy Limited		(-) (5,950,544)
	IL&FS Engineering & Construction Company Limited		22,145,890 (-)
	Apptex Marketing Services & Solution Limited		17,105,840 (-)
	Chennai Nashri Tunnelway Limited		43,193,836 (-)
<u>Expenses</u>			
3	Adminlstration and other expenses		
	IL&FS Environmental Infrastructure and Services Ltd. (includes Professional Fees, Rent, Insurance	1,922,077 (4,287,505)	- (-)
	IL&FS Financial Services Limited		1,932 (-)
4	Borrowing/ Interest expenses		
	Charged to profit and Loss account		
	IL&FS Financial Services Ltd	(-)	332,219,491 (85,089,040)
	Infrastructure Leasing Financial Services limited	10,101,077 (-)	- (-)



Tierra Enviro Limited
Notes to Financial Statement for the year ended March 31, 2017

Sr. No.	Nature of transactions	Holding Company	Fellow Subsidiaries
	Bhopal E-Governance Limited		3,076,685 (-)
	IL&FS Environmental Infrastructure and Services Ltd.	59,452	(4,247)
	IL&FS Airport Limited		1,908,123 (-)
	IL&FS Cluster Development Initiatives Limited		43,836 (-)
	Unique Waste Processing Company Limited		3,094,247 (-)

B. Balances at year-end

Assets

5	Short-term loans and advances		
	IL&FS Environmental Infrastructure and Services Ltd.	178,282,500 (-)	- (-)
	East Delhi Waste Processing Company Limited		744,481,544 (130,000,000)
	RDF Projects Power Limited		331,490,409 (170,000,000)
	IL&FS Transportation Network Limited		- (1,700,000,000)
	Unique Waste Processing Company Limited		122,272,439 (350,000,000)
	Kanak Resources Management Limited		50,000,000 (-)
	IL&FS Engineering & Construction Company Limited		350,000,000 (-)
6	Interest accrued/ receivable		
	IL&FS Environmental Infrastructure and Services Ltd.	6,122,411 (-)	- (-)
	RDF Projects Power Limited		21,833,812 (-)
	IL&FS Transportation Network Limited		- (54,844,521)
	Unique Waste Processing Company Limited		5,717,492 (-)



Tierra Enviro Limited
Notes to Financial Statement for the year ended March 31, 2017

Sr. No.	Nature of transactions	Holding Company	Fellow Subsidiaries
	Apptex Marketing Services & Solution Limited	- (-)	7,741,118 (-)
7	Interest accrued but not due - Assets		
	IL&FS Environmental Infrastructure and Services Ltd.	6,288,276 (-)	- (-)
	East Delhi Waste Processing Company Limited	- (-)	22,506,217 (2,426,917)
	RDF Projects Power Limited	- (-)	8,704,835 (3,118,684)
	Unique Waste Processing Company Limited	- (-)	4,086,556 (90,616)
	IL&FS Engineering & Construction Company Limited	- (-)	12,039,041 (-)
	<u>Liabilities</u>		
8	Long-term Borrowings		
	Bhopal E-Governance Limited		74,000,000 (-)
9	Short-term Borrowings		
	IL&FS Environmental Infrastructure and Services Ltd.	- (10,000,000)	- (-)
	IL&FS Financial Services Limited		1,659,554,795 (2,000,000,000)
	IL&FS	88,156,695 (-)	- (-)
	Bhopal E-Governance Limited		40,000,000 (-)
	IL&FS Airport Limited		66,000,000 (-)
10	Interest accrued/ Payable		
	IL&FS	180,066 (-)	- (-)
	IL&FS Financial Services Limited		12,939,383 (-)



Tierra Enviro Limited
Notes to Financial Statement for the year ended March 31, 2017

Sr. No.	Nature of transactions	Holding Company	Fellow Subsidiaries
11	Interest accrued but not due - Laibilities		
	IL&FS Financial Services Limited		61,227,342 (67,315,068)
	IL&FS	2,934,531 (-)	- (-)
	Bhopal E-Governance Limited		2,769,015 (-)
	IL&FS Airport Limited		1,717,311 (-)
	IL&FS Environmental Infrastructure and Services Ltd.	- (3,822)	
12	Other Payable		
	IL&FS Environmental Infrastructure and Services Ltd.	- (10,429,085)	(-)
	IL&FS Financial Services Limited		1,764 (-)
	Chenani Nashri Tunnelway Limited		213,596 (-)
14	Share Capital		
	Equity Share Capital		
	IL&FS Environmental Infrastructure and Services Ltd.	45,004,370 (45,004,370)	-
	Other Transaction during the period		
1	Loan taken		
	IL&FS Financial Services Limited	- (-)	1,274,000,000 (2,000,000,000)
	IL&FS		185,000,000 (-)
	Bhopal E- Governance Limited		114,000,000 (-)
	IL&FS Airport Limited		66,000,000 (-)
	IL&FS Cluster Development Initiatives Limited		50,000,000 (-)
	IL&FS Environmental Infrastructure and Services Ltd.		



Tierra Enviro Limited
Notes to Financial Statement for the year ended March 31, 2017

Sr. No.	Nature of transactions	Holding Company (10,000,000)	Fellow Subsidiaries
	Unique Waste Processing Company Limited		45,000,000 (-)
2	Loan Repaid		
	IL&FS Financial Services Limited		1,614,445,205 (-)
	IL&FS Cluster Development Initiatives Ltd.		50,000,000 (-)
	IL&FS		96,843,305 (-)
	IL&FS Environmental Infrastructure and Services Ltd.	10,000,000 (-)	- (-)
	Unique Waste Processing Company Limited		45,000,000 (-)
3	Loan Given		
	IL&FS Transport Networks Limited		- (2,000,000,000)
	IL&FS Environmental Infrastructure and Services Ltd.	282,382,500 (70,000,000)	
	Apptex Marketing Services & Solution Limited		227,579,068 (-)
	East Delhi Waste Processing Company Limited		1,453,777,561 (130,000,000)
	Chenani Nashri Tunnelway Limited		550,000,000 (-)
	IL&FS Engineering and Construction Company Limited		350,000,000 (-)
	RDF Projects Power Limited		161,490,409 (170,000,000)
	Kanak Resources Management Limited		54,000,000 (-)
	Unique Waste Processing Company Limited		122,272,439 (350,000,000)
	IL&FS Renewable Energy Limited		- (200,000,000)



Tierra Enviro Limited
Notes to Financial Statement for the year ended March 31, 2017

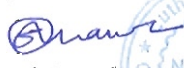
Sr. No.	Nature of transactions	Holding Company	Fellow Subsidiaries
4 Loan repayment received			
	IL&FS Transport Networks Limited		1,700,000,000 (300,000,000)
	IL&FS Environmental Infrastructure and Services Ltd.	64,100,000 (70,000,000)	
	East Delhi Waste Processing Company Limited		839,296,017 (-)
	Apptex Marketing Services & Solution Limited		227,579,068 (-)
	Chenani Nashri Tunnelway Limited		550,000,000 (-)
	Kanak Resources Management Limited		4,000,000 (-)
	Unique Waste Processing Company Limited		350,000,000 (-)
	IL&FS Renewable Energy Limited		(200,000,000)

Figures in brackets represent transaction for the year ended/ as at 31st March, 2016

Note No. 20- Previous year's comparatives:

Figures for the previous year have been regrouped / reclassified to conform to current year's presentation. Figures in bracket represent

For Luthra & Luthra
Chartered Accountants
Reg. No. 002081N

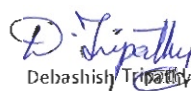

Naresh Agrawal
Partner
M.No. 504922

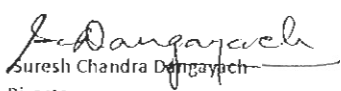


Place : New Delhi

Date : May 17, 2017

For and on behalf of the Board


Debashish Tripathy
Director
DIN: 02402795


Suresh Chandra Dangayach
Director
DIN: 00643559

Place : New Delhi

Date : May 17, 2017