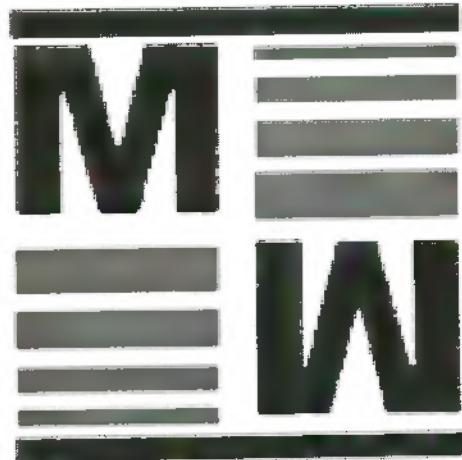


**41<sup>st</sup>**  
**Annual Report**  
**2021-22**



**MIDWEST GRANITE PRIVATE LIMITED**

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No.8-2-684/3/25&26, ROAD No:12, BANJARA HILLS,  
HYDERABAD – 500 034

***ANNUAL REPORT 2021-22***

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**MIDWEST GRANITE PRIVATE LIMITED  
COMPANY INFORMATION**

BOARD OF DIRECTORS : Smt. K. RANGANAYAKAMMA – CHAIRMAN  
Sri. K.RAMA CHANDRA – DIRECTOR  
Smt. K.SOUMYA – DIRECTOR  
Sri. G.RAVINDRA REDDY – DIRECTOR

PRESIDENTS : Sri. K.RAMA RAGHAVA REDDY  
Smt. K. UMA PRIYADHARSHINI  
Sri. K. DEEPAK

REGISTERED OFFICE : No. 8-2-684/3/25 & 26,  
ROAD No.12, BANJARA HILLS,  
HYDERABAD – 500 034.

BANKERS : HDFC BANK  
ZOOM HOUSE,  
ROAD No.12, BANJARA HILLS,  
HYDERABAD – 500 034.

STATUTORY AUDITOR : M/s. MAJETI & CO.  
CHARTERED ACCOUNTANTS  
101, SRI SAMPADA APARTMENTS,  
DWARAKAPURI COLONY,  
PANJAGUTTA,  
HYDERABAD – 500 082.

INTERNAL AUDITOR : ESWARAIAH & CO.  
CHARTERED ACCOUNTANTS  
6-2-969/304, INTECH RESIDENCY,  
KHAIRATHABAD,  
HYDERABAD – 500 004.

COST AUDITOR : PKR & ASSOCIATES LLP  
101, K S KOVELA APARTMENT,  
PLOT No.289 & 290 BHAGYANAGAR PH-III,  
KUKATPALLY, HYDERABAD – 500 004.

**MIDWEST GRANITE PRIVATE LIMITED**

**NOTICE OF 41<sup>st</sup> ANNUAL GENERAL MEETING**

Notice is hereby given to all members of the Company that the 41<sup>st</sup> Annual General Meeting of M/s. **MIDWEST GRANITE PRIVATE LIMITED** will be held on Friday, the 30<sup>th</sup> day of December, 2022 at 11:00 A.M. at the Registered Office of the Company situated at 8-2-684/3/25 & 26, Road No.12, Banjara Hills, Hyderabad -500 034 to transact the following business(es) at shorter notice:

**AS ORDINARY BUSINESS:**

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolutions as Ordinary Resolutions:
  - a) "**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."
  - b) "**RESOLVED THAT** the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

**AS SPECIAL BUSINESS:**

**2. RATIFICATION OF REMUNERATION TO COST AUDITORS FOR THE FINANCIAL YEAR 2022-2023:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and such other permissions as may be necessary, the payment of the remuneration of Rs. 1,00,000/- (Rupees One Lakh) excluding applicable Taxes plus reimbursement of out of pocket expenses at actual payable to M/s PKR & Associates LLP(Firm Registration No. S200006), who were appointed as "Cost Auditors" by the Board of Directors in their meeting held on 30.05.2022 to conduct the audit of cost records maintained by the Company for Financial Year ending 31<sup>st</sup> March, 2023, be and is hereby ratified and approved."

**BY ORDER OF THE BOARD  
FOR MIDWEST GRANITE PVT LTD**



**K. RANGANAYAKAMMA  
CHAIRMAN  
DIN: 00033569**

Place: Hyderabad  
Date: 23/12/2022

**NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
- 2. THE STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 WITH RESPECT TO THE SPECIAL BUSINESS SET OUT IN THE NOTICE IS ANNEXED.**
3. A person can act as a proxy on behalf of members not exceeding 50 (Fifty) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Members are requested to quote their Registered Folio No on all correspondence with the Company.

**ANNEXURE TO THE NOTICE**  
**EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES**  
**ACT, 2013**

**ITEM NO. 2: RATIFICATION OF REMUNERATION PAYABLE TO COST AUDITORS:**

The Board has approved the appointment and remuneration of the Cost Auditors M/s PKR & Associates LLP (Firm Registration No. S200006) to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2023 for a remuneration of Rs. 1,00,000/- excluding applicable taxes and reimbursement of out of pocket expenses at actual in their meeting held on 30.05.2022.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors is required to be ratified by the Shareholders of the Company.

Accordingly, approval of the members is requested for passing an Ordinary Resolution as set out at item no. 2 of the Notice for ratification of the remuneration payable to the Cost Auditors to conduct audit of the cost records of the Company for the Financial Year ending 31<sup>st</sup> March, 2023.

Relevant documents referred in respect of the said item are open for inspection by the members at the Registered Office of the Company on all working days during 2.30 p.m. to 4.30 p.m. up to the date of the Meeting.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution set out at item No.2 of the Notice.

The Board recommends the Ordinary Resolution as set out at Item No.2 for ratification/approval of the shareholders.

**BY ORDER OF THE BOARD  
FOR MIDWEST GRANITE PVT LTD**



**K. RANGANAYAKAMMA**  
**CHAIRMAN**  
**DIN: 00033569**

Place: Hyderabad  
Date: 23/12/2022

## MIDWEST GRANITE PRIVATE LIMITED

### DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the 41<sup>st</sup> Annual Report and Audited Financial Statements for the year ended 31<sup>st</sup> March, 2022. Consolidated performance of the Company and its subsidiaries has been referred to wherever required.

#### 1. FINANCIAL RESULTS:

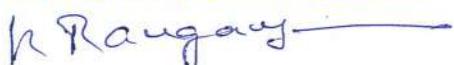
(Amount in Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	2021-2022	2020-2021	2021-2022	2020-2021
	Rs.			
Profit/ (loss) before Depreciation	8090.24	6543.94	11093.57	10128.44
Less: Depreciation	1259.99	1471.94	1763.34	1842.70
<b>Profit before tax</b>	<b>6830.25</b>	<b>5072.00</b>	<b>9330.23</b>	<b>8285.74</b>
<b>Less: Income Tax Expense:</b>				
Current Tax	1770.25	1545.00	2660.25	2380.00
Deferred Tax	(31.82)	(188.09)	(39.46)	(115.72)
<b>Total Tax Expenses</b>	<b>1738.43</b>	<b>1356.91</b>	<b>2620.79</b>	<b>2264.28</b>
<b>Net Profit/ (Loss) after tax</b>	<b>5091.82</b>	<b>3715.09</b>	<b>6709.44</b>	<b>6021.46</b>
Other comprehensive income after tax for the year	5.95	(16.99)	94.45	(245.94)
<b>Total Comprehensive Income for the year</b>	<b>5097.77</b>	<b>3698.10</b>	<b>6803.89</b>	<b>5775.52</b>
Total Comprehensive Income attributable to Owners of the Company	-	--	6427.35	5429.14
Total Comprehensive Income attributable to Non Controlling Interest	-	--	376.54	346.38
Earnings / (Loss) Per Share				
Basic	<b>6851.86</b>	<b>4429.17</b>	<b>8518.17</b>	<b>6770.45</b>
Diluted	<b>6851.86</b>	<b>4429.17</b>	<b>8518.17</b>	<b>6770.45</b>

#### 2. STATEMENT OF AFFAIRS AND FUTURE OUT LOOK:

The Company achieved a turnover of Rs. 33,086.00 lakhs against turnover of Rs. 22,027.65 lakhs during the previous year on standalone basis. Your company has earned a Profit of Rs. 5097.77 lakhs. The Board of Directors expects better results in future.

For MIDWEST GRANITE PRIVATE LIMITED



Director

For MIDWEST GRANITE PRIVATE LIMITED



Director

On consolidated basis, revenue from operations for FY 2021-2022 was at Rs. 52523.72 lakhs against Rs. 37998.11 lakhs during the previous year. Your Company has earned a profit of Rs. 6803.89 lakhs against Rs. 5775.52 lakhs profit during the previous year.

**3. DIVIDEND:**

Considering the performance and the state of affairs of the Company and keeping in view of funds requirement for business expansion, the Board of Directors did not recommend dividend for the financial year ended March 31, 2022.

**4. CHANGE IN NATURE OF BUSINESS:**

During the year, there was no change in the nature of the business activities of the Company.

**5. DIRECTORS:**

Pursuant to Section 149 of the Companies Act, 2013, the Board of Directors of the Company is duly constituted with Mr. K.Ramachandra, Mrs. K.Ranganayakamma, Mr. G. Ravindra Reddy and Mrs. Kukreti Soumya as Directors of the Company. During the year no changes took place in the constitution of the Board of Directors of the Company.

**6. BOARD MEETINGS:-**

During the financial year **17 (Seventeen)** Board Meetings were duly convened and held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. The dates of the Board Meetings are: **01.04.2021, 19.04.2021, 12.06.2021, 08.07.2021, 06.08.2021, 16.08.2021, 30.08.2021, 04.09.2021, 29.09.2021, 18.10.2021, 08.11.2021, 15.11.2021, 30.11.2021, 17.01.2022, 23.02.2022, 16.03.2022 & 22.03.2022.**

During the financial year **3 (Three)** Corporate Social Responsibility Committee Meetings were duly convened and held. The dates of the CSR committee meetings are : **12.06.2021, 15.11.2021 and 16.03.2022.**

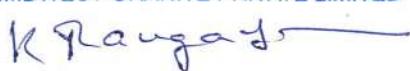
**7. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and the Profit of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

For MIDWEST GRANITE PRIVATE LIMITED

MIDWEST GRANITE PRIVATE LIMITED



Director



Director

- d) The directors had prepared the annual accounts on a going concern basis; and
- e) Internal financial controls have been laid down and such controls are adequate and operating effectively; and
- f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and those systems are adequate and operating effectively.

**8. AUDITORS:**

M/s. Majeti & Co, Chartered Accountants, Hyderabad (Firm Registration Number 15975S) were appointed as Statutory Auditors of the Company in the Annual General Meeting of the Company held on 15<sup>th</sup> December, 2018 for a term of Five consecutive years (i.e., 2019-2024) commencing from the conclusion of the 37<sup>th</sup> Annual General Meeting until the conclusion of the 42<sup>nd</sup> Annual General Meeting to be held for the Financial Year 2023-2024.

Further the Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

**9. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORT:**

Referring to the Basis for Qualified Opinion in the Consolidated Auditors report Para (a), the Board of Directors confirm that Audit is not mandatory as per the local Jurisdiction for One subsidiary company registered in Isle of man and five step-down subsidiary companies registered in Mozambique. The management has provided unaudited accounts and adopted in accordance with applicable laws in India for consolidation of Accounts.

Referring to the Basis for Qualified Opinion in the Consolidated Auditors report Para b), the Board clarifies that there was a complete cessation of activities of BEML Midwest Limited, a subsidiary Company since September, 2008 and matters relating to the said Company is sub - judice before the Company Law board (now National Company Law Tribunal) pending adjudication before the said Tribunal. Consequently, the said financial statements have not been consolidated with its Holding Company.

Referring to the Basis for Qualified Opinion in the Consolidated Auditors report Para(c)(i) ,

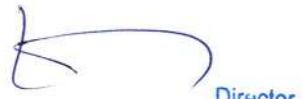
According to the information and explanations given to Statutory Auditors of South Asia Granite and Marble Private Limited (Srilanka), a step down subsidiary company, they have not conducted the physical verification of stocks in view of COVID LOCKDOWN and Fuel Crisis as at the balance sheet date. Inventory amounting to Rs.210.85 Lakhs of South Asia Granite and Marble Private Limited (Srilanka) has been accounted based on the management valuation.

For MIDWEST GRANITE PRIVATE LIMITED



Director

For MIDWEST GRANITE PRIVATE LIMITED



Director

Referring to the Basis for Qualified Opinion in the Consolidated Auditors report

Para (c ) (ii):

The subsidiaries auditors Reliance Diamond Tools Private Limited and (Sri lanka) and South Asia Granite and Marble Private Limited (Sri lanka), have qualified their opinion as financial statements are being prepared on going concern basis as there was significant scale-down of Operations in respective companies.

Your Board of directors has confirmed that the scale-down of operations of respective companies are temporary only due to COVID-19 lock down situations and fuel crisis only in Srilanka.

**10. COST AUDIT:**

Pursuant to the provisions of the Companies Act, 2013, the Board of Directors at their meeting held on 04<sup>th</sup> day of September, 2021, had appointed **M/s. PKR & Associates, Cost Accountants**, as the Cost Auditors of the Company for the FY 2021-2022 to conduct cost audit pertaining to relevant products prescribed under the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time. **M/s. PKR & Associates, Cost Accountants have vast experience in the field of Cost Audit.**

**11. DETAILS OF SUBSIDIARY, JOINT VENTURES OR ASSOCIATE COMPANIES:**

The Company has Subsidiaries, Associate/Joint Venture Companies within the meaning of Section 2(6) & 2(87) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries. Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached as **Annexure – A** to this Report.

During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, your directors have prepared consolidated financial statements of the Company, which forms part of this Annual Report.

During the year one JV Company viz. Amaya Stones Private Limited, India was struck off and dissolved by the Registrar of Companies w.e.f 25.08.2021.

There was a complete cessation of activities of BEML Midwest Limited, a subsidiary Company since September, 2008 and matters relating to the said Company is subjudice before the National Company Law Tribunal for pending . Hence the Company could not prepare the financial statements consequently the said financial statements were not consolidated with the Company.

**12. TRANSFER TO RESERVES:**

During the year, no amount was transferred to General Reserve.

For MIDWEST GRANITE PRIVATE LIMITED



Director

For MIDWEST GRANITE PRIVATE LIMITED



Director

**13. DEPOSITS:**

The company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 ("the Act"). Accordingly, there is no disclosure or reporting required in respect of details relating to deposits.

**14. EXPORTS:**

During the year, your Company has exported Processed Blocks and Polished Slabs etc., and earned foreign exchange of Rs. 1,36,42,47,682/-.

**15. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report.

Pursuant to the provisions of Section 233 of the Companies Act, 2013 ("the Act"), the scheme of Merger of RDT Diamond Tools Private Limited (Transferor Company No 1) and Midwest Mining Private Limited (Transferor Company No 2) with Midwest Granite Private Limited (Transferee Company) as approved by their respective members and creditors as required under Section 233(1)(b) and (d) of the Act was confirmed by the concerned Regional Director vide Form CAA-12 – Confirmation Order of the Scheme of Amalgamation No.03/Telangana/CP.No32/CAA-11/2022/RD(SER)/Sec.233 of CA 2013 dated 29.11.2022 with effect from the appointed date i.e., 01.04.2021. Accordingly the Financial Statements have been prepared in accordance with the applicable accounting standards.

**16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 185 AND 186 OF THE COMPANIES ACT, 2013:**

The Company has given loans during the year in accordance with the provisions of the Companies Act, 2013 read with relevant Rules in force. The details are mentioned in the notes to the Financials Statements. The Company has made investments and provided guarantees/securities under section 185 and 186 of the Companies Act, 2013, which are given in the notes to the financial statements. The Company has made the said investments and provided guarantees/securities in accordance with the limits specified in the said Section with the approval of the Board of Directors/members.

**17. ACCEPTANCE OF UNSECURED LOANS FROM DIRECTORS:**

During the year the Company has not accepted interest free unsecured loans from its Directors and relatives of Directors.

For MIDWEST GRANITE PRIVATE LIMITED



Director

For MIDWEST GRANITE PRIVATE LIMITED



Director

**18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

The transactions entered with related parties for the year under review were on arms length basis and in the ordinary course of business. However the transactions mentioned in the AOC-2 are covered under exemption notification issued by the Ministry of Corporate Affairs dated 05.06.2015 i.e the transactions falling under section 188 of the Companies Act, 2013 between Holding and Subsidiary/JV/Associates for which the said section is not applicable. Hence the provisions of Section 188 of the Companies Act, 2013 are not attracted for the transactions between the companies stated supra. Further, there are no material related party transactions during the year with the Promoters, Directors or Key Managerial Personnel. However pursuant to Section 134(3)(h) & Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2 is enclosed as **Annexure-B**.

**19. CORPORATE SOCIAL RESPONSIBILITY:**

The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-C** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. The policy is available on the website of the Company.

At the stand alone level, the total expenditure to be incurred on CSR activities, as specified in Schedule VII of the Companies Act, 2013, was Rs.67.59 lakhs.

Pursuant to the provisions of the Companies Act, 2013 and other Rules made there under, the gross amount required to be spent by the Company during the year amounting to Rs. 67.59 lakhs i.e., Two percent of the average net profits during the said preceding three years. The amount allocated for the spending on account of CSR expenditure is Rs. 116 lakhs. Total Amount Spent during the year was Rs. 116.74 Lakhs. There is no unspent amount left over during the year.

**20. EXTRACT OF ANNUAL RETURN:**

Pursuant to The Companies (Amendment) Act, 2017, notification dated 3<sup>rd</sup> January, 2018, Companies having a website are required to place the copy of the Annual Return on the website of the Company. The annual return for the year ended 31.03.2022 is available in the link [http://midwestgranite.com/reports/MGPL\\_ANNUALRETURN\\_31032022.pdf](http://midwestgranite.com/reports/MGPL_ANNUALRETURN_31032022.pdf)

**21. RISK MANAGEMENT:**

The Company is committed to a proactive approach to risk management which is based on the principles of creating risk awareness and anticipating and taking preventing action to manage/mitigate risks. Considering the minimal exposure of the Company to the risk threatening the Company's existence, the Company has not framed any Risk Management Policy.

For MIDWEST GRANITE PRIVATE LIMITED



Director

For MIDWEST GRANITE PRIVATE LIMITED



Director

**22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information regarding Energy Conservation, Technology Absorption, Foreign Exchange Earnings and Outgo as required by section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are given below :

**A. CONSERVATION OF ENERGY:**

- i. The Operations of the Company require extensive use of power and the company is supplementing its power requirement by use of generators installed in the Factory.
- ii. There is no impact of the measures at (i) and (ii) above for reduction of energy consumption and consequent impact on the cost of production of goods.
- iii. Disclosure under Form A is not applicable to the Company.

**B. TECHNOLOGY ABSORPTION:**

**FORM B**

(Disclosure of particulars with respect to technology Absorption)

**i) Research and Development (R & D):**

Specific areas in which R & D carried out by the Company	: NIL
Benefits derived as a result of the above	: NIL
Future plan of action	: NIL
Expenditure on R & D	: NIL
ii) Technology absorption, adaptation and innovation	: NIL

**C) FOREIGN EXCHANGE EARNINGS AND OUT GO:**

*(On receipts and payments basis)* **(Amount in Rupees)**

<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>
<b>Foreign Exchange Earnings:</b>		
F.O.B Value of Exports	1,36,42,47,682	74,71,76,837
Interest Income	-	-
Dividend Income	-	-
Service Charges	-	-
Misc. Income	-	-
<b>Foreign Exchange outgo:</b>		
Value of Imports	19,59,73,658	3,90,45,229
Travelling Expenses	10,29,815	-
Loan re-payment.	-	-
Interest	-	-
Professional Charges	-	-

For MIDWEST GRANITE PRIVATE LIMITED

For MIDWEST GRANITE PRIVATE LIMITED

**23. PARTICULARS OF EMPLOYEES:**

The provisions as defined under Section 197 of the Companies Act, 2013, read with Rule 5(2) and 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company. Hence the details are not provided pursuant to the provisions stated above. However the remuneration paid to the Directors is mentioned in the notes to the financial statements.

**24. INTERNAL COMPLAINT COMMITTEE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has constituted committee under the sexual harassment of women at workplaces wherever applicable (prevention, prohibition and Redressal) Act, 2013 and complied with the provisions of the same.

The Company is committed to provide a safe and conducive work environment to its employees during the financial year. Your Directors further state that during the financial year, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**25. SECRETARIAL STANDARDS:**

The Company has complied with the applicable Secretarial Standards as notified from time to time.

**26. INTERNAL FINANCIAL CONTROLS AND BOARD RESPONSIBILITY:**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the statutory auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2021-2022.

**27. DETAILS OF FRAUDS REPORTED BY AUDITOR:**

Pursuant to sub-section (12) of Section 143 of the Companies Act, 2013 there are no frauds reported by auditors.

**28. DECLARATION BY INDEPENDENT DIRECTORS:**

Pursuant to Rule 4 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 the Company is not required to appoint Independent Directors, accordingly section 134 (3) (d) of the Companies Act, 2013 is not applicable.

For MIDWEST GRANITE PRIVATE LIMITED



Director

For MIDWEST GRANITE PRIVATE LIMITED



Director

**29. DETIALS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:**

There were no significant and material orders passed by the regulators or courts or Tribunals impacting the going concern status and Company's operations in future.

**30. ACKNOWLEDGEMENTS:**

The Board of Directors would like to place on record its appreciation towards all the employees & the managerial personnel of the company for their contribution in the operations of the company during the year under review. The Directors would also like to record their sincere thanks to the Company's bankers, Central and State Government officials, customers, vendors and the shareholders for their continued support and co-operation.

**BY ORDER OF THE BOARD  
FOR MIDWEST GRANITE PVT LTD**



K. Ranganayakamma  
Chairman- Director  
DIN: 00033569



K. Ramachandra  
Director  
DIN: 00060086

Place: Hyderabad  
Date: 23/12/2022

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

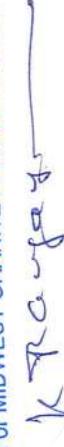
**Part "A": Subsidiaries**

**ANNEXURE-A**

(Amounts in Rs. Lakhs)

SL. NO.	NAME of the Subsidiary Company	Reporting period- Country	Current y & Rate-last day of F.Y	Share Capital	Reserves & Surplus	Total Assets	Total Liabiliti es	Invest ments	Turnover	Profit Before Tax	Profit After Tax	Proposed Dividend	% Of Share holding
1	Midwest Gold Limited (formerly nova Granites (India) Limited)	31.03.2022 (India)	INR	327.00	(1448.75)	1407.65	1407.65	--	12.35	(201.07)	(161.93)	--	70.63%
2	*Reliance Diamond Tools private Limited, Sri Lanka	31.03.2022 (Srilanka)	LKR Exchange Rate 0.2584	103.40	196.23	1170.24	1170.24	--	27.61	(751.34)	(751.34)	--	99.99%
3	Andhra Pradesh Granite (Midwest) Private Limited	31.03.2022 (India)	INR	1000	5342.38	11791.14	11791.14	1.52	19508.78	3424.22	2533.58	--	85.00%
4	Midwest ** Holdings Limited, Isle of Man	31.03.2022 (ISLE OF MAN)	USD Exchange rate 73.5047	1301.18	2305.05	9529.58	9529.58	--	-	361.37	361.37	--	100%
5	BEML Midwest Limited	31.03.2022 (India)	INR										54.92%
6	Amaya Smart Technologies Private Limited	31.03.2022 (India)	INR	97.75	(111.80)	04.55	04.55	-	(0.19)	(0.19)	--	99.99	
7	RDT Diamond Tools Private Limited	31.03.2022 (India)	INR										

No Accounts were prepared since there was a Management dispute between the Joint Venture Partners i.e Midwest Granite Pvt. Ltd and BEML Limited and the case is pending for adjudication before the National Company Law Tribunal , Hyderabad

For MIDWEST GRANITE PRIVATE LIMITED  


For MIDWEST GRANITE PRIVATE LIMITED  


Director

Director

Director

Merged with Midwest Granite Private Limited pursuant to the scheme of merger as confirmed by the concerned Regional Director vide Form CAA-12 – Confirmation Order of the Scheme of Amalgamation No.03/Telangana/CP.No32/CAA-11/2022/RD(SER)/Sec.233 of CA 2013 dated 29.11.2022 with effect from the appointed date i.e., 01.04.2021.

8	Midwest Neostone Pvt. Ltd.	31.03.2022 (India)	INR	871.00	(258.51)	911.88	911.88	25.30	-	(106.08)	(106.08)	-	100
9	Midwest Mining Pvt.Ltd.	31.03.2022 (India)	INR	Merged with Midwest Granite Private Limited pursuant to the scheme of merger as confirmed by the concerned Regional Director vide Form CAA-12 – Confirmation Order of the Scheme of Amalgamation No.03/Telangana/CP.No32/CAA-11/2022/RD(SER)/Sec.233 of CA 2013 dated 29.11.2022, with effect from the appointed date i.e., 01.04.2021.									
10	Astral Granite Private Limited	31.03.2022 (India)	INR	208.56	(155.24)	70.06	70.06	-	-	(23.78)	(13.30)	-	99.95
11	Deccan Silica LLP	31.03.2022 (India)	INR	74.67	(8.11)	67.27	67.27	-	-	(2.76)	(2.76)	-	86.60

\*M/s. South Asia Granite & Marble Pvt. Ltd, a step down subsidiary Company through M/s. Reliance Diamond Tools Private Limited , SriLanka wherein the details were consolidated into the said M/s Reliance Diamond Tools Private Limited and presented in this statement .

\*\*The financial figures stated in item No.4 are unaudited consolidated figures of Step down subsidiaries viz Maven Holdings Ltd, Mauritius , Midwest Afritec Lda , Mozambique, Midwest Cercoal Lda, Midwest Gondana Lda, Midwest Koriba Lda and Midwest Holdings Limited, Isle of man since there is no audit requirement in the home country i.e Isle of Man and also in Mozambique. Hence the financial statements were not audited.

For MIDWEST GRANITE PRIVATE LIMITED



Director

MIDWEST GRANITE PRIVATE LIMITED



Director

Part "B": Associates and Joint Ventures

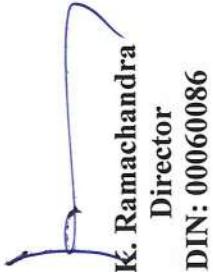
**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of associates		(Amount in Lakhs)		
	*South Coast Infrastructure Development Company of Andhra Pradesh Limited	**Amaya Stones Pvt. Ltd	SMW Granites LLP	Baahula Minerals
1. Latest audited Balance Sheet Date	31.03.2022	31.03.2022	31.03.2022	31.03.2022
2. No. of Shares of Associate held by the company on the year end	25,000	24995	N.A.	N.A.
Amount of Investment in Rs in lakhs)				
Extent of Holding%				
3. Description of how there is significant influence	Being 50% share holder and having common directors	Being 50% share holder	Being holding 50% share -as Partner	Being Partner holding 50% Capital
4. Reason why the associate is not consolidated	N.A.	N.A.	N.A.	N.A.
5. Net worth attributable to shareholding as per latest audited Balance Sheet	(102.42)	N.A.	62.64	(79.01)
6. Profit/Loss for the year				
i. Considered in Consolidation	(1.01)	N.A.	0.92	(3.24)
ii. Not Considered in Consolidation	NA	NA	NA	NA

\*The financial figures of M/s. S.C.R. Agrotech Private Limited, a subsidiary of M/s. South Coast Infrastructure Development Company of Andhra Pradesh Limited were consolidated and the details were mentioned accordingly.

\*\* M/s. Amaya Stones Private Limited- The company has applied for strike off under the provisions of Companies Act, 2013 and the Company was struck off w.e.f 25.08.2021. Hence no financials were prepared and no data was given.

**For and on behalf of the Board**

  
**K. Ramachandra**  
 Director  
 DIN: 00060086



**K. Ranganayakamma**  
 Chairman- Director  
 DIN: 00033569

Place: Hyderabad  
 Date: 23/12/2022

## ANNEXURE-B

### Form No. AOC-2

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the  
Companies  
(Accounts) Rules, 2014)**

**Form for disclosure of particulars of contracts/arrangements entered into by the  
company with related parties referred to in sub-section (1) of section 188 of the  
Companies Act, 2013 including certain arms length transactions under third proviso  
thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

The Company has not entered into any contract or arrangement or transactions with its related parties which is not arms length during the Financial Year 2021-2022.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

The details of material contracts or arrangements or transactions at arm's length basis for the year ended 31<sup>st</sup> March, 2022 are as follows:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements /transactions	Duration of the contracts / arrangements/transactions	Salient terms of the # contracts or arrangements or transactions	The Value of the Contract/arrangement (In Rs)	Amount paid as Advance (In Rs)
K.Ramachandra , Director	Rental Agreement	10 years from 01.04.2020 to 31.03.2030	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 42 Lacs	NIL
K.Soumya , Director	Rental Agreement	10 years from 01.04.2017 to 31.03.2027	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 21 Lacs	NIL
Deepak Kukreti , Relative of Director	Rental Agreement	10 years from 01.04.2017 to 31.03.2027	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 21 Lacs	NIL
Midwest Gold Limited (Subsidiary Company)	Rental Arrangement	01.04.2021 to 31.03.2022	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 1.2 Lacs	NIL

For MIDWEST GRANITE PRIVATE LIMITED

For MIDWEST GRANITE PRIVATE LIMITED

Andhra Pradesh Granite Pvt Ltd. (Subsidiary Company)	Equipment Rent	On need basis	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 309.36 Lacs	NIL
Andhra Pradesh Granite Pvt Ltd. (Subsidiary Company)	Sale of goods	On need basis	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 69.33 Lacs	NIL
Andhra Pradesh Granite Pvt Ltd. (Subsidiary Company)	Sale of Plant and Equipment	On need basis	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 452.37 Lacs	NIL
Andhra Pradesh Granite Pvt Ltd. (Subsidiary Company)	Lease Rental arrangement for taking immovable property for Plantation purpose	7 years from 08.07.2019 to 07.07.2026	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 2.45 Lacs	NIL
Andhra Pradesh Granite Pvt Ltd.( Subsidiary Company)	Purchase of Assets	On need basis	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 82.14 Lacs	NIL
Andhra Pradesh Granite Pvt Ltd.( Subsidiary Company)	Purchase of Goods	On need basis	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 41.88 lacs	NIL
Reliance Diamond Tools Pvt Ltd.( Subsidiary Company)	Purchase of Assets	On need basis	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 143.83 Lacs	NIL
Baahula Minerals (Firm in which Company is 50%)	Purchase of Goods	On long-term basis	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 1000 Lacs Advance for purchases as on	Advance given during the year : Rs. 540. Lacs

For MIDWEST GRANITE PRIVATE LIMITED

K. Rangaiah

Director

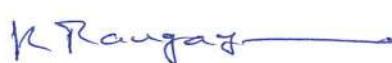
For MIDWEST GRANITE PRIVATE LIMITED

Director

Partner)				31.03.2022 Rs. 540 lacs	
Reliance Diamond Tools Private Limited, Srilanka. (Subsidiary Company)	Purchase of Goods	On need basis	Normal terms and conditions at arms length basis in the ordinary course of business	Advance for purchases as on 31.03.2022 Rs. 97.72 lacs	Advance given during the year : Rs. 257.41 Lacs
SMW Granites LLP (LLP in which Company is 50% Partner)	Rental Arrangement	01.04.2021 to 31.03.2022	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 2.24Lacs	NIL
SMW Granites LLP (LLP in which Company is 50% Partner)	Sale of Granite Blocks	On continuous basis i.e from invoice to invoice.	Normal terms and conditions at arms length basis in the ordinary course of business	Rs. 66.79 Lacs	NIL

# Since the contracts were entered into in the ordinary course of business and on arms length basis and further such transactions are exempted between the Holding Company and Subsidiary/Associate/ JV vide notification G.S.R 464 (E) –Exemption to Private Companies ,dated 05.06.2015 and hence no-approvals are required either by the Board of Directors or share holders of the Company. However the above transactions were done with the approval/ratification of the members in their meeting held on 07.07.2021. Further the above transactions with the related parties were reviewed in their meeting held on 23.12.2022.

**BY ORDER OF THE BOARD  
FOR MIDWEST GRANITE PVT LTD**



K. Ranganayakamma  
Chairman- Director  
DIN: 00033569



K. Ramachandra  
Director  
DIN: 00060086

Place: Hyderabad  
Date: 23/12/2022

**ANNEXURE-C**  
**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

(Pursuant to Sec 135 of the Companies Act, 2013 read with Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

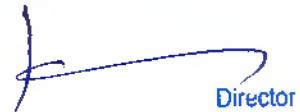
**1. Brief outline on CSR Policy of the Company:-**

- **RURAL DEVELOPMENT PROJECTS:** Strengthening rural areas by improving accessibility, housing, drinking, water, sanitation, power and livelihoods, thereby creating sustainable villages.
- **EDUCATION:** Promoting education, including special education and employment-enhancing vocational skills especially among children, women, elderly and the differently abled, and livelihood enhancement projects; monetary contributions to academic institutions for establishing endowment funds, chairs, laboratories, etc., with the objective of assisting students in their studies.
- **HEALTH CARE:** Contribute to universal quality health care, eradicating extreme hunger, malnutrition, promote sanitation, making available safe drinking water.
- **GENDER EQUALITY AND EMPOWERMENT OF WOMEN:** Promoting gender equality and empowering women; setting up homes, hostels and day care centers for women and orphans; setting up old age homes and such other facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups.
- **ENVIRONMENTAL SUSTAINABILITY:** Ensuring environmental sustainability, ecological balance, conservation of natural resources and maintaining the quality of soil, air and water
- **NATIONAL HERITAGE, ART AND CULTURE:** Protecting national heritage, religious places, art and culture including restoration of structures, buildings and sites of historical importance and works of art; setting up public libraries; promoting and developing traditional arts and handicrafts.
- Contribution to the Prime Minister's National Relief Fund or any other Fund set-up by the Central Government or the State Governments for Socio Economic Development and Relief.
- Contribution for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports
- Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government or any not for profit entity;

For MIDWEST GRANITE PRIVATE LIMITED to public funded Universities engaged in conducting research in  
For MIDWEST GRANITE PRIVATE LIMITED For MIDWEST GRANITE PRIVATE LIMITED



Director  
Director



Director

science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)

- Contribution for slum area development, disaster management, including relief, rehabilitation and reconstruction activities.
2. Composition of CSR Committee as on 31<sup>st</sup> March, 2022

S.No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Kollareddy Ranganayakamma	Director/ Chairman CSR Committee	3	3
2.	Kollareddy Ramachandra	Director	3	3
3.	Kukreti Soumya	Director	3	3

3. The web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company are provided below:

<ul style="list-style-type: none"> <li>The composition of the CSR Committee:</li> </ul>	<a href="http://midwestgranite.com/CSR/composition_of_CSR_Committee2021-22.pdf">http://midwestgranite.com/CSR/composition_of_CSR_Committee2021-22.pdf</a>
<ul style="list-style-type: none"> <li>CSR Policy:</li> </ul>	<a href="http://midwestgranite.com/CSR/CSR_Policy.pdf">http://midwestgranite.com/CSR/CSR_Policy.pdf</a>
<ul style="list-style-type: none"> <li>CSR Projects as approved by the Board:</li> </ul>	<a href="http://midwestgranite.com/CSR/CSR_Projects2021-22.pdf">http://midwestgranite.com/CSR/CSR_Projects2021-22.pdf</a>

4. Details of Executive summary along with the web links of Impact assessment of CSR projects carried out in pursuance of sub- rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

Since the average CSR obligation in the three immediately preceding financial years is less than Rs. 10 Crores, the provisions relating to the impact assessment under sub rule 3 of Rule 8 are not applicable to the Company.

For MIDWEST GRANITE PRIVATE LIMITED

Director

For MIDWEST GRANITE PRIVATE LIMITED

Director

5.

- (a) Average net profit of the Company as per sub- section (5) of Section 135 : Rs. 3379.57 Lakhs
- (b) Two percent of average net profit of the Company as per sub- section (5) of Section 135 : Rs. 67.59 Lakhs
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years : Nil
- (d) Amount required to be set off for the Financial Year, if any: 1.79 Lakhs
- (e) Total CSR obligation for the Financial Year [(b)+(c)-(d)]: Rs. 67.59 Lakhs

6.

- (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): 116.74 lakhs
- (b) Amount spent in Administrative overheads: Nil
- (c) Amount spent on Impact Assessment, if applicable: Nil
- (d) Total amount spent during the Financial Year [(a)+(b)+(c)] : Rs. 116.74 Lakhs
- (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent during the Financial Year 21-22 (in INR lakhs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)			
Amount	Date of transfer	Name of the Fund	Amount	Date of transfer	
116.74	Not applicable			Not applicable	

- (f) Excess amount for set-off, if any: Rs. 49.15 lakhs

Sl.No.	Particulars	Amount (in Rs. lakhs)
i.	Two percent of average net profit of the Company as per section 135(5)	67.59
ii.	Total amount spent for the Financial Year	116.74
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	49.15
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	49.15

For MIDWEST GRANITE PRIVATE LIMITED



Director

For MIDWEST GRANITE PRIVATE LIMITED



Director

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any	Amount remaining to be spent in succeeding Financial Years. (in Rs.)	Deficiency, If any
					Amount (in Rs.)	Date of transfer	
Not applicable							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No
9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): Not applicable

**BY ORDER OF THE BOARD  
FOR MIDWEST GRANITE PVT LTD**

Place: Hyderabad  
Date: 23/12/2022

  
K. Ranganayakamma  
Chairman-CSR Committee  
DIN: 00033569

  
K. Ramachandra  
Member-CSR Committee  
DIN: 00060086



## INDEPENDENT AUDITOR'S REPORT

### To The Members of Midwest Granite Private Limited Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Midwest Granite Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereafter referred to as the "financial statements").

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 Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the 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 opinion on the financial statements.

#### Emphasis of Matter

We draw your attention to Note 38 to the standalone financial statements in respect of Composite Scheme of Amalgamation (the "Scheme") between the Company and its subsidiaries, namely RDT Diamond Tools Private Limited and Midwest Mining Private Limited ("Transferor Companies"), from the appointed date of April 1, 2021, as approved by Regional Director vide its order dated November 29, 2022. However, the accounting treatment pursuant to the Scheme has been given effect to from the date required under Ind AS 103 - Business Combinations, which is the beginning of the preceding period presented i.e., April 1, 2020. Accordingly, the figures for the year ended March 31, 2021 have been restated to give effect to the aforesaid merger. Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report but does not include the standalone financial statements and our auditor's report thereon.



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

In connection with our audit of the 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 standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us, 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.

### **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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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



- Obtain an understanding of internal 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 standalone financial statements.

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

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

#### **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.
  - 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.



- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 A". Our report expresses Unmodified opinion on the operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, is applicable only to public companies. Accordingly, the provisions of section 197(16) of the Act are not applicable to the company.
- 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 has disclosed the impact of pending litigation on its financial position as stated in Note no. 33 to the Ind AS Financial Statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts, the company doesn't have derivative contracts;
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

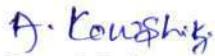


- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Management of the Company has not proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Hence section 123 of the Act, is not applicable.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For MAJETI & CO**

Chartered Accountants

Firm's Registration No: 015975S



**Kowshik Anna**

Partner

Membership No: 244172

UDIN No: 23244172BGQKXQ6229



Place: Hyderabad

Date: December 23, 2022

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

**(Referred to in paragraph 1(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

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

We have audited the internal financial controls over financial reporting of **MIDWEST GRANITE PRIVATE LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

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

**Auditor's Responsibility**

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

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

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



### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, to the best of our information and according to the explanations given to us, 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 March 31, 2022, based on "the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For MAJETI & CO  
Chartered Accountants  
Firm 's Registration No: 0159755

*A. Kowshik*

Kowshik Anna  
Partner  
Membership No: 244172  
UDIN: 23244172BGQKXQ6229



Place: Hyderabad  
Date: December 23, 2022

**Chartered Accountants Annexure B to Independent Auditors' Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i In Respect of the Company's Property Plant and Equipment and Intangible Assets:

- a) A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment and right of use of assets.
- B) The Company is maintaining proper records showing full particulars of Intangible Assets
- b) The Property, Plant and Equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), as disclosed in Note 3 on Property, plant and equipment and Note 4 on Right-of-use assets to the standalone financial statements, are held in the name of the Company, except

Description of Properties	Gross Carrying value (Rs in lakhs)	held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
Free hold Land	27.16	Subhiksha Agro Farms pvt Ltd	No	From FY 2013-14	For certain properties acquired through amalgamation/merger, the name change in the name of the Company is pending
	39.33	Yarra Agro Estates pvt Ltd	No		
	132.98	Reliance Granite Private Limited	No		
	14.70	Victorian granite Private limited	No		
	1.75	Ind Natali Granite Limited	No		
	121.38	Opusasia Technologies Private Limited	No		
<b>Total(a)</b>	<b>337.30</b>				
	7.47	Title deeds not readily available with the company to report on the Ownership details	No	From FY 2001-02	Title Deeds not available with the Company
	0.51		No	From FY 2002-03	
	2.91		No	From FY 2006-07	
	4.00		No	From FY 2009-10	
	2.00		No	From FY 2011-12	
<b>Total(b)</b>	<b>16.89</b>				
<b>Total(a+b)</b>	<b>354.19</b>				



**Annexure B to Independent Auditors' Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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- d) The Company has not revalued its Property, Plant and Equipment (including Right-of-use assets) or intangible assets during the year. Accordingly, the reporting under Clause 3(i)(d) of the Order is not applicable to the Company.
  - e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its standalone financial statements does not arise
- ii      a) The physical verification of inventory (excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedures of such verification by Management is appropriate. As explained to us and on the basis of the records examined by us the value of discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- b) In our opinion and according to information and explanation given to us, the Company has been sanctioned working capital limits in excess of rupees Five Crores, in aggregate, from Banks which are secured on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, The discrepancies of amounts as per books of account and the Quarterly returns submitted to the banks are reported below.

**(INR in Lakhs)**

Name of the Bank	HDFC Bank Limited			
<b>Aggregate working capital limits sanctioned</b>	5,242.00			
<b>Nature of Current Asset offered as Security</b>	Primarily on Inventory and trade receivables (Refer the note no 15.2 of the attached financial statements for details)			
Quarter ended	June 30, 2021	September 30, 2021	December 31, 2021	March 31, 2022
<b>Amount disclosed as per quarterly return/statement</b>	2,521.71	1,701.85	1,867.58	5440.89
<b>Amount as per books of account</b>	2,452.64	1,682.51	1,869.68	5384.11
<b>Difference</b>	69.07	19.34	(2.10)	56.78
<b>Reasons for difference</b>	On Account of pending Reconciliation of customer balances at the time of submitting returns to the Bank.			

- iii      a) During the year the company made investments in four companies, two mutual fund schemes and one limited liability partnership. The company has granted unsecured loans to three companies and one partnership firm and stood guarantee for three companies. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans, guarantees and securities to subsidiaries, joint ventures and associates and to parties other than subsidiaries, joint ventures and associates are as per the table given below



**Annexure B to Independent Auditors' Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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<b>Particulars</b>	<b>Loans</b>	<b>Investment</b>	<b>Guarantees</b>
<b>Aggregate amount granted/ provided during the year 2021-22</b>			
- Subsidiaries	513.01	224.96	340.22
- Step- down Subsidiary	-	-	479.23
- Other parties	857.73	990.60	-

**Balance outstanding (gross) as at 31 March 2022 (balance sheet date) in respect of the above case**

- Subsidiaries	2,297.13	288.13	340.22
- Step- down Subsidiary	-	-	479.23
- Other parties	857.73	990.60	-

- b) In our opinion and according to information and explanations given to us by the company's management and on the basis of our audit procedures, the investments made, guarantee provided, security given and the terms and conditions of all loans and advances in the nature of loans and guarantee provided are, prima facie, not prejudicial to Company's interest.
- c) According to the books of accounts and records examined by us in respect of the loans all the loans are repayable on demand and no repayment schedules are mentioned in the agreements.
- d) As there was not repayment schedule, we are not able to comment on any amount overdue by the subsidiaries in respect of loan given.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company. There were no loans /advances in nature of loans which fell due during the year and were renewed/ extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/ advances in nature of loan.
- f) The Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to Companies and firm. Details given in table below. No loans were granted during the year to promoters.

<b>Aggregate amount of loan given</b>	<b>All Parties</b>	<b>Promoters</b>	<b>Related Parties</b>
- Repayable on demand (A)	3070.63	-	2212.90
- Without agreement and Repayable on demand to subsidiaries (B)	384.36	-	384.36
<b>Total (A+B)</b>	<b>3,454.99</b>	<b>-</b>	<b>2,597.26</b>
<b>Percentage of loans</b>			<b>75%</b>

- iv In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.
- v The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.



**Annexure B to Independent Auditors' Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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vi Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, income tax, goods and services tax, though there has been a slight delay in a few cases and is regular in depositing undisputed statutory dues.

As confirmed by the management sales tax, service tax, duty of excise value added tax are not applicable to the company

b) According to the information and explanations given to us and the records of the Company examined by us. The particulars of statutory dues referred to in sub-clause (a) as at March 31, 2022 which have not been deposited on account of a dispute,

<b>Nature of the Statute</b>	<b>Nature of Dues</b>	<b>Forum</b>	<b>Period</b>	<b>Amount (in Lakhs)</b>
Income tax Act, 1961	Income tax and interest	Income Tax Appellate Tribunal, Hyderabad	2003-04 2004-05 2005-06 2007-08 2009-10 2013-14	23.07 18.02 0.36 55.34 7.29 14.78
		Deputy Commissioner of Income Tax, Circle 76(2), Hyderabad	2014-15	3.77
		Commissioner of Income Tax, Appeals-IV, Hyderabad	2015-16 2012-13 2019-20 2017-18 2018-19	23.69 19.98 21.88 119.29 5.60
The Central Excise Act, 1944	Excise Duty, Redemption Fine and Penalty	Customs, Excise and Service Tax	2006-2012	185.43
Customs Act, 1962	Customs duty, Redemption Fine and Penalty	Appellate Tribunal, Hyderabad	2006-2012	1307.41
Telangana tax on entry of goods in to local areas act, 2001	Entry tax	Office of the Asst Commissioner (ST), Srinagar colony Circle, Hyderabad	2013-14 2014-15 2015-16 2016-17 2017-18	51.85 53.92 69.44 46.44 24.26

viii According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as



**Annexure B to Independent Auditors' Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account

- ix      a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year.
- b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful Defaulter by any bank or financial institution or government or any government authority.
- c) According to the records of the Company examined by us and the information and explanations given to us, term loans were applied for the purpose for which the loans were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and Joint Ventures.  
We report that the Company did not have associate companies during the year.
- f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries and joint ventures.
- x      a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence reporting under clause 3(x)(b) is not applicable.
- xi     a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the



**Annexure B to Independent Auditors' Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

- xii As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to the Company. Hence reporting under clause 3(xii)(a), (b), (c) are not applicable.
- xiii The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Standalone financial statements as required under Indian Accounting Standard (IND AS) 24, Related Party Disclosures specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.
- xiv
  - a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
  - b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi
  - a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
  - b) The Company has not conducted any non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company
  - c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
  - d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii The company has not incurred cash losses during the immediately preceding financial year and current financial year.
- xviii There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix According to the information and explanation given to us and on the basis of the financial Ratios (Also Refer Note 43 to the Ind AS Standalone Financial Statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not



**Annexure B to Independent Auditors' Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

- xx The company has spent requisite amount during the year as Corporate Social Responsibility under Section 135 of the Act.
- xxi The reporting under Clause 3(XXI) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For MAJETI & CO**

Firm Registration Number: 015975S  
Chartered Accountants

*A. Loughif*  
**Kowshik Anna**

Partner  
Membership Number: 244172  
UDIN No: 23244172BGQKXQ6229



Place: Hyderabad

Date: December 23, 2022.

MIDWEST GRANITE PRIVATE LIMITED

Balance sheet as at March 31, 2022

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>I Non-current assets</b>			
(a) Property, plant and equipment	3	17,785.21	16,369.67
(b) Capital work-in-progress	3	848.10	594.64
(c) Intangible Assets	4A	3.10	3.43
(d) Right - of - use assets	4B	362.73	384.24
(e) Financial assets			
(i) Investments	5	7,912.55	6,925.40
(ii) Other financial assets	6	931.41	857.86
(f) Deferred tax Assets (net)	7	273.28	243.46
(g) Other non-current assets	8(i)	2,962.51	2,279.38
<b>Total Non-current assets</b>		<b>31,078.89</b>	<b>27,658.08</b>
<b>II Current assets</b>			
(a) Inventories	9	3,372.88	3,377.15
(b) Financial assets			
(i) Trade receivables	10	2,845.32	1,660.80
(ii) Cash and cash equivalents	11	546.44	385.03
(iii) Bank balances other than (ii) above	12	1,864.16	83.19
(iv) Loans	13 (i)	3,454.99	2,084.25
(v) Others	13 (ii)	48.48	25.48
(c) Other current assets	8(ii)	2,858.55	2,437.29
(d) Current tax asset (net)	19 (i)	107.96	-
<b>Total Current assets</b>		<b>15,098.78</b>	<b>10,053.19</b>
<b>TOTAL ASSETS</b>		<b>46,177.67</b>	<b>37,711.27</b>
<b>EQUITY AND LIABILITIES</b>			
<b>III Equity:</b>			
(a) Equity share capital	14	74.31	74.31
(b) Other equity		29,968.73	24,870.96
<b>Total Equity</b>		<b>30,043.04</b>	<b>24,945.27</b>
<b>LIABILITIES</b>			
<b>IV Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15(i)	3,037.69	3,254.36
(b) Provisions	16(i)	326.72	311.62
(c) Other non-current liabilities	17(i)	102.95	209.39
<b>Total Non-current liabilities</b>		<b>3,467.36</b>	<b>3,775.37</b>
<b>V Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	15(ii)	2,786.91	2,803.83
(ii) Trade payables:			
- dues to micro and small enterprises			
- dues to others		699.21	820.14
(iii) Other financial liabilities	18	2,443.68	2,973.24
(b) Other current liabilities	17(ii)	6,638.79	2,036.96
(c) Provisions	16(ii)	98.68	83.24
(d) Current tax liabilities (net)	19(ii)	-	273.22
<b>Total current liabilities</b>		<b>12,667.27</b>	<b>8,990.63</b>
<b>Total liabilities</b>		<b>16,134.63</b>	<b>12,766.00</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>46,177.67</b>	<b>37,711.27</b>

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For MAJETI & CO.,

Chartered Accountants

Firm's Registration Number:0159755

A. Kowshik

Kowshik Anna

Partner

Membership Number : 244172

Hyderabad

December 23, 2022



For and on behalf of Board

k Ranganayakamma

Chairman

DIN:00033569

K.Ramachandra

Director

DIN:00060086

**MIDWEST GRANITE PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended March 31, 2022**

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I Revenue from operations	20	33,086.00	22,027.65
II Other income	21	912.72	1,476.87
<b>III Total Revenue (I+II)</b>		<b>33,998.72</b>	<b>23,504.52</b>
<b>IV Expenses</b>			
(a) Quarry expenses		4,353.75	2,978.91
(b) Consumption of stores and spare parts		5,526.70	2,809.67
(c) Cost of raw material consumed	22	639.43	468.73
(d) Purchase of stock-in-trade		453.89	275.00
(e) Changes in inventories of finished goods and work-in-progress	23	281.20	(874.62)
(f) Seignorage and Cess Fees		3,642.79	2,097.12
(g) Employee benefits expense	24	4,187.18	4,104.39
(h) Finance costs	25	539.29	499.27
(i) Depreciation and amortisation expense	26	1,259.99	1,471.94
(j) Other expenses	27	6,284.25	4,602.11
<b>Total Expenses (IV)</b>		<b>27,168.47</b>	<b>18,432.52</b>
<b>V Profit before tax (III- IV)</b>		<b>6,830.25</b>	<b>5,072.00</b>
<b>VI Tax expense</b>	28		
(a) Current tax		1,770.25	1,545.00
(b) Deferred tax		(31.82)	(188.09)
<b>Total tax expense</b>		<b>1,738.43</b>	<b>1,356.91</b>
<b>VII Profit after tax for the year (V-VI)</b>		<b>5,091.82</b>	<b>3,715.09</b>
<b>VIII Other Comprehensive Income</b>			
(a) Items that will not be reclassified to profit or loss			
(i) Remeasurements of post-employment benefit obligations		7.95	(22.67)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(2.00)	5.68
<b>Other Comprehensive Income after tax for the year (VIII)</b>		<b>5.95</b>	<b>(16.99)</b>
<b>IX Total Comprehensive Income for the year (VII+VIII)</b>		<b>5,097.77</b>	<b>3,698.10</b>
<b>X Earnings per share (Par value of Rs.100 each)</b>			
(a) Basic		6,851.86	4,429.17
(b) Diluted		6,851.86	4,429.17

The accompanying notes are an integral part of the financial statements

As per our report of even date

For MAJETI & CO.,

Chartered Accountants

Firm's Registration Number:015975S

*Kowshik*

Kowshik Anna

Partner

Membership Number : 244172

Hyderabad

December 23,2022



For and on behalf of Board

*K.Ranganayakamma*

K.Ranganayakamma

Chairman

DIN:00033569

*K.Ramachandra*

K.Ramachandra

Director

DIN:00060086

**MIDWEST GRANITE PRIVATE LIMITED**  
**Statement of changes in equity for the March 31, 2022**  
(All amounts in INR Lakhs, unless otherwise stated)

**A. Equity share capital**

	Number of Shares	Amount
<b>As at March 31, 2020</b>	91,343	91,34,300
Changes in equity share capital	(17,030)	(17,03,000)
<b>As at March 31, 2021</b>	74,313	74,31,300
Changes in equity share capital	-	-
<b>As at March 31, 2022</b>	<b>74,313</b>	<b>74,31,300</b>

**B. Other Equity**

	Reserves and Surplus					
	Capital reserve	Forfeited shares	Capital Redemption Reserve	General reserve	Retained earnings	Total Other Equity
<b>Balance as at April 01, 2020</b>	175.81	0.66	1.00	2,351.30	19,651.40	22,180.17
Adjustment on account of Merger(Refer Note No. 38)	0.75	-	-	-	(80.93)	(80.18)
Buyback of equity shares, including tax thereon	-	-	17.03	(944.16)	-	(927.13)
<b>Total comprehensive income for the year</b>	-	-	-	-	3,715.09	3,715.09
a) Profit for the year	-	-	-	-	(16.99)	(16.99)
b) Other comprehensive income for the year, net of income tax	-	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>176.56</b>	<b>0.66</b>	<b>18.03</b>	<b>1,407.14</b>	<b>23,268.57</b>	<b>24,870.96</b>
<b>Balance as at April 01, 2021</b>	<b>176.56</b>	<b>0.66</b>	<b>18.03</b>	<b>1,407.14</b>	<b>23,268.57</b>	<b>24,870.96</b>
<b>Total comprehensive income for the year</b>	-	-	-	-	5,091.82	5,091.82
a) Profit for the year	-	-	-	-	5.95	5.95
b) Other comprehensive income for the year, net of income tax	-	-	-	-	5,097.77	5,097.77
<b>Total (a+b)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,097.77</b>	<b>5,097.77</b>
<b>Balance as at March 31, 2022</b>	<b>176.56</b>	<b>0.66</b>	<b>18.03</b>	<b>1,407.14</b>	<b>28,366.34</b>	<b>29,968.73</b>

The accompanying notes are an integral part of the financial statements

**Nature and purpose of reserves**

**(i) Capital reserve**

Capital reserve represents share application money received from allottees and forfeiture due to non payment of remaining call money within due date as per terms of issue.

**(ii) General reserve**

General reserve is used for strengthening the financial position and meeting future contingencies and losses.

**(iii) Retained earnings**

This reserve represents the cumulative profits of the company. It includes land revaluation amount of Rs. 5,708 lakhs on Ind AS transition date which will not be available for declaration of dividend as per Companies (Declaration and payment of Dividend) Rules, 2014.

**(iv) Capital Redemption Reserve**

Capital redemption reserve is created when a company purchases its own shares out of free reserves. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013. Capital redemption reserve is not freely available for distribution.

**As per our report of even date**

For MAJETI & CO.,

Chartered Accountants

Firm's Registration Number:015975S

*D. Kowshik*

Kowshik Anna

Partner

Membership Number : 244172

Hyderabad

December 23, 2022



**For and on behalf of Board**

*R. Ranganayakamma*

K.Ranganayakamma

Chairman

DIN:00033569

*K. Ramachandra*

K. Ramachandra

Director

DIN:00060086

**MIDWEST GRANITE PRIVATE LIMITED**  
**Statement of Cash flows for the year ended March 31, 2022**

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	6,830.25	5,072.00
Adjustments for:		
Depreciation and amortisation expense	1,259.99	1,471.94
Finance costs	539.29	499.27
(Profit)/Loss on sale of assets (net)	(1.17)	116.00
Unrealised foreign exchange (gain)/ loss (net)	-	13.64
Net (gain)/loss arising on financial assets measured at FVTPL	(22.18)	(18.77)
Bad debts written off	7.65	29.99
Book deficit on assets discarded	22.98	17.26
Provision for expected credit losses	34.73	413.41
Provision for doubtful debts	372.67	245.43
Loss on sale of Investments	123.43	
Benefits accrued on Key Man insurances	(51.61)	(100.44)
Provision no longer required written back	(10.29)	(26.08)
Profit on redemption of non current investments	-	(25.00)
Fair value gain on foreign exchange forward contracts (net)	(23.00)	(25.48)
Provision for doubtful debts no longer required written back	-	3.01
Balances written (back) / off (net)	-	(44.35)
Dividend income	(0.51)	(0.06)
Interest income	(142.94)	(49.34)
<b>Operating profit before working capital changes</b>	<b>8,939.29</b>	<b>7,592.43</b>
<b>Change in operating assets and liabilities</b>		
Trade receivables and other assets	(1,833.35)	(735.30)
Inventories	4.27	(1,243.13)
Trade payables, other liabilities and provisions	3,795.45	1,119.79
<b>Cash generated from operating activities</b>	<b>10,905.66</b>	<b>6,733.79</b>
Income tax paid	(2,152.77)	(1,278.52)
<b>Net cash generated from operating activities</b>	<b>8,752.89</b>	<b>5,455.27</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment & Capital work in progress	(4,139.19)	(3,042.98)
Sale proceeds from property, plant and equipment	410.91	166.07
Sale proceeds from non current Investments	123.43	154.96
Investment in Subsidiary	(224.96)	(219.96)
Investment in Mutual Funds and other Companies	(976.58)	
Change in bank balances (having original maturity of more than three months) (net)	(1,774.32)	(2.38)
Interest received	46.50	12.08
Loan given to subsidiaries and Other Parties	(1,280.95)	(729.04)
Dividend income	0.51	0.06
<b>Net cash (outflow) from investing activities</b>	<b>(7,814.65)</b>	<b>(3,661.19)</b>
<b>Cash flows from financing activities</b>		
(Repayment)/ Proceeds of non current borrowings (net)	(451.22)	1,155.62
(Repayment)/ Proceeds of current borrowings (net)	217.63	(969.61)
Payment of buyback of equity shares (including tax)	-	(944.17)
Repayment of lease liability	-	(410.00)
Finance costs paid	(543.24)	(509.70)
<b>Net cash inflow from financing activities</b>	<b>(776.83)</b>	<b>(1,677.86)</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>161.41</b>	<b>116.22</b>
Cash and cash equivalents at the beginning of the year	385.03	268.81
<b>Cash and cash equivalents at end of the year</b>	<b>546.44</b>	<b>385.03</b>

**Notes:**

1. The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7)- Statement of Cash Flows.
2. Taxes paid are treated as arising from operating activities.

The accompanying notes are an integral part of the financial statements

**As per our report of even date**

**For MAJETI & CO.,**

Chartered Accountants

Firm's Registration Number: 015975S

*A. Kowshik*

Kowshik Anna

Partner

Membership Number : 244172

Hyderabad

December 23, 2022



**For and on behalf of Board**

*K. Ranganayakamma*

K. Ranganayakamma  
Chairman  
DIN: 00033569

*K. Ramachandra*  
K. Ramachandra  
Director  
DIN: 00060086

## **MIDWEST GRANITE PRIVATE LIMITED**

### **Notes annexed to and forming part of the Financial Statements**

(All amounts in INR, unless otherwise stated)

#### **1. Corporate Information**

- 1.1 Midwest Granite Private Limited (the Company or MGPL) is a Private limited company incorporated under the provisions of the erstwhile Companies Act, 1956 with the objectives of engaged in the business of (i)quarrying, manufacturing and processing and selling of Granite and; (ii) manufacturing of diamond wire rope; having its registered office at Hyderabad in the state of Telangana, India.
- 1.2 Midwest Granite Private Limited was incorporated on 11.12.1981.
- 1.3 These Standalone financial statements are approved and authorized for issue by the Board of Directors on December \_\_ 2022.

#### **2. Significant accounting policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **2.1 Basis of Preparation of standalone financial statements**

###### **(i) Compliance with Ind AS**

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

###### **(ii) Historical cost convention**

The financial statements have been prepared as a going concern on accrual basis of accounting. The company has adopted historical cost basis for assets and liabilities except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy.

###### **(iii) Merger**

The merger has been accounted for under 'Pooling of Interest Method' as prescribed under Appendix C of Indian Accounting Standard (Ind AS) 103 - Business Combinations. Accordingly, prior years' financial information in the financial statements have been restated. (refer Note 38 w.r.t. merger details)

###### **(iv) New standards and amendments**

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2021. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

- a. Interest Rate Benchmark Reform - Phase 2 : Amendments to Ind AS 109 - Financial Instruments, Ind AS 107 - Financial Instruments : Disclosures, Ind AS 104 - Insurance Contracts and Ind AS 116 - Leases.
- b. Conceptual framework for financial reporting under Ind AS issued by ICAI
- c. Ind AS 103: Business combination
- d. Amendment to Ind AS 103- Business combination, Ind AS 116 - COVID-19 related rent concessions, Ind AS 105 - Non-current Assets held for sale and Discontinued Operations,



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## **MIDWEST GRANITE PRIVATE LIMITED**

**Notes annexed to and forming part of the Financial Statements**

(All amounts in INR, unless otherwise stated)

Ind AS 16 – Property Plant and Equipment and Ind AS 28 – Investments in Associates and Joint Ventures.

These amendments had no impact on the financial statements of the Company

### **(iv) Reclassification consequent to amendments to Schedule III**

The Ministry of Corporate Affairs amended the Schedule III to the companies Act,2013 on 24th March 2021 to increase the transparency and provide additional disclosure to users of financial statements. The amendments are effective from 01 April 2021.

Consequent to the above the company has classified current maturity of long-term borrowing borrowings (including interest accrued thereon) to short-term borrowing from other financial liability.

### **(v) Current and non-current classification**

An asset is classified as current, if

- (i) It is expected to be realized or sold or consumed in the company's normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be realized within twelve months after the reporting period; or
- (iv) It is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current, if

- (i) It is expected to be settled in normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be settled within twelve months after the reporting period;
- (iv) It has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per company's operating cycle and other criteria set out in Schedule-III of the Companies Act, 2013. Based on the nature of business, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

## **2.2 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments. The Whole Time Director has been identified as the Chief Operating Decision Maker. Refer Note 35 for the segment information presented.

## **2.3 Foreign currency transactions**

### **a) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). Indian Rupees is the functional currency of the company. The financial statements and all financial information are presented in Indian rupee (INR).



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## **MIDWEST GRANITE PRIVATE LIMITED**

**Notes annexed to and forming part of the Financial Statements**

(All amounts in INR, unless otherwise stated)

### **b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency, using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

### **c) Derivatives**

The Company uses derivative financial instruments, such as forward exchange contracts to hedge its foreign currency risks. Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains/losses are recognised in Statement of Profit and Loss immediately.

## **2.4 Critical estimates and judgements**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:

- Estimation of expected credit loss on financial assets - Note 31(A) (I).
- Useful life of Property, Plant & Equipment - Note 2.7
- Recognition and measurement of defined benefit obligations - Note 2.16
- Estimation of current tax expense and payable
- Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19) - Note 31(D)

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

## **2.5 Revenue recognition**

### **Sale of Products - Recognition & Measurement**

Revenue from the sale of products is recognised at the point in time when the products are delivered to the customer (as it is considered as that customer has obtained the control /



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## **MIDWEST GRANITE PRIVATE LIMITED**

### **Notes annexed to and forming part of the Financial Statements**

(All amounts in INR, unless otherwise stated)

legal title has been transferred) as per the terms of the contract. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Company's customers pay for products received in accordance with payment terms that are customary in the industry and do not have significant financing components.

For revenues disaggregated by geography and timing of recognition [refer note 20]

#### **Dividend Income**

Dividend income on investments is accounted for when the right to receive the payment is established, which is generally when shareholders approve the dividend. Dividend income is included in Other Income in the Statement of Profit and Loss.

#### **Interest Income**

Interest income on all financial assets measured at amortised cost, interest income is recognised using the effective interest rate (EIR) method, is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset except for financial assets that subsequently become credit impaired. For credit impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the expected credit loss).

#### **2.6 Leases**

##### **As a lessee**

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that



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## **MIDWEST GRANITE PRIVATE LIMITED**

### **Notes annexed to and forming part of the Financial Statements**

(All amounts in INR, unless otherwise stated)

rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

#### **As a lessor**

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

## **2.7 Property, Plant and Equipment**

### **i) Recognition and measurement**

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Items such as spares are capitalized when they meet the definition of property, plant and equipment. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, expenditure towards major inspections and overhauls are identified as a separate component and depreciated over the expected period till the next overhaul expenditure.

### **ii) Subsequent expenditure**

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate in property, plant and equipment the cost of replacing part of such an item when the cost is incurred if the recognised criteria are met. The carrying amount of any component accounted for as separate asset is derecognised when replaced. All



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## MIDWEST GRANITE PRIVATE LIMITED

### Notes annexed to and forming part of the Financial Statements

(All amounts in INR, unless otherwise stated)

other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

#### iii) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is recognised in profit and loss in the period the item is derecognised.

#### iv) Depreciation expense

Depreciation is charged on straight line basis so as to write off the depreciable amount of the asset over the useful lives specified in Schedule II to the Act. The useful life of the assets is periodically reviewed and re-determined based on a technical evaluation and expected use.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

Leasehold improvements and Leasehold Land are amortised over the lease period. Deprecation is provided at one hundred percent for assets costing less than Rs.5000/-

### 2.8 Intangible assets and amortization

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Nature of Asset	Useful Life
Software	3 Years

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

### 2.9 Financial Instruments

#### Classification, initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial instruments are recognized on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

##### (i) Financial Assets

###### Classification:

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.



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## MIDWEST GRANITE PRIVATE LIMITED

### Notes annexed to and forming part of the Financial Statements

(All amounts in INR, unless otherwise stated)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### At initial recognition

The Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### Subsequent measurement - Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- i. **At amortised cost:** Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.
- ii. **At fair value through other comprehensive income (FVOCI):** Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payment of principle and interest on the principle amount outstanding and selling financial assets.
- iii. **At fair value through profit or loss (FVTPL):** Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.

#### Investments in subsidiaries, joint ventures and associates

Investment in subsidiaries, Joint ventures and associates are measured at cost less impairment loss, if any.

#### Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.



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## **MIDWEST GRANITE PRIVATE LIMITED**

### **Notes annexed to and forming part of the Financial Statements**

(All amounts in INR, unless otherwise stated)

#### **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

#### **Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### **(ii) Financial liabilities**

##### **Classification, initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

##### **Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

##### **Trade and other payables**

Trade and other payables represent liabilities for goods and services prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

##### **Loans and borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

##### **Derecognition of financial instruments**

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



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## **MIDWEST GRANITE PRIVATE LIMITED**

### **Notes annexed to and forming part of the Financial Statements**

(All amounts in INR, unless otherwise stated)

asset the difference between the carrying amount and the consideration received is recognised in the statement of profit and loss.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. On de-recognition of a financial liability the difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

#### **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

#### **Financial guarantee contracts**

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee or the estimated amount that would be payable to a third party for assuming the obligations.

#### **As Guarantor**

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 109 and the amount initially recognised less cumulative amortisation, where appropriate.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

#### **As Beneficiary**

Financial guarantee contracts are recognised as a financial asset at the time the guarantee is taken. The asset is initially measured at fair value and subsequently amortised over the guarantee period.

Where guarantees in relation to loans or other payables are provided by company for no compensation, the fair values are accounted for as contributions and recognised as part of equity.

#### **2.10 Impairment of Assets**

##### **Financial assets**

The Company assesses at each date of balance sheet impairment, if any, of a financial asset or a group of financial assets. The company uses, in accordance with Ind AS 109, 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to: The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or Full lifetime



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## MIDWEST GRANITE PRIVATE LIMITED

### Notes annexed to and forming part of the Financial Statements

(All amounts in INR, unless otherwise stated)

expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

**For trade receivables** Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

**For other assets**, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

#### Non-financial assets

Property, Plant and Equipment with finite life are evaluated for recoverability when there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount and impairment loss is recognised in the profit or loss.

#### 2.11 Equity instruments

An equity instrument is a contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

#### 2.12 Inventories

Stores and spares are valued at lower of cost, calculated on weighted average basis, and net realisable value.

Finished goods, Stock-in-trade and work-in-progress are valued at lower of cost and net realisable value. Cost includes materials, direct labour, other direct costs and appropriate portion of variable and fixed overhead expenditure, computed on normal capacity. Cost is determined on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Obsolete inventories are identified and written down to net realisable value.

#### 2.13 Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemptions in accordance with the prevailing tax laws for the year.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively.



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## **MIDWEST GRANITE PRIVATE LIMITED**

### **Notes annexed to and forming part of the Financial Statements**

(All amounts in INR, unless otherwise stated)

Current tax assets and current tax liabilities are presented in the statement of financial position after off-setting the taxes paid or deemed to be paid and current income tax expenses for the year.

#### **Deferred income taxes**

Deferred tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow total or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred Tax Assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

Deferred tax assets and liabilities are offset when it relates to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis

#### **2.14 Provisions, contingent liabilities and contingent asset**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as other finance expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability



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# MIDWEST GRANITE PRIVATE LIMITED

## Notes annexed to and forming part of the Financial Statements

(All amounts in INR, unless otherwise stated)

that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

### 2.15 Employee benefits

#### (i) Short term employee benefit obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

#### (ii) Other long-term employee benefit obligations

The liabilities for accumulating compensated absences not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured at the present value of expected future payments to be made in respect of services provided using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

##### (a) Defined benefit plans-Gratuity obligations

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognised in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

##### (b) Defined contribution plans

Provident Fund: The Company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the



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## **MIDWEST GRANITE PRIVATE LIMITED**

### **Notes annexed to and forming part of the Financial Statements**

(All amounts in INR, unless otherwise stated)

contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

State Plans: Employer's contribution to Employee State Insurance plan is charged to Statement of Profit and Loss as and when due.

#### **2.16 Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, and not distributed on or before the end of the reporting period. Dividend is recognised as a liability in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

#### **2.17 Earnings per share**

Basic earnings per share are calculated by dividing the profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the profit or loss after tax for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

#### **2.18 Commitments**

Commitments include bonds executed with external authorities.

#### **2.19 Rounding of amounts**

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

#### **2.20 Recent accounting pronouncements (Standards issued but not yet effective)**

##### **Ind AS 16 – Property Plant and equipment**

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

##### **Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets**

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

##### **Ind AS 103: Business combination**

The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

**Note 3: Property, plant and equipment (Own Assets)**

	Free hold Land (Refer note ii below)	Improvements to Leasehold Premises	Buildings	Plant and Equipment	Mining Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Electrical Installation	Computers	Water works	Total	Capital work-in- progress
<b>Year ended March 31, 2021</b>													
<b>Gross carrying amount</b>													
Opening Gross carrying amount	8,247.07	176.60	689.05	602.71	7,612.31	166.36	755.01	173.54	337.27	95.33	61.87	18,917.12	400.11
Adjustment on account of Merger(Refer Note No. 38)	-	19.34	-	418.39	-	14.19	16.70	18.53	6.38	3.51	-	497.04	-
Additions	129.47	-	4.00	24.55	2,262.02	15.03	27.37	6.09	79.57	11.91	18.62	2,578.63	194.53
Disposals/Discard	4.19	-	-	-	995.09	0.09	16.30	0.05	0.20	31.72	0.03	1,047.67	-
Closing gross carrying amount	8,372.35	195.94	693.05	1,045.65	8,879.24	195.49	782.78	198.11	423.02	79.03	80.46	20,945.12	594.64
<b>Accumulated depreciation</b>													
Opening accumulated depreciation	-	56.33	221.82	435.20	2,428.23	114.38	380.61	124.58	162.05	78.72	20.77	4,022.69	-
Adjustment on account of Merger(Refer Note No. 38)	-	4.62	-	202.62	-	3.14	4.76	11.26	3.11	2.30	-	231.81	-
Depreciation charge during the year	-	17.75	17.58	54.18	847.13	8.85	66.89	16.76	28.13	7.95	4.07	1,069.29	-
Disposals/Discard	-	-	-	-	709.21	0.09	8.67	0.05	0.19	30.13	-	748.34	-
Closing accumulated depreciation	-	78.70	239.40	692.00	2,566.15	126.28	443.59	152.55	193.10	58.84	24.84	4,575.45	-
<b>Net carrying amount as at March 31, 2021</b>	<b>8,372.35</b>	<b>117.24</b>	<b>453.65</b>	<b>353.65</b>	<b>6,313.09</b>	<b>69.21</b>	<b>339.19</b>	<b>45.56</b>	<b>229.92</b>	<b>20.19</b>	<b>55.62</b>	<b>16,369.67</b>	<b>594.64</b>
<b>Year ended March 31, 2022</b>													
<b>Gross carrying amount</b>													
Opening Gross carrying amount	8,372.35	195.94	693.05	1,045.65	8,879.24	195.49	782.78	198.11	423.02	79.03	80.46	20,945.12	594.64
Additions	647.75	-	470.11	317.14	1,545.62	5.49	30.36	6.81	39.19	9.69	14.24	3,086.40	848.10
Disposals/Discard	-	-	-	213.68	718.29	-	100.20	16.79	-	33.99	-	1,082.95	594.64
Closing gross carrying amount	9,020.10	195.94	1,163.16	1,149.11	9,706.57	200.98	712.94	188.13	462.21	54.73	94.70	22,948.57	848.10
<b>Accumulated depreciation</b>													
Opening accumulated depreciation	-	78.70	239.40	692.00	2,566.15	126.28	443.59	152.55	193.10	58.84	24.84	4,575.45	-
Additions	-	17.75	31.14	65.87	993.17	9.21	57.71	17.21	32.06	9.12	4.91	1,238.15	-
Disposals/Discard	-	-	-	192.02	326.18	-	83.63	16.08	-	32.33	-	650.24	-
Closing accumulated depreciation	-	96.45	270.54	565.85	3,233.14	135.49	417.67	153.68	225.16	35.63	29.75	5,163.36	-
<b>Net carrying amount as at March 31, 2022</b>	<b>9,020.10</b>	<b>99.49</b>	<b>892.62</b>	<b>583.26</b>	<b>6,473.43</b>	<b>65.49</b>	<b>295.27</b>	<b>34.45</b>	<b>237.05</b>	<b>19.10</b>	<b>64.95</b>	<b>17,785.21</b>	<b>848.10</b>

**Notes to Property, plant and equipment**

1) Refer note 33 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

2) Refer note 39 for information on property, plant and equipment provided as security by the company.



**MIDWEST GRANITE PRIVATE LIMITED**

Notes to the Financial statements

(All amounts in INR Lakhs, unless otherwise stated)

**3) Aging of capital work-in-progress as at March 31,2022**

	Amount in capital work-in-progress for				
	Less than 1 Year	1- 2 Years	2-3 years	More than 3 Years	Total
(a) Projects in Progress	848.10	-	-	-	<b>848.10</b>
(b) Projects temporarily Suspended	-	-	-	-	<b>848.10</b>

**4) Aging of capital work-in-progress as at March 31,2021**

	Amount in capital work-in-progress for				
	Less than 1 Year	1- 2 Years	2-3 years	More than 3 Years	Total
(a) Projects in Progress	194.53	239.11	154.58	6.42	<b>594.64</b>
(b) Projects temporarily Suspended	-	-	-	-	<b>594.64</b>

5)The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company, except for the following:

Description	Gross carrying value		Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
	As at March 31, 2022	As at March 31, 2021				
FreeHold Land	27.16	27.16	Subhiksha Agro Farms pvt ltd	No	From FY 2013-14	For certain properties acquired through amalgamation/merger, the name change in the name of the Company is pending
	39.33	39.33	Yarra Agro Estates pvt ltd	No		
	132.98	132.98	Reliance Granite pvt ltd	No		
	14.70	14.70	Victorian granite pvt ltd	No		
	1.75	1.75	Ind Natali Granite Limited	No		Title Deeds not available with the Company
	121.38	121.38	Opusasia Technologies pvt ltd	No		
	7.47	7.47	Not Applicable	No	From FY 2001-	
	0.51	0.51		No	From FY 2002-	
	2.91	2.91		No	From FY 2006-	
	4.00	4.00		No	Frem FY 2009-	
	2.00	2.00		No	From FY 2011-	
<b>Total*</b>	<b>354.19</b>	<b>354.19</b>				

\*Gross Carrying value excludes Revaluation Reserve



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MIDWEST GRANITE PRIVATE LIMITED  
 Notes to the Financial statements  
 (All amounts in INR Lakhs, unless otherwise stated)

**Note 4A: Intangible Assets (Own Assets)**

	<b>Software</b>
<b>Year ended March 31, 2021</b>	
<b>Gross carrying amount</b>	
Opening Gross carrying amount	62.01
<b>Closing gross carrying amount</b>	<b>62.01</b>
<b>Accumulated depreciation</b>	
Opening accumulated depreciation	58.15
Depreciation charge during the year	0.43
<b>Closing accumulated depreciation</b>	<b>58.58</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>3.43</b>
<b>Year ended March 31, 2022</b>	
<b>Gross carrying amount</b>	
Opening Gross carrying amount	62.01
Additions during the year	-
<b>Closing gross carrying amount</b>	<b>62.01</b>
<b>Accumulated depreciation</b>	
Opening accumulated depreciation	58.58
Depreciation charge during the year	0.33
<b>Closing accumulated depreciation</b>	<b>58.91</b>
<b>Net carrying amount as at year ended March 31, 2022</b>	<b>3.10</b>

**Note: 4B Right of use assets**

Particulars	Land	Mining Equipment	Total
<b>Year ended March 31, 2021</b>	427.26	826.48	1,253.74
Additions	-	-	-
<b>Closing gross carrying amount</b>	<b>427.26</b>	<b>326.48</b>	<b>1,253.74</b>
<b>Accumulated depreciation</b>	21.51	445.77	467.28
Depreciation for the year	21.51	380.71	402.22
<b>Closing accumulated depreciation</b>	<b>43.02</b>	<b>826.48</b>	<b>869.50</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>384.24</b>	-	<b>384.24</b>
<b>Year ended March 31, 2022</b>	427.26	-	427.26
Additions	-	-	-
<b>Closing gross carrying amount</b>	<b>427.26</b>	-	<b>427.26</b>
<b>Accumulated depreciation</b>	43.02	-	43.02
Depreciation for the year	21.51	-	21.51
<b>Closing accumulated depreciation</b>	<b>64.53</b>	-	<b>64.53</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>362.73</b>	-	<b>362.73</b>

The Company has entered into leases for its mining Equipment and leasehold lands. Lease of Mining Equipment's are generally have lease terms of 3 years and lands generally have lease terms of 33 years.

The Company also has certain leases of buildings and mining equipment with lease terms of 12 months or less and lease of office equipment's with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these. The weighted average incremental borrowing rate applied to lease liabilities recognised in the balance sheet at the date of initial application is 7.75%.

**Note: 4C Lease liability**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

	As at March 31, 2022	As at March 31, 2021
<b>Opening Balances of Lease Liability</b>	-	395.44
Accretion of interest	-	14.56
Payments	-	(410.00)
<b>Closing Balances Lease Liability</b>	-	-

Refer significant accounting policies for approach followed by the Company for transition to Ind AS 116.

- a) There are no restrictions or covenants imposed by leases.
- b) Refer note 26 for rental expense recorded for short-term leases and low value leases for the year ended 31 March 2022 and for the year ended 31 March 2021.
- c) There are no amounts payable toward variable lease expense recognised for the year ended 31 March 2022 and for the year ended 31 March 2021.
- d) The maturity analysis of lease liabilities are disclosed in note .
- e) There are no leases which have not yet commenced to which the lessee is committed (if any).



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

**Note 5: Non-Current Investments**

	As at March 31, 2022	As at March 31, 2021
<b>Investment in equity instruments (Unquoted):</b>		
<b>-In Subsidiaries (at cost unless stated otherwise)</b>		
Reliance Diamond Tools Private Limited		
23,50,000 (2021: 23,50,000) Equity Shares of Srilankan Rs.10/- each, fully paid	103.40	103.40
Andhra Pradesh Granite (Midwest) Private Limited		
84,99,990 (2021: 84,99,990) Equity Shares of Rs.10/- each, fully paid	850.00	850.00
BEML Midwest Limited		
66,17,200 (2021: 66,17,200) Equity Shares of Rs.10/- each	661.72	661.72
Less: Impairment in value of investment	(661.72)	(661.72)
Midwest Holdings Limited		
18,79,514 (2021: 18,79,514) Equity Shares of GBP 1/- each, fully paid	1,301.18	1,301.18
Amaya Smart Technologies Private Limited		
9,77,499 (2021: 9,79,499) Equity Shares of Rs.10/- each, fully paid	97.75	97.75
Less: Impairment in value of investment	(97.75)	(97.75)
Midwest Neostone Private Limited		
87,10,000 (2021: 82,50,000) Equity Shares of Rs.10/- each, fully paid	871.00	871.00
Midwest Mining Private Limited		
9,99,790 (2021: 9,99,790) Equity Shares of Rs.10/- each, fully paid	-	-
Less: Impairment in value of investment	-	(10.29)
Midwest Quartz Private Limited		
1,49,990 (2021: Nil) Equity Shares of Rs.10/- each, fully paid	15.00	-
Astral Granite Private Limited		
1,49,990 (2021: Nil) Equity Shares of Rs.10/- each, fully paid	208.46	-
<b>-In Joint venture (at cost unless stated otherwise):</b>		
South Coast Infrastructure Development Company of Andhra Pradesh Limited		
25,000 (2021: 25,000) Equity Shares of Rs.10/- each, fully paid	2.50	2.50
<b>SMW Granites LLP (at cost unless stated otherwise)</b>		
<b>Name of the Partner -Share in Profit (%)</b>		
Midwest Granite Private Limited - 50%		
Srikanth Daliya -50%		
<b>Total Capital of the LLP - Rs.80,00,000</b>		
<b>Investment in equity instruments (Quoted):</b>		
<b>-In Subsidiaries (at cost unless stated otherwise)</b>		
Midwest Gold Limited		
23,09,500 (2021: 23,09,500) Equity Shares of Rs.10 each, fully paid	224.09	224.09
<b>-In Other Companies (at fair value through Profit and loss):</b>		
Aditya Birla Fashion and Retail Limited		
5,200 (2021: 5,200) Equity shares of Rs.10/- each, fully paid	15.70	10.47
Grasim Industries Limited		
1,500 (2021: 1,500) Equity shares of Rs.2/- each, fully paid	24.97	21.78
Aditya Birla Capital Limited		
2,100 (2021: 2,100) Equity shares of Rs.10/- each, fully paid	2.26	2.51
<b>-In Mutual Funds (at fair value through Profit and loss):</b>		
Reliance ETF Liquid BeES - Kotak Demat A/c	24.98	-
19484.706 Units of Rs.1000/- each, fully paid		
Kotak Pre IPO Opportunities Fund - Investment	208.87	-
2501.031 Units of Rs.1000/- each, fully paid		
<b>-In Other Companies (at cost unless stated otherwise)</b>		
National Stock Exchange Ltd		
5500 Equity shares of Rs.1/- each, fully paid	156.75	-
Midwest Energy Private Limited		
1,000 (2021: 2,70,080) Equity shares of Rs.10/-each, fully paid	0.10	246.97
<b>Investment in preference shares (Unquoted):</b>		
<b>-In Subsidiaries (at cost unless stated otherwise)</b>		
Midwest Energy Private Limited - Preference Shares of Rs.100 each (6,00,000Nos)		
60,00,000 9% Non-Cumulative Preference Shares of Rs.10/- each, fully paid	600.00	-
Midwest Holdings Limited		
47,93,911 (2021: 47,93,911) 14% Non- Cumulative Preference Shares of USD 1 each, fully paid	3,178.62	3,178.62



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
<b>Investment in LLP (Unquoted):</b>		
-In Subsidiaries (at cost unless stated otherwise)		
Deccan Silica LLP	64.67	63.17
<b>Name of the Partner - Share in Profit (%)</b>		
Midwest Granite Private Limited -75%		
Rama Raghava Reddy Kollareddy -20.50%		
Ravindra Reddy Guntaka -2.25%		
M.V.V.Nagi Reddy -2.25%		
<b>Total Capital of the LLP -Rs. 73,48,095/-</b>		
<b>Investment in partnership firms (Unquoted):</b>		
(at cost unless stated otherwise)		
Baahula Minerals	20.00	20.00
<b>Name of the Partner -Share in Profit (%)</b>		
Suman Madhavarapu -25%		
Maheesh Rao Tannera -25%		
Midwest Granite Private Limited -50%		
<b>Total Capital of the firm -Rs.40,00,000/-</b>		
<b>Total Non-current investments</b>	<b>7,912.55</b>	<b>6,925.40</b>
Market value of quoted investments (Other than Subsidiary)	276.78	34.76
Aggregate carrying amount of unquoted investments	8,177.15	7,436.31
Aggregate amount of impairment	759.47	769.76
Aggregate amount of quoted investments	224.92	224.92

Note:5(i) Carrying value of investment in equity shares all subsidiaries, it is at the cost of acquisition.

**Note 6: Other Non Current Financial Assets**

	As at March 31, 2022	As at March 31, 2021
(Unsecured , Considered good)		
Keyman Insurance premium and benefits receivable	930.65	841.93
CST receivable	0.76	15.93
<b>Total Other Non Current Financial Assets</b>	<b>931.41</b>	<b>857.86</b>

**Note 7: Deferred tax Assets / (Liabilities) (net)**

The balance comprises temporary differences attributable to:

	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax asset:</b>		
Arising on account of temporary differences in:		
Deferred tax asset:	(358.12)	(288.02)
<b>Net deferred tax assets / (liabilities) (net)</b>	<b>631.40</b>	<b>531.48</b>

**Note 7 (a): Deferred tax Assets / (Liabilities) (net)**

The balance comprises temporary differences attributable to:

	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax liability:</b>		
Arising on account of temporary differences in:		
Property, plant and equipment	(113.08)	(66.87)
Keyman insurance premium and benefits receivable	(234.23)	(212.40)
Financial assets measured at FVTPL	(10.81)	(8.75)
	<b>(358.12)</b>	<b>(288.02)</b>
<b>Deferred tax asset:</b>		
Expenses allowable on the basis of payment	81.27	79.73
Provision for impairment of investments	191.14	193.73
Provision for expected credit loss allowances	124.58	119.28
Provision for doubtful debts	152.21	60.52
Provision for gratuity	82.20	78.22
	<b>631.40</b>	<b>531.48</b>
<b>Net deferred tax assets / (liabilities) (net)</b>	<b>273.28</b>	<b>243.46</b>

**Note 7(b): Reconciliation of deferred tax Assets (net)**

	As at March 31, 2022	As at March 31, 2021
<b>Opening balance</b>	<b>243.46</b>	<b>67.20</b>
Adjustment on account of Merger(Refer Note No. 38)		(17.51)
Tax (income)/expense recognised in profit and loss	31.82	188.09
Tax (income)/expense recognised in other comprehensive income	(2.00)	5.63
<b>Deferred tax Asset (net)</b>	<b>273.28</b>	<b>243.46</b>



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Financial statements**  
 (All amounts in INR Lakhs, unless otherwise stated)

**Note 8: Other Assets**

**(i) Non-current assets**

	As at March 31, 2022	As at March 31, 2021
(Unsecured , Considered good)		
Capital advances		
Considered good	1,792.79	1,280.19
Considered doubtful	407.17	34.50
Less : Provision for doubtful advances	(407.17)	(34.50)
<b>Advances other than capital advances:</b>		
Security deposits	572.15	400.12
Prepaid income tax (Net of provision for income tax)	584.23	584.60
Other receivables		
Considered good	13.34	14.47
Considered doubtful	65.00	65.00
Less : Provision for doubtful advances	(65.00)	(65.00)
<b>Total other non-current assets</b>	<b>2,962.51</b>	<b>2,279.38</b>

**(ii) Current Assets**

	As at March 31, 2022	As at March 31, 2021
(Unsecured , Considered good)		
<b>Advances other than capital advances:</b>		
Balances with government authorities		
Considered good	1,280.35	1,075.89
Considered doubtful	53.94	-
Less : Provision for doubtful advances	(53.94)	-
Prepaid expenses	248.48	315.14
Supplier Advances (goods, services and expenses )		
Considered good	1,329.72	1,046.26
Considered doubtful	140.98	140.98
Less : Provision for doubtful advances	(140.98)	(140.98)
<b>Total other current assets</b>	<b>2,858.55</b>	<b>2,437.29</b>

**Note 9: Inventories (Valued at Lower of cost and net realisable value )**

	As at March 31, 2022	As at March 31, 2021
Raw Material	167.50	181.35
Work-in-progress	22.97	370.12
Finished goods	2,120.03	2,054.08
Stores and spares	1,062.38	771.60
<b>Total inventories</b>	<b>3,372.88</b>	<b>3,377.15</b>
<b>Included above, stock-in-transit</b>		
Finished goods	1,339.42	1,541.38

Note 9 (a): Inventories are hypothecated as security against working capital borrowings. (Refer Note :39)

Note 9(b): The quarterly returns or statements filed by the company with such banks are in agreement with the books of account other than those as set out below

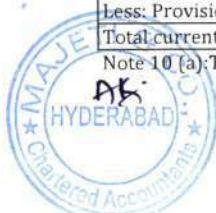
Name of the Bank	HDFC Bank Limited			
Aggregate working capital limits sanctioned	5242.00 Lakhs			
Nature of Current Asset offered as Security	Refer Note 15.2			
Quarter ended	June 30, 2021	September 30, 2021	December 31, 2021	March 31, 2022
Amount disclosed as per quarterly return / statement	2,521.71	1,701.85	1,867.58	5,440.89
Amount as per books of account	2,452.64	1,682.51	1,869.68	5,384.11
Difference	69.07	19.34	(2.10)	56.78
Reasons for difference	On Account of pending Reconciliation of customer balances at the time of submitting returns to the Bank.			

**Note 10: Trade receivables**

**(i) Current**

	As at March 31, 2022	As at March 31, 2021
Trade receivables from contract with customer - Billed	3,340.32	2,121.07
Trade receivables from contract with customer - Unbilled	-	-
Less: Provision for expected credit loss (Refer Note:31(A))	(495.00)	(460.27)
<b>Total current trade receivables</b>	<b>2,845.32</b>	<b>1,660.80</b>

Note 10 (a): Trade Receivables are hypothecated with banks as security towards working capital borrowings. (Refer Note :39)



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

**Note 10 (b): Break-up of security details**

		As at March 31, 2022	As at March 31, 2021
Secured, considered good		-	1,660.80
Unsecured, considered good		2,845.32	495.00
Doubtful		460.27	-
<b>Total</b>		<b>3,340.32</b>	<b>2,121.07</b>
Less: Expected credit loss allowances		(495.00)	(460.27)
<b>Total Current trade receivables</b>		<b>2,845.32</b>	<b>1,660.80</b>

**Note 10(c): Trade Receivables ageing as at March 31, 2022**

Particulars	Not Due and Unbilled	Outstanding for following periods from due date of payment						Total
		Less than 6 Months	6 months - 1 Year	1-2 year	2-3 Years	More than 3 year		
<b>Undisputed</b>								
-Considered good	1,165.90	1,213.25	115.25	119.59	40.65	190.68		<b>2,845.32</b>
-Considered doubtful	0.47	-	4.75	1.50	9.26	35.93		<b>51.91</b>
-Credit impaired	-	-	-	-	-	-		-
<b>Disputed</b>								
-Considered good	-	-	-	-	-	-		-
-Considered doubtful	-	-	-	-	-	-	443.09	<b>443.09</b>
-Credit impaired	-	-	-	-	-	-	-	-

**Note 10(d): Trade Receivables ageing as at March 31, 2021**

Particulars	Not Due and Unbilled	Outstanding for following periods from due date of payment						Total
		Less than 6 Months	6 months - 1 Year	1-2 year	2-3 Years	More than 3 year		
<b>Undisputed</b>								
-Considered good	797.54	483.07	95.81	63.17	2.45	218.76		<b>1,660.80</b>
-Considered doubtful	-	2.14	-	7.55	99.14	141.67		<b>250.50</b>
-Credit impaired	-	-	-	-	-	-		-
<b>Disputed</b>								
-Considered good	-	-	-	-	-	-		-
-Considered doubtful	-	-	-	-	-	209.77		<b>209.77</b>
-Credit impaired	-	-	-	-	-	-		-

**Note 11: Cash and cash equivalents**

		As at March 31, 2022	As at March 31, 2021
Balances with banks			
-in Current Accounts		542.95	381.49
Cash on hand		3.49	3.54
<b>Total cash and cash equivalents</b>		<b>546.44</b>	<b>385.03</b>

\*There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

**Note 12: Bank balances other than cash and cash equivalents**

		As at March 31, 2022	As at March 31, 2021
In fixed deposits with original maturity of more than three months but less than twelve months		1,236.98	20.05
Balances with banks to the extent held as Margin money (On Letter of credit and Bank Guarantees issued by bank, etc., )		27.18	63.14
<b>Total Bank balances other than cash and cash equivalents</b>		<b>1,864.16</b>	<b>83.19</b>

**Note 13(i): Loans**

		As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good*</b>			
Loan to related parties(Refer note: 37)		2,597.26	2,084.25
Loans to other than related parties		857.73	-
<b>Total Current loans</b>		<b>3,454.99</b>	<b>2,084.25</b>

\*Financial assets carried at amortised cost

**Note 13 (ii) : Others**

		As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>			
Foreign Currency Forward Contract Receivable		48.48	25.48
<b>Total Others</b>		<b>48.48</b>	<b>25.48</b>



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

**Note 14 : Equity share capital**

Authorised :

	Number of shares	Amount
<b>As at March 31, 2020</b>		
Movement on account of Merger(Refer Note No. 38)	8,07,000	807.00
Movement during the year	4,50,000	450.00
<b>As at March 31, 2021</b>		
Movement during the year	-	-
<b>As at March 31, 2022</b>	<b>12,57,000</b>	<b>1,257.00</b>
<b>Issued,Subscribed and fully paid up :</b>		
<b>As at March 31, 2020</b>		
Movement during the year (Buyback of equity shares )	91,343	91.34
<b>As at March 31, 2021</b>		
Movement during the year	(17,030)	(17.03)
<b>As at March 31, 2022</b>	<b>74,313</b>	<b>74.31</b>

**Issued,Subscribed and fully paid up :**

	Number of shares	Amount
<b>As at March 31, 2020</b>		
Movement during the year (Buyback of equity shares )	91,343	91.34
<b>As at March 31, 2021</b>		
Movement during the year	(17,030)	(17.03)
<b>As at March 31, 2022</b>	<b>74,313</b>	<b>74.31</b>

**14.1 Terms and rights attached to equity shares**

The Company has only one class of equity shares having face value of INR 100/- per share. The Company declares and pay dividend in Indian rupees. The holder of equity shares is entitled to dividend right in the same proportion to the paid up capital. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting except incase of Interim Dividend. In the event of liquidation of the company, the holders of equity shares are entitled to receive remaining assets of the company, after distribution of all preferential amounts, in proportion to the number of equity shares held by them. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**14.2 Details of shareholders holding more than 5% equity shares in the company**

	Mr. K. Rama Paghava Reddy	Mr. G. Ravindra Reddy
<b>As at March 31, 2021</b>		
Number of shares	64,886	7,000
% holding	87.31	9.42
<b>As at March 31, 2022</b>		
Number of shares	64,886	7,000
% holding	87.31	9.42

**14.3 Details of Buyback of equity shares**

During the year ended March 31, 2021, the Company concluded the buyback of 17,030 equity shares as approved by the Board of Directors on September 14, 2020. This has resulted in a total cash outflow of Rs.944.17 Lakhs/- (including tax on buyback of Rs.177.82Lakhs/-). In line with the requirement of the Companies Act, 2013, total amount has been utilised from general reserve respectively. Further, capital redemption reserve of Rs.17.03Lakhs/- (representing the nominal value of the shares bought back) has been created as an apportionment from retained earnings. Consequent to such buyback, the paid-up equity share capital has reduced by Rs. 17.03Lakhs /-.

**14.4 Disclosure of Shareholding of Promoters**

Promoter name	As at March 31, 2022		% Change during the year	As at March 31, 2021		% Change during the year
	No. of shares	% of total shares		No. of shares	% of total shares	
Mr. K. Rama Raghava Reddy	64,886	87.31%	0.00%	64,886	87.31%	15.94%
M/s.M.V.V.Nagi Reddy (HUF)	-	0.00%	0.00%	-	0.00%	-7.96%
Mrs.M. Padmavati	-	0.00%	0.00%	-	0.00%	-2.28%
Mrs. V.Prameela Rani	-	0.00%	0.00%	-	0.00%	-7.73%
Mr. G.Ravindra Reddy	7,000	9.42%	0.00%	7,000	9.42%	1.68%
Mrs. K. Ranganayakamma	2,227	3.00%	0.00%	2,227	3.00%	0.55%
Mrs. K. Soumya	100	0.13%	0.00%	100	0.13%	-0.06%
Mr.K.Ramachandra	100	0.13%	0.00%	100	0.13%	-0.06%

**Note 15: Borrowings**

**(i) Non-Current**

	As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>		
From Banks	4,525.99	4,605.65
From Others	372.54	744.53
<b>Total non-current borrowings</b>	<b>4,898.53</b>	<b>5,350.18</b>
Less: Current maturities of long-term debt	(1,866.84)	(2,095.39)
Less: Unamortised upfront fees and other borrowing Cost	-	(0.43)
<b>Non-current borrowings</b>	<b>3,037.69</b>	<b>3,254.36</b>



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Financial statements**  
 (All amounts in INR Lakhs, unless otherwise stated)

**Note 15.1 Details of Non-current Borrowings :**

**(i) Term loans from banks**

**Terms of repayment:**

Name of Financial Institution	Amount of Loan	Interest rate %	Amount of Instalment due	Total No. of Instalments due	Period of maturity from balance sheet date
<b>(a) Secured:</b>					
<b>1. Against Hypothecation of Vehicles and personal guarantee by the Director of the company</b>					
HDFC Bank Limited	76.45	8.25	20.74	14	1 Year and 2 months
Axis Bank Limited	12.40	9.36	0.99	3	3 months
Yes Bank Limited	29.10	6.75	14.57	27	2 Years and 3 months
Axis Bank Limited	8.48	9.96	0.77	3	3 months
Axis Bank Limited	32.34	9.42	4.71	5	5 months
Axis Bank Limited	23.58	9.31	6.25	9	9 months
Axis Bank Limited	8.25	8.51	5.15	22	1 Year and 10 months
<b>2. Against Hypothecation of Mining Equipment and guaranteed by one of the directors of the company</b>					
HDFC Bank Limited	10.05	9.20	0.99	4	4 months
Axis Bank Limited	445.44	8.86	15.20	2	2 months
HDFC Bank Limited	450.00	9.50	86.47	9	9 months
Kotak Mahindra Bank Limited	111.60	11.17	14.28	5	5 months
Kotak Mahindra Bank Limited	74.00	11.08	11.65	6	6 months
Kotak Mahindra Bank Limited	55.80	9.00	2.84	2	2 months
Kotak Mahindra Bank Limited	38.50	8.90	3.01	3	3 months
Yes Bank	93.10	8.50	22.81	11	11 months
HDFC Bank Limited	189.38	11.10	78.59	18	1 Year and 6 months
Yes Bank	94.49	8.35	50.19	26	2 Years and 2 months
Yes Bank	94.49	8.35	50.56	26	2 Years and 2 months
ICICI Bank Limited	267.00	9.00	80.80	11	11 months
Axis Bank Limited	261.53	9.02 & 9.26	128.44	18	1 Year and 6 months
Axis Bank Limited	92.97	9.41	49.85	17	1 Year and 5 months
Axis Bank Loan - PRD500M MARP & MKOD	65.64	8.91	37.73	19	1 Year and 7 months
AXIS Junt ED22A,SandDC120&Ta HitacZ	191.16	8.77	137.10	32	2 Years and 8 months
Axis Bank Limited - EICHER PRO 8028	88.82	8.77	65.46	33	2 Years and 9 months
Axis Bank -EICHER PRO 8028XM TIPPER	46.00	8.77	33.90	33	2 Years and 9 months
HDFC Loan - 8 Equipments 86002244	213.05	7.40	201.19	44	3 Years and 8 months
Axis Bank -Volvo FMX & 500PRD -FY20	160.98	8.31 & 8.62	121.58	34	3 Years and 1 months
ICICI Bank (3 Excavators)	271.67	8.00	220.82	36	3 Years
HDFC Bank Limited	377.75	8.90	289.11	43	3 Years and 7 months
Yes Bank Limited	354.60	9.89	220.46	30	2 Years and 6 months
Yes Bank Limited	55.45	9.92	30.60	24	2 Years
Yes Bank Limited	54.00	9.87	31.74	26	2 Years and 2 months
HDFC Loan - Solar Project	277.98		309.45	70	6 Years and 10 months
HDFC DC 120 Sandvik - 84668768 (FY2	79.00	8.65	48.61	27	2 Years and 3 months
HDFC DC 120 Sandvik - 84668762 (FY2	80.60	8.65	49.59	27	2 Years and 3 months
HDFC Volvo Tippers 2 -84668776 & 84	245.00	8.65	150.75	27	2 Years and 3 months
HDFC 2No's Exca370,1No Exca200&2 No's Ex	303.40	8.25	210.88	31	2 Years and 7 months
ICICI Bank 6 Nos. - MR Granites	423.06	7.30	417.15	48	4 Years
HDFC - Sany Excavators 3 Nos 2.80Cr	280.13	7.20	280.13	47	3 Years and 11 months
HDFC Eicher Truck -	44.20	7.20	42.56	47	3 Years and 11 months
HDFC - Volvo Wheel Loader	385.06	7.20	377.94	47	3 Years and 11 months
HDFC VOLVO FMX 460-TIPPER 4 No's	487.73	8.25	348.78	32	2 Years and 8 months
HDFC BANK-Exca Drill22A DrilingUnit	177.97	8.25	123.70	31	2 Years and 7 months
HDFC Bank Limited	142.00	8.25	127.90	32	2 Years and 8 months
<b>Total of term loans from banks secured</b>			<b>4,525.99</b>		



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

**(ii) Term loans from others**

Terms of repayment:

Name of Financial Institution	Amount of Loan	Interest rate %	Amount of Instalment due	Total No. of Instalments due	Period of maturity from balance sheet date
<b>(a) Secured:</b>					
<b>1. Against hypothecation of Vehicles</b>					
Daimler Financial Services India Private Limited	56.79	11.09	30.78	21	1 Year and 9 months
TATA Capital Financial Services Ltd	14.51	10.94	6.54	33	2 Years and 9 months
<b>2. Against hypothecation of Mining Equipment and guaranteed by the chairman of the company:</b>					
Tata Capital Financial Services Limited	109.82	10.93	47.24	20	1 Year and 8 months
Tata Capital Fin Ser Ltd-Kobelco380	190.57	8.63	75.32	19	1 Year and 7 months
HDB Financial Services Limited	94.16	8.65	5.57	3	3 months
Tata Capital Fin Ser Ltd-Kobelco380	95.29	8.63	39.64	20	1 Year and 8 months
Citicorp Finance (India) Limited	24.42	8.75	11.42	20	1 Year and 8 months
Citicorp Finance (India) Limited	95.28	7.05	43.67	20	1 Year and 8 months
Citicorp Finance (India) Limited	45.40	8.75	21.23	20	1 Year and 8 months
Citicorp Finance (India) Limited	189.57	7.00	91.13	21	1 Year and 9 months
<b>Total of term loans from others secured</b>			<b>372.54</b>		

There is no continuing default as on the balance sheet date in repayment of loans and interest amounts.

**ii) Current**

	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
<b>Working capital Loans repayable on demand:</b>		
(i) From South India Bank	532.17	62.95
(ii) From HDFC Bank Limited	-	535.33
(iii) From Shinhan Bank	342.08	-
<b>Unsecured:</b>		
From Directors (Refer Note: 37)	28.66	83.05
Current maturities of long-term borrowings	1,860.84	2,095.39
Interest accrued but not due	23.16	27.11
<b>Total Current Borrowings</b>	<b>2,786.91</b>	<b>2,803.83</b>

**Note 15.2 Details of Current borrowings :**

**From HDFC Bank Limited**

**Primary Security:**

First charge in favour of the Bank by way of hypothecation of the company's entire stocks of Work-in-progress, Finished goods and Consumable stores including book debts, bill whether documentary or clean, outstanding monies, receivables, both present and future, in a form and manner satisfactory to the Bank and as specified in CAM.

**Security Deposit:**

Retention money deposit with principals

**Collateral Security:**

Equitable Mortgage of Plot no25a, Sr No.41 and 42 situated at Krishnasagara, Attibele Industrial Area, Karnataka belonging to the Company.

**Personal Guarantee:**

Personal Guarantee by two Directors and a relative of Directors of the company

**Corporate Guarantee:**

By Midwest Gold Limited (Subsidiary Company)

The above loans carry's interest @ 1 year MCLR plus 2.65 %

**From South Indian Bank**

**Security:**

Land admeasuring 10861.11 Sq. yards situated in D- Block of Industrial development area, in Sy no 48 part of Chinagantyada village, Visakhapatnam belonging to the company.

**Personal Guarantee:**

Personal Guarantee by three Directors and a one relative of Directors of the company

**From Shinhan Bank**

**Security:** Duly and unconditionally accepted documents (bills) backed by Letter of Credits

The above loans carry's interest @ 3 months LIBOR plus 1.00% p.a

**There is no default as on balance sheet date in repayment of loans and interest amounts.**



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Financial statements**  
 (All amounts in INR Lakhs, unless otherwise stated)

**Note 16: Provisions**

	As at March 31, 2022	As at March 31, 2021
<b>Employee Benefit Obligations</b>		
(i) Non-Current		
Leave encashment	74.27	64.35
Gratuity	252.45	247.27
<b>Total</b>	<b>326.72</b>	<b>311.62</b>
(ii) Current		
Leave encashment	24.47	20.09
Gratuity	74.21	63.15
<b>Total</b>	<b>98.68</b>	<b>83.24</b>
<b>Grand Total</b>	<b>425.40</b>	<b>394.86</b>

**Note 16(a):**

**(i) Defined Contribution plans**

**Employer's Contribution to Provident Fund:** Contributions are made to provident fund for entitled employees at the prescribed rate as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

**Employer's Contribution to State Insurance Scheme:** Contributions are made under State Insurance Scheme for entitled employees at the prescribed rate to Employee State Insurance Corporation. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

	As at March 31, 2022	As at March 31, 2021
Employer's Contribution to Provident Fund	56.75	56.43
Employer's Contribution to ESI	3.23	2.68

**(ii) Defined Benefits plans**

**Post-employment obligations- Gratuity**

The company provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 day's salary multiplied for the number of years of service.

**A) Reconciliation of opening and closing balances of Defined Benefit Obligation**

	Gratuity (Unfunded)	
	As at March 31, 2022	As at March 31, 2021
Defined Benefit Obligation at beginning of the year	310.42	264.90
Current Service Cost	24.33	24.80
Interest Cost	20.64	17.11
Actuarial loss for the year	(7.95)	22.67
Benefits Paid	(20.78)	(19.96)
<b>Defined Benefit Obligation at year end</b>	<b>326.66</b>	<b>310.42</b>
Current	74.21	63.15
Non current	252.45	247.27

**B) Expenses recognised during the year**

	Gratuity (Unfunded)	
	As at March 31, 2022	As at March 31, 2021
<b>In Statement of Profit and Loss</b>		
Current Service Cost	24.33	24.80
Interest Cost	20.64	17.11
Net Cost	44.97	41.91
<b>In Other Comprehensive Income</b>		
Actuarial loss for the year	(7.95)	22.67
<b>Net expense for the period recognised in OCI</b>	<b>(7.95)</b>	<b>22.67</b>

**Significant estimates: Actuarial assumptions and sensitivity**

The significant actuarial assumptions were as follows:

	As at March 31, 2022	As at March 31, 2021
Discount rate	7.32%	6.88% - 6.92%
Salary growth rate	4.00%	4.00%
Withdrawal rate	4.00%	4.00%
Normal Retirement Age	58 Years	58 Years
Adjusted Average Future Services	11.48	11.48
Mortality Table(IAFM)	100%	100%



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

**Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	As at March 31, 2022	As at March 31, 2021
Defined Benefit Obligation	326.66	310.42
Discount rate:(% change compared to base due to sensitivity)		
Increase : +1%	307.26	290.46
Decrease: -1%	348.67	333.20
Salary Growth rate:(% change compared to base due to sensitivity)		
Increase : +1%	347.08	331.20
Decrease: -1%	308.38	291.93
Withdrawal rate:(% change compared to base due to sensitivity)		
Increase : +1%	332.75	316.10
Decrease: -1%	319.90	304.07

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The weighted average duration of the defined benefit obligation is March 31, 2022: 7.30 years (March 31, 2021: 10.83 years). The expected future cash flows over the next years, which will be met out of planned assets, is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation-gratuity		
Less than a year	74.21	63.15
Between 2-5 years	104.26	94.51
Above 5 years	136.44	132.11

**Risk Management**

The Significant risks the company has in administering defined benefit obligations are:

**Salary Cost Inflation Risk:** The present value of the Defined Benefit Obligation is calculated with reference to the future salaries of employees. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

**Note 17: Other liabilities**

**(i) Non-current**

	As at March 31, 2022	As at March 31, 2021
Security Deposits	102.95	209.39
<b>Total other non current liabilities</b>	<b>102.95</b>	<b>209.39</b>

**(ii) Current**

	As at March 31, 2022	As at March 31, 2021
Advance received from customers	6,564.25	1,938.46
Statutory liabilities	76.54	98.50
<b>Total other current liabilities</b>	<b>6,638.79</b>	<b>2,036.96</b>

**Note 18: Other Financial Liabilities**

	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
Creditors for capital works	85.94	-
Employee benefits payable	1,629.05	2,001.23
Creditors for expenses	723.22	972.01
Book Draft	5.47	-
<b>Total other financial liabilities</b>	<b>2,443.68</b>	<b>2,973.24</b>

**Note 19: Income tax**

**(i) Current tax Asset (net)**

	As at March 31, 2022	As at March 31, 2021
Less: Prepaid Taxes	1,882.96	-
Provision for tax	(1,775.00)	-
<b>Total current tax Asset (net)</b>	<b>107.96</b>	<b>-</b>

**(ii) Current tax liabilities (net)**

	As at March 31, 2022	As at March 31, 2021
Provision for tax	-	1,545.00
Less: Prepaid Taxes	-	(1,271.78)
<b>Total current tax liabilities (net)</b>	<b>273.22</b>	<b>-</b>



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

**Note 20: Revenue from operations**

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Revenue from Contracts with Customers</b>		
Sale of products	32,813.86	21,999.17
<b>Other operating revenues:</b>		
Export incentive	0.63	2.03
Sale of scrap arising out of production	271.51	26.45
<b>Total revenue from operations</b>	<b>33,086.00</b>	<b>22,027.65</b>

**Disaggregation of revenue from contracts with customers**

The company derives revenue from transfer of goods from the following geographical locations.

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Geographical location</b>		
- India	19,171.38	14,527.40
- Other countries	13,642.48	7,471.77
<b>Total</b>	<b>32,813.86</b>	<b>21,999.17</b>

**Contract Price Reconciliation**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Contract Price	33,093.23	22,047.73
Less: Variable consideration	7.23	20.08
	<b>33,086.00</b>	<b>22,027.65</b>

**Information about major customers:** Two customers represents 10% or more of the Company's total revenue during the year ended March 31, 2022 and the year ended March 31, 2021.

**Note 21: Other Income**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income from financial assets carried at amortised cost	142.94	49.34
Dividend income	0.51	0.06
Equipment Rental Income	309.36	733.36
Income from Jobwork	271.65	-
Benefits accrued on Key Man insurances	51.61	100.44
Fair value gain on foreign exchange forward contracts (net)	23.00	25.48
Gain on foreign currency transactions and translations (net)	-	63.66
Provision no longer required written back	10.29	26.08
Gain on Redemption of non current investments	-	25.00
Net gain arising on financial assets mandatorily measured at FVTPL	22.18	13.77
Gain on sale of property plant and Equipment	1.17	-
Refund of Terminal excise duty	-	343.89
Rental Income	49.69	45.32
Other non-operating income	30.32	45.47
<b>Total other income</b>	<b>912.72</b>	<b>1,476.87</b>

**Note 22: Cost of raw material consumed**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Raw materials at the beginning of the year	181.35	142.01
Add: Purchases	625.58	508.06
Less: Raw material at the end of the year	167.50	181.34
<b>Total cost of raw material consumed</b>	<b>639.43</b>	<b>468.73</b>



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

**Note 23: Changes in inventories of finished goods and work-in-progress**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>Opening Balance:</b>		
Finished goods	2,054.08	780.08
Work-in-progress	370.12	769.50
	<b>2,424.20</b>	<b>1,549.58</b>
<b>Closing Balance:</b>		
Finished goods	2,120.03	2,054.08
Work-in-progress	22.97	370.12
	<b>2,143.00</b>	<b>2,424.20</b>
<b>Total changes in inventories of finished goods and work-in-progress</b>	<b>281.20</b>	<b>(874.62)</b>

**Note 24: Employee benefits expense**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Salaries, wages, bonus and other allowances	3,949.54	3,899.35
Contribution to provident fund and other funds	56.75	56.43
Contribution to ESI	3.23	2.68
Staff welfare expenses	177.66	145.93
<b>Total employee benefits expense</b>	<b>4,187.18</b>	<b>4,104.39</b>

**Note 25: Finance costs**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Interest Expenses Measured at amortised cost		
On Financial Liabilities	462.77	476.92
On Lease liabilities	-	14.56
Interest on income tax	57.64	3.55
Other borrowing costs	18.88	4.24
<b>Total Finance costs</b>	<b>539.29</b>	<b>499.27</b>

**Note 26: Depreciation expense**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Depreciation of property, plant and equipment	1,238.15	1,069.29
Depreciation of right-of-use assets	21.51	402.22
Amortisation expense	0.33	0.43
<b>Total depreciation expense</b>	<b>1,259.99</b>	<b>1,471.94</b>



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

**Note 27: Other expenses**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Job work charges	7.88	7.39
Power and fuel	513.35	353.57
Rent	117.48	106.90
Repairs to buildings	18.15	20.46
Repairs to machinery	2,612.45	1,789.59
Repairs to others	78.36	59.37
Insurance	116.87	86.08
Rates and taxes, excluding taxes on income	249.07	54.14
Printing and stationery	10.22	8.89
Communication expenses	25.51	23.21
Legal and professional charges	201.14	202.66
Travelling and conveyance	221.69	64.36
Vehicles maintenance	29.45	19.05
Carriage and freight	856.62	530.22
Payments to Auditors	15.28	17.39
Advertisement	6.21	0.56
Donations	44.34	120.49
Corporate Social Responsibility	116.74	39.08
Sales commission	81.15	37.03
Security charges	134.25	126.07
Loss on sale of assets	-	116.00
Bad debts written off	7.65	29.99
Provision for expected credit losses	34.73	113.41
Provision for doubtful advances	372.67	245.43
Book deficit on assets discarded	22.98	17.26
General expenses	174.87	113.51
Share of Loss from Partnership firm	57.26	
Loss on Sale of Investments	123.43	-
Net loss on foreign currency transactions and translations	34.45	-
<b>Total other expenses</b>	<b>6,284.25</b>	<b>4,602.11</b>

**Note 27(a): Details of payments to auditors**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>Payment to auditors</b>		
As Statutory Auditor	10.55	10.20
For Tax Audit	-	1.00
For Taxation matters	-	0.70
For Consolidation	2.50	2.50
For Certification	1.38	2.55
For Reimbursement of expenses	0.85	0.44
<b>Total payments to auditors</b>	<b>15.28</b>	<b>17.39</b>



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

**Note 27(b): Corporate social responsibility expenditure**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Amount required to be spent as per section 135 of the Act	67.59	37.28
Amount spent during the year on	116.74	39.08
a) Construction/acquisition of any asset		
Construction-community hal-U/S Rural development Gudivada	32.25	
(i) On purpose:		
-Promoting healthcare	76.18	29.16
-Promoting education	4.63	0.51
-Others	3.68	9.41
Accrual towards unspent obligations in relation to	-	-
Proposed transfer of unspent amount relating to ongoing projects*	-	-
<b>Shortfall at the end of previous year</b>	-	-
<b>Total of previous years short fall</b>	-	-
<b>Reason for shortfall</b>		
<b>Related party transactions</b>	NA	NA
<b>Provision for liability - contractual obligation</b>	NA	NA
<b>Nature of CSR activities</b>	Promoting education, healthcare, destitute care and rehabilitation, COVID-19 relief and rural development projects	

**Note 28: Income tax expense**

This note provides an analysis of the company's income tax expense, showing amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the company's tax positions.

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>Income tax expense</b>		
<b>Current tax</b>		
Current tax on profits for the year	1,775.00	1,545.00
Income tax adjustments of earlier years	(4.75)	-
<b>Total current tax expense</b>	<b>1,770.25</b>	<b>1,545.00</b>
<b>Deferred tax</b>		
Deferred tax to profit or loss	(31.82)	(188.09)
<b>Total Deferred tax expense/(benefit)</b>	<b>(31.82)</b>	<b>(188.09)</b>
<b>Income tax expense recognised in statement of profit and loss</b>	<b>1,738.43</b>	<b>1,356.91</b>
Current tax (income)/ expense recognised in other comprehensive income	(2.00)	5.68
<b>Total income tax expense</b>	<b>1,736.43</b>	<b>1,362.59</b>

**Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Profit from operations before income tax expenses	6,830.25	5,072.00
Current tax rate in India	25.168%	25.163%
Tax on profit from operations	1,719.04	1,276.52
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Expenses not allowed for tax purpose	72.58	152.85
Income not Considered for tax purpose	-	(36.71)
Adjustment on account of Merger	(36.50)	-
Others	31.31	(30.07)
<b>Income tax expenses</b>	<b>1,736.43</b>	<b>1,362.59</b>



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**MIDWEST GRANITE PRIVATE LIMITED**  
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**Financial Instruments and Risk Management**  
**Note 29: Categories of Financial Instruments**

	Fair Value Hierarchy	As at March 31, 2022		As at March 31, 2021	
		Carrying Value	Fair Value	Carrying Value	Fair Value
<b>A. Financial assets</b>					
<b>a) Measured at amortised cost</b>					
i) Cash and cash equivalents	Level-3	546.44	546.44	385.03	385.03
ii) Other bank balances	Level-3	1,664.16	1,864.16	83.19	83.19
iii) Loans	Level-3	3,454.99	3,454.99	2,084.25	2,084.25
iv) Other financial assets	Level-3	979.89	979.89	883.34	883.34
v) Trade receivables	Level-3	2,845.32	2,845.32	1,660.80	1,660.80
<b>Sub-total</b>		<b>9,690.80</b>	<b>9,690.80</b>	<b>5,096.61</b>	<b>5,096.61</b>
<b>b) Mandatorily Measured at FVTPL</b>					
i) Investments in equity instruments in other entities	Level-1	276.78	276.78	34.76	34.76
<b>Sub-total</b>		<b>276.78</b>	<b>276.78</b>	<b>34.76</b>	<b>34.76</b>
<b>Total financial assets</b>		<b>9,967.58</b>	<b>9,967.58</b>	<b>5,131.37</b>	<b>5,131.37</b>
<b>B. Financial liabilities</b>					
<b>a) Measured at amortised cost</b>					
i) Trade payables	Level-3	699.21	699.21	820.14	820.14
ii) Borrowings	Level-3	5,824.60	5,824.60	6,058.19	6,058.19
iii) Other financial liabilities	Level-3	2,443.68	2,443.68	2,973.24	2,973.24
<b>Total financial liabilities</b>		<b>8,967.49</b>	<b>8,967.49</b>	<b>9,851.57</b>	<b>9,851.57</b>

**Note 30: Fair Value Hierarchy**

The following table presents the fair value hierarchy of assets and liabilities:

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case with listed instruments where market is not liquid and for unlisted instruments.

(i) Investments include equity investments in Subsidiaries, Joint venture which are carried at costs and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures". Hence, the same have been excluded from the above table.

(ii) The carrying amounts of trade payables, other financial liabilities, borrowings, cash and cash equivalents, other bank balances, trade receivables and other financial assets are considered to be the same as their fair values due to their short term nature.

**Note 31: Financial Risk Management**

The Company's activities expose it to market risk and credit risk. The Company emphasis on risk management and has an enterprise wide approach to risk management. The Company's risk management and control procedures involve prioritization and continuing assessment of these risks and device appropriate controls, evaluating and reviewing the control mechanism.

**(A) Credit Risk:**

Credit risk is the risk or potential of loss that may occur due to failure of borrower/counterparty to meet the obligation on agreed terms and conditions of the financial contract. Credit risk arises from financial assets such as cash and cash equivalents, other bank balances, trade receivables and other financial assets. The company have a credit risk management policy in place to limit credit losses due to non-performance of financial counterparties and customers. We monitor our exposure to credit risk on an ongoing basis at various levels.

**(I) Trade Receivable:**

The credit risk related to trade receivables is influenced mainly by the individual characteristics of each customer. The Company follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring lifetime ECL allowance for trade receivables, the company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience at each reporting date. The management has identified the specific customer from whom amount is not recoverable and the same is provided for expected credit losses. Hence, the management believes that no further provision for expected credit loss is required as the balance amounts are fully recoverable.



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Financial statements**  
 (All amounts in INR Lakhs, unless otherwise stated)

Following are the Expected credit loss for trade receivables under simplified approach:

Particulars	As at March 31, 2022	As at March 31, 2021
Gross carrying amount	3,340.32	2,121.07
Expected credit losses ( Loss allowance provision)	(495.00)	(460.27)
Net carrying amount of trade receivables	2,845.32	1,660.80

**(B) Market Risk:**

Market Risk is the risk that the future value of a financial instrument will fluctuate due to moves in the market factors. The most common types of market risks are interest rate risk and foreign currency risk.

• **Interest Rate Risk**

Interest rate risk is the risk that the future cash flows or the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Company manages its market interest rates by fixed rate interest. Hence, the Company is not significantly exposed to interest rate risks.

• **Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company has substantial exposure to foreign currency risk due to the significant exports made. Sales in other countries and purchases from overseas suppliers are exposed to risk associated with fluctuation in the currencies of those countries vis-a-vis the functional currency i.e. Indian rupee. The Company is very cautious towards hedging as it has a cost as well as its own risks. The Company continually reassesses the cost structure impacts of the currency volatility and engages with customers addressing such risks. The Company has not designated hedges under Hedge Accounting.

**Unhedged foreign currency exposure as at the reporting date:**

	As at March 31, 2022		
	USD	Euros	Equivalent Amount in INR(Lakhs)
Trade receivable	27,02,381	21,500	2,004.89
Advance for Purchases	5,34,262	4,342	396.45
Advance for Purchases(capital)	-	28,000	24.11
<b>Unhedged Assets</b>	<b>32,36,643</b>	<b>53,842</b>	<b>2,425.45</b>
Advances from customers	64,11,496	-	4,712.75
Payable for Supplies	3,14,143	-	230.91
Borrowings	4,51,856	-	332.14
<b>Unhedged Liabilities</b>	<b>71,77,495</b>	<b>-</b>	<b>5,275.80</b>

	As at March 31, 2021		
	USD	Euros	Equivalent Amount in INR(Lakhs)
Trade receivable	12,70,965	21,500	952.73
Advance for Purchases	3,70,867	4,342	276.34
Advance for Purchases(capital)	1,36,500	28,000	124.44
<b>Unhedged Assets</b>	<b>17,78,332</b>	<b>53,842</b>	<b>1,353.51</b>
Advances from customers	6,99,821	-	514.40
Payable for Supplies	6,98,621	-	513.52
<b>Unhedged Liabilities</b>	<b>13,98,442</b>	<b>-</b>	<b>1,028.32</b>

The Company uses Forward Exchange Contracts to hedge its exposures in foreign currency related to underlying transactions and firm commitments. The information on Derivative Instruments is as follows:

**Forward Exchange Contracts outstanding as at year end which are not designated under hedge accounting:**

Currency	Cross Currency	As at March 31, 2022		As at March 31, 2021	
		In Buy USD	In sell USD	In Buy USD	In sell USD
INR	USD	-	58,50,000	-	24,00,000

The Company uses forward exchange contracts to hedge its transactional currency exposures in foreign currency related to underlying transactions and firm commitments and measures them at fair value. The counter party in these derivative instruments are generally highly rated counter parties such as banks and the Company considers the risk of non-performance by such counterparty as not material. The Company has not designated hedges under Hedge Accounting. These derivative instruments are carried at fair value with changes being recognised in the Statement of Profit and Loss. Although, such derivative instruments are not designated in a hedge relationship, they act as an economic hedge and will offset the gain / loss in the underlying transactions when they occur.



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**MIDWEST GRANITE PRIVATE LIMITED**  
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 (All amounts in INR Lakhs, unless otherwise stated)

**i) Foreign Currency Risk - Sensitivity**

The analysis is based on the assumption that the Foreign Currency has increased / (decreased) by 2.5% with all other variables held constant.

**2.5% increase or decrease in foreign exchange rates will have the following impact on profit before tax**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>USD Sensitivity:</b>		
INR/USD -Increase by	(72.42)	7.16
INR/USD -Decrease by	72.42	(7.16)
<b>Euros Sensitivity:</b>		
INR/Euro -Increase by	(0.54)	(0.54)
INR/Euro -Decrease by	0.54	0.54

**(C) Liquidity Risk:**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company manage its risk from their principle source of resources such as cash and cash equivalents , cash flows that is generated from operations and other means of borrowings, to ensure, as far as possible , that it will always have sufficient liquidity to meet the liabilities.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date:

	On Demand	Due in one year	Due after one year	Total
<b>As at March 31, 2022</b>				
Borrowing	902.91	1,884.00	3,037.69	5,824.60
Trade and other payable	-	699.21	-	699.21
Other financial liabilities	-	2,443.68	-	2,443.68
<b>As at March 31, 2021</b>				
Borrowing	681.33	2,122.50	3,254.36	6,058.19
Trade and other payable	-	820.14	-	820.14
Other financial liabilities	-	2,973.24	-	2,973.24

**D) Other risk - Impact of COVID-19**

The management has assessed the impact of COVID-19 pandemic on the financial statements, business operations, liquidity position, cash flow and has concluded that based on the current estimates no material adjustments are required in the carrying amount of assets and liabilities as at 31st March 2022.

The impact of the pandemic may be different from that estimated as at the date of approval of these Standalone financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

**Note 32: Capital Management**

The Company's financial strategy aims to provide adequate capital for its growth plans for sustained stakeholder value. The company's objective is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. And depending on the financial market scenario, nature of the funding requirements and cost of such funding, the Company decides the optimum capital structure. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth plans as a going concern.

**The Company monitors the capital structure on the basis of total debt to equity ratio :**

Particulars	As at March 31, 2022	As at March 31, 2021
Net Debt	3,414.00	5,589.97
Equity	30,043.04	24,945.27
<b>Total Capital ( Net Debt Total Equity)</b>	<b>33,457.04</b>	<b>30,535.24</b>

**Net Debt to Total Capital (%)**

10.20%

18.31%

**Net debt represents:**

Particulars	As at March 31, 2022	As at March 31, 2021
A) Borrowings		
Non-current borrowings		3,037.69
Current borrowings	2,786.91	2,803.83
<b>Total(A)</b>	<b>5,824.60</b>	<b>6,058.19</b>
B) Cash and cash equivalents		
Bank balance : other than above	546.41	385.03
<b>Total(B)</b>	<b>1,864.16</b>	<b>83.19</b>
<b>C) Net Debt (A-B)</b>	<b>2,410.60</b>	<b>468.22</b>
	<b>3,414.00</b>	<b>5,539.97</b>



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Financial statements**  
(All amounts in INR Lakhs, unless otherwise stated)

**Note 33: Contingent Liabilities and Commitments**

	As at March 31, 2022	As at March 31, 2021
<b>(a) Contingent Liabilities:</b>		
(i)On account of Corporate guarantees	823.13	1,984.35
(ii)On account of Letter of credits and Bank Guarantees	45.41	85.10
(iii)Income tax demands disputed/contested by the company pending in appeal	621.08	386.47
(iv)Demand of Excise duty against the company	193.19	193.19
(v)Demand of Custom duty against the company	1,376.82	1,376.82
(vi)Demand of Entry tax against the company	326.79	323.51
<b>(b) Commitments:</b>		
(i) Capital commitments	875.85	601.52
(i)On account of Bonds executed with Customs authorities	1,858.68	2,013.76
(Refer note (i) below)		
Note: (i) Performance obligations relating to bonds executed with customs authorities has been duly met by the company and applied for redemption of bonds which is in the process.		
(ii) It is not practicable for the company to estimate the timings of cash flows, if any, in respect of the above pending resolution of the respective proceedings.		

**Note 34: Payables to Micro, Small & Medium Enterprises**

Information pertaining to Micro and Small Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (Act) as given below has been determined to the extent such parties have been identified on the basis of information available with the Company:

	As at March 31, 2022	As at March 31, 2021
Principal amount remaining unpaid as on 31st March	NIL	NIL
Interest due thereon as on 31st March	NIL	NIL
Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during the year	NIL	NIL
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	NIL	NIL
Interest accrued and remaining unpaid as at 31st March	NIL	NIL
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Act	NIL	NIL

**Note 34(b): Ageing of Trade Payables as at March 31, 2022**

Particulars	Not Due	Less than 1 Year	1- 2 Years	2-3 years	More than 3 Years	Total
(i) Undisputed Dues						
MSME						-
Others	303.25	161.38	4.87	17.95	211.76	699.21
(ii) Disputed Dues						
MSME						-
Others						-
<b>Total</b>	<b>303.25</b>	<b>161.38</b>	<b>4.87</b>	<b>17.95</b>	<b>211.76</b>	<b>699.21</b>



*[Handwritten signatures]*

**Note 34(c): Ageing of Trade Payables as at March 31, 2021**

Particulars	Not Due	Less than 1 Year	1- 2 Years	2-3 years	More than 3 Years	Total
(i) Undisputed Dues						-
MSME						820.14
Others	53.67	233.91	223.22	58.32	251.02	-
(ii) Disputed Dues						-
MSME						-
Others						-
<b>Total</b>	<b>53.67</b>	<b>233.91</b>	<b>223.22</b>	<b>58.32</b>	<b>251.02</b>	<b>820.14</b>

**Note 35 : Segment Information**

**Description of segments and principal activities**

The Whole time Director has been identified as the Chief Operating Decision Maker (CODM). Operating segments are defined as components of an enterprise for which discrete financial information is available. This is evaluated regularly by the CODM, in deciding how to allocate resources and assessing the Company's performance. The Company is engaged in the business of (i) quarrying, manufacturing and processing and selling of Granite and; (ii) manufacturing of diamond wire rope; and operates as two separate operating segment.

The reportable segments has been provided in the consolidated financial statements of the company and therefore no separate disclosure on segment information given in this standalone financial statements.



*[Signature]*

*[Signature]*

**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

**Note 36: Interest in other entities**

The Company's subsidiaries, joint ventures, associates, Limited liability partnerships and Partnership firms as at March 31, 2022 are set below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the company.

Name of the entity	Relationship	Principal activity	Ownership Interest	
			As at March 31, 2022	As at March 31, 2021
Reliance Diamond Tools Private Limited	Subsidiary	Manufacturing of Diamond Tools	100%	100%
Andhra Pradesh (Midwest) Granite Private Limited	Subsidiary	Quarrying, manufacturing and processing and selling of Granite	85%	85%
EEML Midwest Limited	Subsidiary	Mining and Mineral Trading	53%	53%
Midwest Holdings Limited	Subsidiary	Investment Company	100%	100%
Amaya Smart Technologies Private Limited	Subsidiary	Software Development	99.99%	99.99%
Midwest Neostone Private Limited	Subsidiary	Manufacture of Non-metallic products	100%	100%
Midwest Quartz Private Limited (w.e.f. March 07,2022)	Subsidiary	Mineral Exploration of Quartz	100%	--
Astral Granite Private Limited (w.e.f. September 09,2021)	Subsidiary	Mineral Exploration	100%	--
Midwest Energy Private Limited (Up to January 28, 2022)	Subsidiary	Energy solutions	--	100%
Midwest Gold Limited	Subsidiary	Trading Business of Granite Marbles and Gold	71%	71%
Deccan Silica LLP	Subsidiary	Production and Trading of Silica products	75%	75%
Baapula Minerals	Subsidiary	Mineral Exploration	50%	50%
South Coast Infrastructure Development Company of Andhra Pradesh Limited	Joint venture	Manufacturing of Building Materials	50%	50%
SMW Granites LLP	Joint venture	Manufacture of Granite Slans	50%	50%

**Note 37: Related Party Transactions**

**(a) Subsidiaries**

- : Reliance Diamond Tools Private Limited
- : Andhra Pradesh (Midwest) Granite Private Limited
- : EEML Midwest Limited
- : Midwest Holdings Limited
- : Amaya Smart Technologies Private Limited
- : Midwest Neostone Private Limited
- : Midwest Quartz Private Limited (w.e.f. March 07,2022)
- : Midwest Gold Limited
- : Deccan Silica LLP
- : Baalula Minerals



**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

<b>(b) Step-down subsidiaries</b>	: South Asia Granite and Marble Private Limited : Maven Holding Limited : Midwest Africa LDA : Midwest Gercoal LDA : Midwest Gondana LDA : Midwest Koriba LDA : Midwest Texera LDA
<b>(c) Joint venture</b>	: South Coast Infrastructure Development Company of Andhra Pradesh Limited : SMW Granites LLP
<b>(d) Key Management personnel(KMP)</b>	: K.Raghava Reddy, President : K.Ramachandra, Director : K.Ranganayakamma, Chairman : K.Soumya, Director : G.Ravindra Reddy, Director
<b>(e) Relatives of Key Management personnel(FKMP)</b>	: K.Deepak : K.Uma Priyadarshini
<b>(f) Transactions with Related Parties:</b>	

	As at March 31, 2022		As at March 31, 2021	
	Amount	Outstanding balance as at March 31, 2022	Amount	Outstanding balance as at March 31, 2021
<b>1.Key Management Personnel:</b>				
<b>Short-term employee benefits</b>				
<b>Remuneration*:</b>				
K.Raghava Reddy	387.53	(280.70)	373.67	(293.98)
K.Ramachandra	61.35	-	348.22	(278.58)
K.Ranganayakamma	381.58	(369.60)	497.66	(471.50)
K.Soumya	406.04	(224.56)	392.57	(276.60)
<b>Acceptance of unsecured loan:</b>				
K.Ranganayakamma	-	-	-	(27.50)
K.Soumya	-	-	-	(55.55)
<b>Repayment of unsecured loans to :</b>				
K.Raghava Reddy	-	-	214.00	-
K.Ranganayakamma	27.50	-	100.00	-
K.Soumya	26.89	(28.66)	-	-
<b>Rent paid:</b>				
K.Ramachandra	42.00	-	42.00	-
K.Soumya	21.00	-	21.00	(1.62)
<b>Professional charges:</b>				
G.Ravindra Reddy	14.68	-	10.50	(1.16)
<b>2.Relatives of Key Management personnel:</b>				
<b>Advance for expenses:</b>				
K.Deepak	-	-	-	0.09
<b>Rent paid:</b>				
K.Deepak	21.00	(6.62)	21.00	(6.62)
<b>Salaries:</b>				
K.Deepak	454.64	(234.81)	140.16	-
K.Uma Priyadarshini	439.94	(172.22)	413.13	(299.10)

\* Provision for employee benefits, which are based on actuarial valuation done on an overall company basis, is excluded.



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Financial statements**  
 (All amounts in INR Lakhs, unless otherwise stated)

	As at March 31, 2022		As at March 31, 2021	
	Transaction Amount	Outstanding balance as at March 31, 2022	Transaction Amount	Outstanding balance as at March 31, 2021
<b>3.Subsidiaries:</b>				
<u>Unsecured loan (Given):</u>				
Midwest Gold Limited	366.57	2,212.90	381.24	1,784.12
Midwest Neostone Limited	78.00	84.22	-	-
<u>Equipment Rental Income:</u>				
Andhra Pradesh (Midwest) Granite Private Limited	309.36	-	733.36	(344.63)
<u>Sale of goods:</u>				
Midwest Gold Limited	-	280.67	33.08	278.79
Amaya Smart Technologies Private Limited	-	2.93	-	2.93
Andhra Pradesh (Midwest) Granite Private Limited	69.33	-	44.23	-
<u>Sale of Property, Plant and Equipment:</u>				
Baahula Minerals	-	-	-	4.66
Andhra Pradesh (Midwest) Granite Private Limited	452.37	-	-	-
<u>Rent Received</u>				
Midwest Gold Limited	1.20	-	1.20	-
<u>Interest Accured on Loans</u>				
Midwest Gold Limited	62.21	-	39.92	-
Midwest Neostone Private Limited	6.22	-	-	-
<u>Corporate guarantee given:</u>				
Midwest Gold Limited	175.00	-	175.00	175.00
Reliance Diamond Tools Private Limited	-	-	189.37	189.37
Andhra Pradesh Granite (Midwest) Private Limited	165.22	-	847.57	847.57
<u>Lease rent paid</u>				
Andhra Pradesh (Midwest) Granite Private Limited	2.45	-	-	-
<u>Reimbursement of Expenses</u>				
Andhra Pradesh (Midwest) Granite Private Limited	2,348.62	1.75	-	-
Midwest Gold Limited	0.44	-	-	-
<u>Corporate guarantee taken:</u>				
Midwest Gold Limited	-	-	392.43	392.43
<u>Purchase of goods:</u>				
Reliance Diamond Tools Private Limited	-	158.07	-	-
Andhra Pradesh (Midwest) Granite Private Limited	41.88	-	16.56	-



**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Financial statements**  
 (All amounts in INR Lakhs, unless otherwise stated)

	As at March 31, 2022		As at March 31, 2021	
	Transaction Amount	Outstanding balance as at March 31, 2022	Transaction Amount	Outstanding balance as at March 31, 2021
<b>Purchase of assets:</b>				
Andhra Pradesh (Midwest) Granite Private Limited	82.14	(5.73)	-	-
Reliance Diamond Tools Private Limited	143.83	-	-	-
<b>Investment in equity shares:</b>				
Midwest Neostone Private Limited	-	-	-	871.00
Midwest Energy Private Limited	-	-	219.96	246.97
Midwest Quartz Private Limited	15.00	15.00	-	-
Astral Granite Private Limited	208.46	208.46	-	-
Deccan Silica	1.50	64.67	-	-
<b>Disposal in equity shares:</b>				
Vandeep Technoidentity Solutions Private Limited	-	-	35.70	-
Midwest Energy Private Limited	246.87	0.10	-	-
<b>Disposal in Preference shares:</b>				
Vandeep Technoidentity Solutions Private Limited	-	-	94.26	-
<b>Advance for purchases:</b>				
Baahula Minerals	540.00	540.00	88.00	522.55
Reliance Diamond Tools Private Limited	257.41	97.72	-	-
<b>Repayment of Advance for purchases:</b>				
Baahula Minerals	522.55	-	-	-
Reliance Diamond Tools Private Limited	159.69	-	-	-
<b>Payable for purchases:</b>				
Reliance Diamond Tools Private Limited	-	(156.57)	-	(251.54)
<b>Capital advance:</b>				
Reliance Diamond Tools Private Limited	-	-	100.33	(100.33)
<b>4. Step-down subsidiary:</b>				
<b>Corporate guarantee given:</b>				
South Asia Granite and Marble Private Limited	479.23	479.23	506.16	506.16
<b>5. Joint venture:</b>				
<b>Unsecured loans given:</b>				
South Coast Infrastructure Development Company of Andhra Pradesh Limited	-	300.13	-	300.13
<b>Rent received:</b>				
SMW Granites LLP	2.24	7.41	2.03	6.39
<b>Advances for expenses:</b>				
SMW Granites LLP	1.02	-	0.42	-
<b>Sale of goods:</b>				
SMW Granites LLP	66.79	58.71	47.12	61.66

(Transaction Amounts are excluding applicable taxes and outstanding includes applicable taxes)



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**MIDWEST GRANITE PRIVATE LIMITED****Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

**Note 38 :**

The Board of Directors of the company, at its meeting held on March 22, 2022 and the creditors (Secured and Unsecured) of the Company at their respective meetings held on June 14, 2022, had considered and approved a merger of RDT Diamond Tools Private Limited ("RDT") and Midwest Mining Private Limited ("MMPL") into Midwest Granite Private Limited by way of a composite scheme of amalgamation.

Regional Director (RD), through its order dated November 29, 2022 has approved the scheme with the appointed date of the merger being April 1, 2021.

As per guidance on accounting for common control transactions contained in Ind AS 103 "Business Combinations" the merger has been accounted for using the pooling of interest method. Accordingly, all the assets, liabilities and other reserves of transferor companies were aggregated with those of the Company at their respective book values. As prescribed by the Scheme no consideration was paid as the transferor Companies were wholly owned subsidiaries of the Company. Accordingly, the resultant difference amounting to Rs.0.75 Lakhs was credited to capital reserve account.

The previous year figures have therefore been restated to include the impact of the merger.

As part of the Scheme, the equity shares held by RDT Diamond Tools Private Limited and the Midwest Mining Private Limited stands cancelled.

**Note 39 : Assets pledged as security**

The carrying amounts of Company's assets pledged as security for current borrowings are:

	As at March 31, 2022	As at March 31, 2021
<b>Working capital loans from banks (secured)</b>		
<b>Primary security</b>		
<b>Current assets</b>		
Financial assets	8,759.39	4,238.75
Non financial assets	8,843.96	7,783.26
Property, plant and equipment (except freehold land, leasehold land and improvements to leasehold premises)	10,831.52	7,880.08
<b>Total current borrowings</b>	<b>28,434.37</b>	<b>19,902.09</b>

Note: Collateral security and other conditions / details are disclosed in Note 15.

**Note 40: Earnings per share**

	As at March 31, 2022	As at March 31, 2021
<b>Basic &amp; Diluted EPS(INR)</b>		
Basic and Diluted earnings per share attributable to the equity holders of the company	6,851.86	4,429.17

**Reconciliation of earnings used in calculating earnings per share**

	As at March 31, 2022	As at March 31, 2021
<b>Basic and Diluted earnings per share</b>		
Profit attributable to the equity holders of the company used in calculating earnings per share	5,091.82	3,715.09

**Weighted average number of shares used as the denominator**

	As at March 31, 2022	As at March 31, 2021
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	74,313	83,878
Adjustments for calculation of diluted earnings per share:	-	-
Weighted average number of equity shares used as the denominator in calculating diluted	<b>74,313</b>	<b>83,878</b>

**Note 41: Note on Balances:**

(ii) Confirmation letters have been issued in respect of trade receivables and other receivables and advances and trade payables and other payables of the company but not responded in many cases. Balances where confirmations are not forthcoming, such balances are subject to reconciliation and consequential adjustments required, if any, would be determined/made on receipt of confirmation. However, in the opinion of the Board, assets other than Fixed Assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities have been made.

**Note 42:** No Delay in charge creation / satisfaction with ROC beyond the statutory period.



**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

**Note 43: Ratios to be disclosed**

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% Change in Ratio
a) Current ratio(in times)	Current Assets	Current Liabilities	1.19	1.12	7%
b) Debt-Equity ratio(in times)	Total debt	Shareholder's Equity	0.19	0.24	-20%
c) Debt service coverage ratio(in times)	Earnings available debt Service = Profit after tax+Non cash expenses + Interest + Others non cash	Debt Service = Interest payments + Principle payments	1.23	0.85	44%
d) Return on Equity ratio(in %)	Profit after tax	Average Shareholders fund's	19%	16%	3%
e) Inventory turnover ratio(in times)	Sale of Products	Average Inventory	12.35	10.18	31%
f) Trade receivables turnover ratio(in times)	Revenue from operations	Average trade receivable	14.63	14.29	3%
g) Trade payables turnover ratio(in times)	Net Credit Purchases	Average Trade Payables	14.45	9.64	50%
h) Net capital turnover ratio(in times)	Revenue from Operations	Working Capital	13.61	20.73	-34%
i) Net profit ratio(in %)	Profit after tax	Revenue from operations	15%	17%	-2%
j) Return on capital employed(in %)	Earning before interest and taxes	Capital employed = Net worth + Total debt + Deferred tax liability	18%	13%	5%
k) Return on investment(in %)	Net Profit	Average Invested funds	10%	8%	2%

**Reasons for Variance:**

**Debt Service Coverage Ratio:** Change on account of increase in earnings available debt service during the year

**Inventory Turnover Ratio:** Change is on account of increase in revenue from operations during the year.

**Trade Payables Turnover Ratio:** Change is on account of increase in payment to trade payables compared to Previous year.

**Net Capital Turnover Ratio :** Change on account of increase in Revenue and decrease in working capital.

**Note 44 (i):** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note 44 (ii):** No funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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MIDWEST GRANITE PRIVATE LIMITED

Notes to the Financial statements

(All amounts in INR Lakhs, unless otherwise stated)

**Note 45: Details loans given. Investments made and guarantee given covered under sub-section (4) of section 186 of the Companies Act, 2013**

Particulars	Opening balance as on April 01, 2021	Amount of transaction	Amount outstanding's as on March 31, 2022	Purpose for which loan or guarantee is proposed to be utilised
<b>A. Loans given by the company :</b>				
<b>(a) Interest free unsecured loans:Prior to 1/4/2014</b>				
South Coast Infrastructure Development of Andhra Pradesh Private Limited	300.13	-	300.13	
Midwest Gold Limited	1,211.14	-	1,211.14	
<b>(b) Interest bearing unsecured loans:</b>				
Midwest Gold Limited	572.98	428.79	1,001.77	
Midwest Neostone Private Limited	-	84.22	84.22	
<b>B. Investments made:</b>				
<b>(a) Equity Shares:</b>				
Reliance Diamond Tools Private Limited	103.40	-	103.40	
Andhra Pradesh Granite (Midwest) Private Limited	850.00	-	850.00	
BEML Midwest Limited	661.72	-	661.72	
Midwest Holdings Limited	1,301.18	-	1,301.18	
Amaya Smart Technologies Private Limited	97.75	-	97.75	
Midwest Neostone Private Limited	871.00	-	871.00	
Midwest Energy Private Limited*	246.97	(246.87)	0.10	
Astral Granite Private Limited	-	208.46	208.46	
Midwest Quartz Private Limited	-	15.00	15.00	
Midwest Gold Limited	224.09	-	224.09	
South Coast Infrastructure Development Company of Andhra Pradesh Limited	2.50	-	2.50	
SMW Granites LLP	40.00	-	40.00	
Deccan Silica LLP	63.17	1.50	64.67	
<b>(b) Preference Shares:</b>				
Midwest Holdings Limited	3,178.62	-	3,178.62	
Midwest Energy Private Limited	-	600.00	600.00	
<b>C. Guarantees given:</b>				
Midwest Gold Limited	-	-	175.00	Working Capital Loans and other credit facilities
Andhra Pradesh Granite (Midwest) Private Limited	-	-	165.22	Working Capital
South Asia Granite and Marble Private Limited	-	-	479.23	Loans

\* Investments sold during the year

**Note 46:** The figures for the previous year have been reclassified / regrouped wherever necessary to conform to current year's classification.

The accompanying notes are an integral part of the financial statements

As per our report of even date

For MAJETI & CO.,

Chartered Accountants

Firm's Registration Number:015975S

*A. Kowshik*

Kowshik Anna

Partner

Membership Number : 244172

Hyderabad

December 23, 2022



For and on behalf of Board

*K.Ranganayakumara*

K.Ranganayakumara

Chairman

DIN:00033569

*K.Ramachandra*

K.Ramachandra

Director

DIN:00060086



**INDEPENDENT AUDITOR'S REPORT**

**To**

**The Members of Midwest Granite Private Limited  
Report on the Audit of the Consolidated Ind AS Financial Statements**

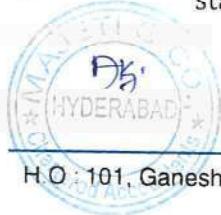
**Qualified Opinion**

We have audited the accompanying consolidated financial statements of **MIDWEST GRANITE PRIVATE LIMITED** ("hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures, which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity, for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2022, the consolidated profit, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

**Basis for Qualified Opinion**

- (a) As explained in Note no.38.3 to the Consolidated Ind AS financial statements, BEML Midwest Limited, a subsidiary, has not been consolidated in the absence of its Ind AS financial statements. As per the accounting principles, the financial statements of this subsidiary should have been consolidated. The effects on the consolidated Ind AS financial statements, of the failure to consolidate this subsidiary company, net of provision for diminution already made in the value of the investment, has not been determined.
- (b) As explained in Note no. 38 to the Consolidated Ind AS financial statements, financial statements of Seven subsidiaries (including 5 step-down subsidiaries) have been furnished to us by the Management whose financial statements reflect total assets of Rs. 16,734.07 Lakhs and net assets of Rs. 2,549.66 Lakhs as at 31<sup>st</sup> March, 2022, total revenue of Rs.494.20 Lakhs and total comprehensive income of Rs. 376.58 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are material to the Group.



(c) Subsidiary auditors qualified their report on the following matters:

- i) The subsidiary auditors have qualified the audit report about nonattendance of physical verification of stocks due to COVID and FUEL Crisis Lockdown as at the balance sheet date. Inventory amounting to Rs. 210.85 Lakhs of South Asia Granite and Marble Private Limited (Srilanka) has been accounted based on the management valuation.
- ii) The subsidiary auditors also qualified matters related to going concern in their respective audit reports. – Refer Note no 42 (B) to the Consolidated Ind AS financial statements.

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

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

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the 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 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 consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us, 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.



### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associate and joint ventures respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated 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 consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the respective Board of Directors of the Companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of the Group and of its associate and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group and of its associate and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associate and joint ventures.

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

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 Holding Company, Subsidiary Companies, associate company and joint venture companies incorporated in India have 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 and its associate and joint ventures 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 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 and its associate and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the 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 or business activities within the Group and its associate and joint ventures to express an opinion on the 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 consolidated financial statements of which we are the Independent Auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

### **Materiality**

Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 Consolidated financial statements.

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.

### **Other Matters**

- a. We did not audit the financial statements of Nine subsidiaries (including two step-down subsidiaries) and two joint venture, whose financial statements reflect total assets of Rs. 5752.89 Lakhs and net assets of Rs. 1093.14 Lakhs as at 31st March 2022, total revenues of Rs. 59.62 Lakhs and the total comprehensive income (Loss) of Rs. 943.74 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs.1.84 Lakhs for the year ended 31st March 2022, as considered in the consolidated Ind AS financial statements, in respect of a joint venture whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and its joint venture and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- b. The auditor of South Coast Infrastructure Development Company of Andhra Pradesh Ltd has Disclaimed their Audit opinion about Internal Financial Controls Over Financial Reporting under opinion for the ongoing litigations against the company (Refer Note no 42 (D) to the Consolidated Ind AS financial statements). In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group -
- c. As explained in Note no.38 to the Consolidated Ind AS financial statements, Certain subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.



Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries, incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:
  - (a) We have sought, *except for the possible effect of the matter described in the Basis for Qualified Opinion above*, 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, *except for the effect of the matters described in the Basis for Qualified Opinion paragraph above*, 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, returns and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and 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 consolidated financial statements.
  - (d) In our opinion, *except for the effect of the matters described in the Basis for Qualified Opinion paragraph above*, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - (e) The matter(s) described in the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of subsidiaries of BEML Midwest Limited and Reliance Diamond Tools Private Limited of the Group.
  - (f) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies from being appointed as a director in terms of Section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Reporting on the adequacy of Internal Financial Control Over Financial Reporting of the Company and the operating effectiveness of such controls, under section 143(3)(i) of the Act is not applicable in view of the exemption available to five subsidiaries and two Joint



ventures incorporated in India, and in terms of the notification no. G.S.R. 583(E) dated 13<sup>th</sup> June, 2017 issued by the Ministry of Corporate Affairs, Government of India, read with general circular No.08/2017 dated 25<sup>th</sup> July, 2017.

With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. *Except for the possible effect of the matter described in the Basis of Qualified Opinion above*, the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. (Refer Note No.35 to the consolidated financial statements).
- ii. *Except for the possible effect of the matter described in the Basis of Qualified Opinion above* the Group, did not have any material foreseeable losses on long-term contracts including derivative contracts as at 31<sup>st</sup> March, 2022.
- iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, incorporated in India during the year ended 31<sup>st</sup> March 2022.
- iv. (a) The respective Managements of the Company and its subsidiaries, Joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries and Joint venture respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(b) The respective Managements of the Company and its subsidiaries, Joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and the other auditors of such subsidiaries and Joint venture respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.;



- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. As stated in Note no 48 to the Consolidated financial statement, Holding company and subsidiaries incorporate in India has not issued any interim dividend during the year.
2. As required by the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B, a statement on the matter specified in paragraph 3(xxi) of CARO 2020.

**For MAJETI & Co.,  
Chartered Accountants**

Firm's Registration Number: 015975S

HYDERABAD  
23.12.2022

A. Kowshik  
KOWSHIK ANNA  
Partner  
Membership Number: 244172  
UDIN: 23244172BGQKXR9993



**Annexure A to Independent Auditor's Report**

**Referred to in Paragraph 1(g) under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31<sup>st</sup> March 2022, we have audited the internal financial controls over financial reporting of **MIDWEST GRANITE PRIVATE LIMITED** (hereinafter referred to as "Holding Company") and its three subsidiary companies are companies incorporated in India to whom internal financial controls over financial reporting is applicable, as of that date.

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

The respective Board of Directors of the Holding Company, its three 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 (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 Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its three 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 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 and the audit evidence obtained by other auditors of the three subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its three companies, which are companies incorporated in India.

### **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 to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Holding Company, its three subsidiary companies, which are companies incorporated in India to whom internal financial controls over financial reporting is applicable,



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 31<sup>st</sup> March 2022, based on "the criteria for internal financial control over financial reporting 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".

### **Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two subsidiary companies and one joint venture, which incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

**HYDERABAD**  
**23.12.2022**

**For MAJETI & Co.,  
Chartered Accountants**

**Firm's Registration Number: 0159755**

*D. Kowshik*

**KOWSHIK ANNA**  
Partner  
Membership Number:244172  
UDIN: 23244172BGQKXR9993



**Annexure B to Independent Auditors' Report**

Referred to in paragraph 2 of the Independent Auditor's Report of even date to the members of Midwest Granite Private Limited on the Consolidated Financial Statements as of and for the year ended March 31, 2022

As required by paragraph 3(XXI) of the CARO 2020, we report that the auditors of the following companies have given qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Holding Company:

SNO	Name of the Company	CIN	Relationship with holding company	Date of the respective auditor's report	Paragraph number in the respective report	CARO report
1	Midwest Granite Private Limited	U14102TG1981 PTC003317	Holding Company	December 23, 2022	(i)(c), (iii)(c), (vii)(a)	(ii)(b), (iii)(f),
2	Andhra Pradesh Granite (Midwest) Private Limited	U14102TG2007 PTC054390	Subsidiary Company	September 24, 2022	(vii)(a)	
3	South Coast Infrastructure Development Company of Andhra Pradesh Ltd	U45200TG2007 PLC052299	Joint Venture	September 29, 2022	3(xi)(a), 3(xv) and 3(xix)	

**For MAJETI & Co.,  
Chartered Accountants**

Firm's Registration Number: 015975S

*Kowshik*

**KOWSHIK ANNA**

**Partner**

**Membership Number: 244172**

**UDIN: 23244172BGQKXR9993**



**HYDERABAD  
23.12.2022**

**MIDWEST GRANITE PRIVATE LIMITED**  
**Consolidated Balance sheet as at March 31, 2022**

(All amounts in INR Lakhs , unless otherwise stated)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>I Non-current assets</b>			
(a) Property, plant and equipment	3	21,862.49	19,381.68
(b) Capital work-in-progress	3	964.36	710.83
(c) Goodwill on consolidation		180.96	34.24
(d) Intangible Assets	4A	3.10	3.43
(e) Intangible assets under development	4A	9,346.48	8,499.66
(f) Right - of - use assets	4B	1,167.04	1,228.56
(g) Investments accounted for using the equity method	5	68.07	67.15
(g) Financial assets			
(i) Investments	6	1,060.45	36.27
(ii) Other financial assets	8A	1,170.76	964.70
(h) Deferred tax assets	9	408.55	314.72
(i) Other non-current assets	10A	3,077.29	2,689.36
<b>Total Non-current assets</b>		<b>39,309.55</b>	<b>33,930.60</b>
<b>II Current assets</b>			
(a) Inventories	11	5,098.57	5,979.49
(b) Financial assets			
(i) Trade receivables	12	4,164.15	5,177.37
(ii) Cash and cash equivalents	13	3,561.03	482.82
(iii) Bank balances other than (ii) above	14	2,809.76	266.33
(iv) Loans	7	1,157.87	314.78
(v) Other financial assets	8B	61.01	27.01
(c) Other current assets	10B	4,009.74	4,028.97
(d) Current tax asset	21	203.47	-
<b>Total Current assets</b>		<b>21,065.60</b>	<b>16,276.77</b>
<b>TOTAL ASSETS</b>		<b>60,375.15</b>	<b>50,207.37</b>
<b>EQUITY AND LIABILITIES</b>			
<b>III Equity:</b>			
(a) Equity share capital	15	74.31	74.31
(b) Other equity attributable to owners of the company		34,199.20	27,650.51
(c) Non controlling interest		951.23	551.17
<b>Total Equity</b>		<b>35,224.74</b>	<b>28,275.99</b>
<b>LIABILITIES</b>			
<b>IV Non-current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16A	5,372.05	5,368.56
(ii) Lease liabilities	4C	172.64	165.93
(b) Provisions	17	465.60	400.73
(c) Other non-current liabilities	18	102.95	209.39
<b>Total Non-current liabilities</b>		<b>6,113.24</b>	<b>6,144.61</b>
<b>V Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16B	4,234.65	4,759.30
(ii) Trade payables:			
- dues to micro and small enterprises (Refer Note-30)			-
- dues to others		1,058.42	852.27
(iii) Other financial liabilities	19	4,384.25	5,767.94
(b) Other current liabilities	20	9,230.33	3,834.59
{c} Provisions	17	129.52	98.09
(d) Current tax liabilities	21	-	474.58
<b>Total current liabilities</b>		<b>19,037.17</b>	<b>15,786.77</b>
<b>TOTAL LIABILITIES</b>		<b>25,150.41</b>	<b>21,931.38</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>60,375.15</b>	<b>50,207.37</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For MAJETI & CO.,

Chartered Accountants

Firm's Registration Number:015975S

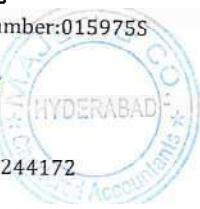
*A.Kowshik*

Kowshik Anna  
Partner

Membership Number :244172

Hyderabad

23.12.2022



*K.Ranganayakamma*

K.Ranganayakamma  
Chairman  
DIN:00033569

*K.Ramachandran*  
K.Ramachandran  
Director  
DIN:00060086

For and on behalf of Board

**MIDWEST GRANITE PRIVATE LIMITED**  
**Statement of Consolidated Profit and Loss for the year ended March 31, 2022**

(All amounts in INR Lakhs , unless otherwise stated)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I Revenue from operations	22	52,523.72	37,998.11
II Other income	23	1,424.66	1,390.36
<b>Total Revenue</b>		<b>53,948.38</b>	<b>39,388.47</b>
<b>III Expenses</b>			
(a) Quarry expenses		6,381.64	5,368.48
(b) Consumption of stores and spare parts		7,481.22	3,774.72
(c) Cost of raw material consumed	24	885.71	484.63
(d) Purchase of stock-in-trade		453.89	275.00
(e) Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	877.62	(1,586.08)
(f) Seignorage and Cess Fees		10,315.79	7,763.21
(g) Employee benefits expense	26	5,493.32	4,912.09
(h) Finance costs	27	905.29	670.00
(i) Depreciation and amortisation expense	28	1,763.34	1,842.70
(j) Other expenses	29	10,061.25	7,599.54
<b>Total Expenses</b>		<b>44,619.07</b>	<b>31,104.29</b>
<b>IV Profit before share of Profit of Joint ventures and tax (I+II-III)</b>		<b>9,329.31</b>	<b>8,284.18</b>
<b>V Share of Profit of a Joint ventures</b>	46	<b>0.92</b>	<b>1.56</b>
<b>VI Profit before tax (IV+V)</b>		<b>9,330.23</b>	<b>8,285.74</b>
<b>VII Tax expense</b>			
(a) Current tax	30	2,660.25	2,380.00
(b) Deferred tax	30	(39.46)	(115.72)
<b>Total tax expense</b>		<b>2,620.79</b>	<b>2,264.28</b>
<b>VIII Profit after tax for the year (VI-VII)</b>		<b>6,709.44</b>	<b>6,021.46</b>
<b>IX Other Comprehensive Income</b>			
(a) Items that will not be reclassified to profit or loss			
(i) Remeasurements of post-employment benefit obligations		(16.88)	13.30
(ii) Income tax relating to above		4.25	(4.79)
<b>Total (a)</b>			
(b) Items that will be reclassified to profit or loss			
(i) Exchange differences in translating the financial statements of foreign operations		107.08	(254.45)
(ii) Income tax relating to above		-	-
<b>Total (b)</b>			
<b>Other Comprehensive Income after tax for the year (a+b)</b>		<b>94.45</b>	<b>(245.94)</b>
<b>X Total Comprehensive Income for the year (VIII+IX)</b>		<b>6,803.89</b>	<b>5,775.52</b>
<b>Net profit attributable to:</b>			
a) Owners of the company		6,330.11	5,678.90
b) Non Controlling Interest		379.33	342.56
<b>Other Comprehensive Income attributable to:</b>			
a) Owners of the company		97.24	(249.76)
b) Non Controlling Interest		(2.79)	3.82
<b>Total Comprehensive Income attributable to:</b>			
a) Owners of the company		6,427.35	5,429.14
b) Non Controlling Interest		376.54	346.38
<b>XI Earnings per share (Par value of Rs.100 each)</b>			
(a) Basic	41	<b>8,518.17</b>	<b>6,770.45</b>
(b) Diluted	41	8,518.17	6,770.45

The accompanying notes are an integral part of the financial statements

**As per our report of even date**

**For MAJETI & CO.,**

**Chartered Accountants**

Firm's Registration Number:0159755

**For and on behalf of Board**

*A. K. Ranganayakamma*

**Kowshik Anna**

**Partner**

Membership Number :244172

Hyderabad

23.12.2022

*K. Ranganayakamma*  
**Chairman**  
DIN:00033569

*K. Ramachandra*  
**Director**  
DIN:00060086

**MIDWEST GRANITE PRIVATE LIMITED**  
**Consolidated Cash flow statement for the year ended March 31, 2022**

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Cash flows from operating activities</b>		
Profit before tax	9,329.31	8,284.18
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	1,763.34	1,842.70
Finance costs	905.29	670.01
(profit)/Loss on sale of assets (net)	(7.42)	109.74
Unrealised foreign exchange (gain)/ loss (net)	-	20.68
Net (gain) arising on financial assets measured at FVTPL	(28.63)	(18.77)
<b>Bad debts written off</b>	156.88	24.26
Provision for ECL and Written back (net)	306.14	418.36
Book deficit on assets discarded	47.47	55.11
<b>Provision for doubtful advances</b>	372.67	240.48
Net gain on disposal of subsidiary	(40.35)	(25.00)
Derecognition of Goodwill on account of disposal of subsidiary	-	29.56
Net fair value gain on foreign exchange forward contracts	(23.00)	(25.48)
Balances written back/off (net)	(6.31)	159.39
Liabilities no longer required written back	(2.73)	(117.75)
Dividend income	(0.51)	(0.06)
<b>Interest income</b>	(98.25)	(21.54)
	<b>12,673.90</b>	<b>11,645.87</b>
<b>Change in operating assets and liabilities</b>		
Trade receivables and other assets	(138.54)	(871.74)
Inventories	880.92	(1,857.60)
Trade payables, other liabilities and provisions	4,288.24	(329.01)
<b>Cash generated from operating activities</b>	<b>17,704.52</b>	<b>8,587.52</b>
Income tax paid	(3,353.79)	(1,912.23)
<b>Net cash generated from operating activities</b>	<b>14,350.73</b>	<b>6,675.29</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(6,437.70)	(4,305.88)
Sale proceeds from property, plant and equipment	836.87	228.55
Purchase of Investments	(995.55)	-
Sale proceeds from investments	123.43	154.96
<b>Loans given</b>	(843.09)	-
<b>Change in bank balances</b>		
Interest received	(2,543.43)	(50.24)
Dividend income	98.25	21.54
	0.51	0.06
<b>Net cash inflow / ( outflow )from investing activities</b>	<b>(9,760.71)</b>	<b>(3,951.01)</b>
<b>Cash flows from financing activities</b>		
Proceeds/(repayment) of non current borrowings (net)	(91.84)	1,630.50
Proceeds/(repayment) of current borrowings (net)	(524.65)	(2,346.85)
Payment of buyback of equity shares (including tax)	-	(944.17)
<b>Repayment of lease liability</b>	(14.19)	(431.99)
<b>Finance costs paid</b>	(881.13)	(647.86)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>(1,511.81)</b>	<b>(2,740.37)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		
Cash and cash equivalents at the beginning of the year	3,078.21	(16.13)
<b>Cash and cash equivalents at end of the year</b>	<b>3,561.03</b>	<b>482.82</b>

1. The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.
2. Previous year figures have been regrouped /reclassified to conform to current year classification.
3. All figures are in brackets are outflows.
4. Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.  
**The accompanying notes are an integral part of the financial statements**  
**As per our report of even date**

**For MAJETI & CO.**

Chartered Accountants

Firm's registration number: 015975S

A. Kowshik

Kowshik Anna

Partner

Membership Number :244172

Hyderabad

23.12.2022

**For and on behalf of the Board**

K.Ranganayakamma

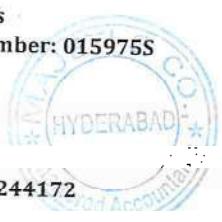
Chairman

DIN:00033569

K.Ramachandra

Director

DIN:00060086



**MIDWEST GRANITE PRIVATE LIMITED**  
**Consolidated Statement of changes in equity for the year ended March 31, 2022**

a. Equity share capital

	As at March 31, 2021					As at March 31, 2022				
Changes in equity share capital*						91,343 (17,030) 74,313	91,343 (17,030) 74,313	91,343 (17,030) 74,313	91,343 (17,030) 74,313	91,343 (17,030) 74,313
As at March 31, 2022										
* Buyback of Equity Shares refer Note no. 15.3										
b. Other Equity										

	Capital reserve	Forfeited shares	Capital redemption Reserve	General reserve	Retained earnings	Reserves and Surplus				
						Foreign currency Translation Reserve	Share Application Money	Attributable to Equity holders of Company	Non Controlling Interest	Total Other Equity
<b>Balance as at April 01, 2020</b>	1,253.03	0.66	1.00	2,551.31	17,907.06	1,376.70		23,089.76	207.55	23,297.31
Nominal value of Equity Share Transfer to Capital Redemption reserve	-	-	17.03	-	-	-	-	17.03	-	17.03
Buyback of equity shares, including tax thereon	-	-	-	(944.18)	-	-	-	(944.18)	-	(944.18)
Share Application Money received during the year							46.50	46.50	46.50	46.50
Profit for the year	-	-	-	-	5,678.90		5,678.90	342.56	342.56	6,021.46
Other comprehensive income [net of income tax]	-	-	-	-	4.68	(254.44)	(249.76)	3.82	3.82	(245.94)
<b>Total comprehensive income for the year</b>					5,683.58	(254.44)	5,429.14	346.38	346.38	5,775.52
Adjustments on account of disposal of group undertaking	-	-	-	-	12.26	-	-	12.26	[22.76]	(10.50)
Minority changes during the year	-	-	-	-	-	-	-	-	20.00	20.00
<b>Balance as at March 31, 2021</b>	<b>1,253.03</b>	<b>0.66</b>	<b>18.03</b>	<b>1,607.13</b>	<b>23,602.90</b>	<b>1,122.26</b>	<b>46.50</b>	<b>27,650.51</b>	<b>551.17</b>	<b>28,201.68</b>
Balance as at April 01, 2021	1,253.03	0.66	18.03	1,607.13	23,602.90	1,122.26	46.50	27,650.51	551.17	28,201.68
Profit for the year	-	-	-	-	6,330.11		6,330.11	379.33	379.33	6,709.44
Other comprehensive income [net of income tax]	-	-	-	-	(9.84)	107.08	-	97.24	(2.79)	94.45
<b>Total comprehensive income for the year</b>					6,320.27	107.08	-	6,427.35	376.54	6,803.89
Adjustment on account of Merger	(21.75)	-	-	-	-	-	-	(21.75)	-	(21.75)
Share Application Money received during the year								143.09	143.09	143.09
Minority changes during the year	-	-	-	-	-	-	-	-	23.52	23.52
<b>Balance as at March 31, 2022</b>	<b>1,231.28</b>	<b>0.66</b>	<b>18.03</b>	<b>1,607.13</b>	<b>29,923.17</b>	<b>1,229.34</b>	<b>189.59</b>	<b>34,199.20</b>	<b>951.23</b>	<b>35,150.43</b>

(All amounts in INR Lakhs , unless otherwise stated)



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Consolidated Statement of changes in equity for the year ended March 31, 2022**

The accompanying notes are an integral part of the financial statements  
**Nature and purpose of reserves**

(i) **Capital reserve**  
 Capital reserve represents share application money received from allottees and forfeiture due to non payment of remaining call money within due date as per terms of issue.

(ii) **General reserve**  
 General reserve is used for strengthening the financial position and meeting future contingencies and losses.

(iii) **Retained earnings**  
 This reserve represents the cumulative profits of the Group. It includes land revaluation amount of Rs. 5,708 lakhs on transition date which will not be available for declaration of dividend as per Companies (Declaration and payment of Dividend) Rules, 2014.

(iv) **Capital redemption reserve**  
 Capital redemption reserve is created when a company purchases its own shares out of free reserves. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013. Capital redemption reserve is not freely available for distribution.

(v) **Foreign currency Translation Reserve**  
 This reserve represents exchange difference arising from translation of foreign operations that have functional currency different from presentation currency.

(vi) There is a classification error (Not considered as material) in reporting the Minority interest with respect to Midwest Gold (subsidiary of the company) which has been corrected and reported as below, In accordance with IND AS 8 opening balances were also corrected as below.

Capital redemption reserve is created when a company purchases its own shares out of free reserves. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve can be utilised in accordance with the provisions of section 69 of the Companies Act, 2013. Capital redemption reserve is not freely available for distribution.

(vii) **Non Controlling Interest**  
 This reserve represents the difference arising from translation of foreign operations that have functional currency different from presentation currency.

(viii) There is a classification error (Not considered as material) in reporting the Minority interest with respect to Midwest Gold (subsidiary of the company) which has been corrected and reported as below, In accordance with IND AS 8 opening balances were also corrected as below.

(ix) **Foreign currency Translation Reserve**  
 This reserve represents exchange difference arising from translation of foreign operations that have functional currency different from presentation currency.

(x) There is a classification error (Not considered as material) in reporting the Minority interest with respect to Midwest Gold (subsidiary of the company) which has been corrected and reported as below, In accordance with IND AS 8 opening balances were also corrected as below.

(xi) **Non Controlling Interest**  
 This reserve represents the difference arising from translation of foreign operations that have functional currency different from presentation currency.

(xii) There is a classification error (Not considered as material) in reporting the Minority interest with respect to Midwest Gold (subsidiary of the company) which has been corrected and reported as below, In accordance with IND AS 8 opening balances were also corrected as below.

Year	Reported	Revised	Reported	Revised
as at March 31, 2021	2,69,20	55,117	23,884,87	23,602,90
as at April 01, 2020	(7,442)	20,755	18,189,03	17,907,06

As per our report of even date

For MAJETI & CO.,

Chartered Accountants

Firm's Registration Number:015975S

  
 Kowshik Anna  
 Partner

Membership Number :244172

Hyderabad

23.12.2022



K.Ramachandra

Director

DIN:00060086

  
 K.Ramachandra  
 Chairman  
 DIN:00033569

# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

### 1. Corporate Information

- 1.1 Midwest Granite Private Limited (the Company or MGPL) is a Private limited company incorporated under the provisions of erstwhile Companies Act, 1956 with an objective of engaged in the business of quarrying, manufacturing and processing and selling of Granite having its registered office at Hyderabad in the state of Telangana, India.
- 1.2 The Consolidated Financial Statements comprise financial statements of "Midwest Granite Private Limited" ("the Holding Company") and its subsidiaries and joint ventures (collectively referred to as "the Group") for the year ended 31<sup>st</sup> March 2022.
- 1.3 Midwest Granite Private Limited was incorporated on 11.12.1981.

The consolidated financial statements are approved for issue by the Company's Board of Directors on 23<sup>rd</sup> December 2022.

### 2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 2.1 Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) including the rules notified under the relevant provisions of the Act.

The consolidated financial statements up to year ended March 31, 2022 were prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) including the rules notified under the relevant provisions of the Act.

#### 2.2 Basis of Preparation of consolidated financial statements

- (i) The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

#### (ii) New standards and amendments

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2021. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective:

- a. Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109 – Financial Instruments, Ind AS 107 – Financial Instruments: Disclosures, Ind AS 104 – Insurance Contracts and Ind AS 116 – Leases.
- b. Conceptual framework for financial reporting under Ind AS issued by ICAI
- c. Ind AS 103: Business combination
- d. Amendment to Ind AS 103- Business combination, Ind AS 116 - COVID-19 related rent concessions, Ind AS 105 – Non-current Assets held for sale and Discontinued Operations, Ind AS 16 – Property Plant and Equipment and Ind AS 28 – Investments in Associates and Joint Ventures.

These amendments had no impact on the financial statements of the Group



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# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

### (iii) Reclassification consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the companies Act,2013 on 24th March 2021 to increase the transparency and provide additional disclosure to users of financial statements. The amendments are effective from 01 April 2021.

Consequent to the above the Group has classified current maturity of long-term borrowing borrowings (including interest accrued thereon) to short-term borrowing from other financial liability

### (iv) Historical cost convention

The consolidated financial statements have been prepared as a going concern on accrual basis of accounting. The group has adopted historical cost basis for assets and liabilities except for certain items which have been measured on a different basis and such basis is disclosed in the relevant accounting policy. The consolidated financial statements are presented in Indian Rupees (INR).

### (v) Current and non-current classification

The group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current if:

- (i) It is expected to be realised or sold or consumed in the group's normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be realized within twelve months after the reporting period; or
- (iv) It is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current if:

- (i) It is expected to be settled in normal operating cycle;
- (ii) It is held primarily for the purpose of trading;
- (iii) It is expected to be settled within twelve months after the reporting period;
- (iv) It has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets and liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current only.

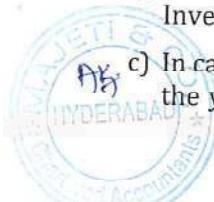
All assets and liabilities have been classified as current or non-current as per group's operating cycle and other criteria set out in Schedule-III of the Companies Act, 2013. Based on the nature of business, the group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

## 2.3 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Whole Time Director has been identified as the Chief Operating Decision Maker. Refer Note 37 for the segment information presented.

## 2.4 Principles of Consolidation

- a) The financial statements of the Holding Company and its Subsidiaries are combined on line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after eliminating intra-group balances and intra-group transactions.
- b) Profit and loss resulting from intra-group transactions that are recognized in assets, such as Inventory and Property, plant and equipment, are eliminated in full.
- c) In case of Foreign subsidiaries, revenue items are consolidated at average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any



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# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

exchange difference arising on consolidation is recognized in Foreign Currency Translation Reserve (FCTR).

- d) Goodwill represents the difference between the Holding Company's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries. Goodwill is subsequently measured at cost less any accumulated impairment annually.
- e) The audited / unaudited financial statements of foreign subsidiaries / joint ventures/ associates have been prepared in accordance with the Generally Accepted Accounting Principles of its Country of Incorporation or Ind AS.
- f) The difference in accounting policies of the Holding Company and its subsidiaries / associates are not material.
- g) The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary.
- h) The difference between the proceeds from disposal of investment in subsidiaries and carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated statement of profit and loss being the profit or loss on disposal of investment in subsidiary.
- i) Investment in Associates and Joint venture has been accounted under Equity Method as per Ind AS 28-Investments in Associates and Joint Ventures.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

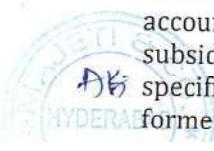
When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, the group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

- j) Non-controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.
- k) Non-controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet.

### I) Change in Group's Ownership interest in existing Subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group's losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial



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# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

recognition for subsequent accounting under Ind AS 109 "Financial Instruments" or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

### m) Good will on Consolidation

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Cash generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit's value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

## 2.5 Foreign currency transactions

### a) Functional and presentation currency

Items included in the financial statements of the group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements and all financial information are presented in Indian rupee (INR), which is group's functional and presentation currency.

### b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency, using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

### c) Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- All resulting exchange differences are recognised in other comprehensive income.

## 2.6 Critical estimates and judgement

The preparation of consolidated financial statements in conformity with Ind AS requires management of the group to make estimates and assumptions and judgements that affect the reported amounts of assets and liabilities and disclosure of contingent assets; liabilities at the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an

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# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

Following are the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates or judgements are:

- Estimation of expected credit loss on financial assets – Note 33(A) (I).
- Useful life of Property, Plant & Equipment – Note 2.9
- Recognition and measurement of defined benefit obligations – Note 2.17
- Estimation of current tax expense and payable – Note 2.16
- Estimation of uncertainties relating to the global health pandemic from Covid -19 Note 33(D).

### 2.7 Revenue recognition

#### Sale of Products - Recognition & Measurement

Revenue from the sale of products is recognised at the point in time when the products are delivered to the customer (as it considered as that customer has obtained the control / legal title has been transferred) as per the terms of the contract. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

The Group's customers pay for products received in accordance with payment terms that are customary in the industry and do not have significant financing components.

Liquidated damages and penalties are accounted as per the contract terms wherever there is a delay / default attributable to the Group and when there is a reasonable certainty with which the same can be estimated.

#### Sale of services

Revenue from operations and maintenance services are recognised on output basis measured by efforts expended, number of transactions processed, etc.

Some contracts include multiple deliverables, such as the sale of products required for maintenance services. It is therefore accounted for as a separate performance obligation. The revenue from sale of products is recognised at a point in time when the product is delivered, the legal title has been passed and the customer has accepted the product.

#### Dividend Income

Dividend income on investments is accounted for when the right to receive the same is established, which is generally when shareholders approve the dividend. Dividend income is included in Other Income in the Statement of Profit and Loss.

#### Interest Income

Interest income on all financial assets measured at amortised cost, interest income is recognised using the effective interest rate (EIR) method, is recognised in the statement of profit and loss as part of other income.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset except for financial assets that subsequently become credit impaired. For credit impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the expected credit loss).

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# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

### 2.8 Leases

#### As a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the group, on a lease-by-lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the group recognises any remaining amount of the re-measurement in statement of profit and loss.

#### As a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.



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# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

### 2.9 Property, Plant and Equipment

#### i) Recognition and measurement

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs if any of dismantling and removing the item and restoring the site on which it is located. Items such as spares are capitalized when they meet the definition of property, plant and equipment. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Likewise, expenditure towards major inspections and overhauls are identified as a separate component and depreciated over the expected period till the next overhaul expenditure.

#### ii) Subsequent expenditure

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future economic benefits from the existing asset beyond its previously assessed standard of performance/life. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

#### iii) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is recognised in profit and loss in the period the item is derecognised.

#### iv) Capital Work-In-progress

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

#### v) Depreciation expense

Depreciation is charged on straight line basis so as to write off the depreciable amount of the asset over the useful lives specified in Schedule II to the Act. The useful life of the assets is periodically reviewed and re-determined based on a technical evaluation and expected use.

The group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

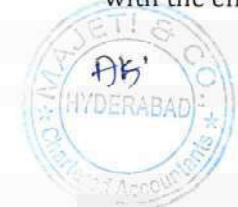
Leasehold improvements and Leasehold Land are amortized over the lease period.  
Depreciation is provided at one hundred percent for assets costing less than Rs.5000/-.

### 2.10 Intangible assets and amortization

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Nature of Asset	Useful Life
Software	3 Years

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.



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# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

### 2.11 Financial Instruments

#### Classification, initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. Financial instruments are recognized on the balance sheet when the group becomes a party to the contractual provisions of the instrument.

#### (I) Financial Assets

##### Classification:

The group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The group reclassifies debt investments when and only when its business model for managing those assets changes.

##### At initial recognition

The group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

##### Subsequent measurement - Debt instruments

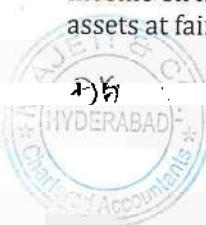
Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- i. **At amortised cost:** Financial assets having contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortized cost using the effective interest method less any impairment losses.
- ii. **At fair value through other comprehensive income (FVOCI):** Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payment of principle and interest on the principle amount outstanding and selling financial assets.
- iii. **At fair value through profit or loss (FVTPL):** Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets at fair value through profit or loss are immediately recognised in profit or loss.

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# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

### Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Group has elected to present the value changes in 'Other Comprehensive Income'.

### Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the group's cash management.

### Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

## (ii) Financial liabilities

### Classification, initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

### Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### Trade and other payables

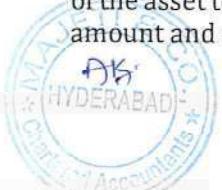
Trade and other payables represent liabilities for goods and services prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

### Loans and borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

### Derecognition of financial instruments

The group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset the difference between the carrying amount and the consideration received is recognised in the statement of profit and loss.



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# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

The group derecognises financial liabilities when, and only when, the group's obligations are discharged, cancelled or have expired. On de-recognition of a financial liability the difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

### Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

### Financial guarantee contracts

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee or the estimated amount that would be payable to a third party for assuming the obligations.

#### As Guarantor

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with Ind AS 109 and the amount initially recognised less cumulative amortization, where appropriate.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

#### As Beneficiary

Financial guarantee contracts are recognised as a financial asset at the time the guarantee is taken. The asset is initially measured at fair value and subsequently amortised over the guarantee period.

Where guarantees in relation to loans or other payables are provided by group for no compensation, the fair values are accounted for as contributions and recognised as part of equity.

## 2.12 Impairment of Assets

### Financial assets

The group assesses at each date of balance sheet impairment, if any, of a financial asset or a group of financial assets. The group uses, in accordance with Ind AS 109, 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to: The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

**For trade receivables** group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

**For other assets**, the group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.



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# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

### Non-financial assets

Property, Plant and Equipment with finite life are evaluated for recoverability when there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount and impairment loss is recognised in the profit or loss.

### 2.13 Equity instruments

An equity instrument is a contract that evidences residual interests in the assets an entity after deducting all of its liabilities. Equity instruments issued by the group are recorded at the proceeds received, net of direct issue costs.

### 2.14 Borrowing costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to make it ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

### 2.15 Inventories

Raw Materials and Stores and spares are valued at lower of cost, calculated on weighted average basis and net realisable value.

Stores and spares are valued at lower of cost, calculated on weighted average basis, and net realisable value.

Finished goods, Stock-in-trade and work-in-progress are valued at lower of cost and net realisable value. Cost includes materials, labour and a proportion of appropriate overheads based on normal operating capacity. Cost is determined on a weighted average basis.

Trading goods are valued at lower of cost, calculated on FIFO basis and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Obsolete inventories are identified and written down to net realisable value.

### 2.16 Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemptions in accordance with the prevailing tax laws for the year.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively.

Current tax assets and current tax liabilities are presented in the statement of financial position after off-setting the taxes paid or deemed to be paid and current income tax expenses for the year.



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HYDERABAD  
T. S. & CO.  
Accountants  
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# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

### Deferred income taxes

Deferred tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow total or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred Tax Assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the Balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realized.

Deferred tax assets and liabilities are offset when it relates to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

### 2.17 Provisions, contingent liabilities and contingent asset

Provisions are recognized when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as other finance expense.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The group does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

### 2.18 Employee benefits

#### (i) Short term employee benefit obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and



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# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### (ii) Other long-term employee benefit obligations

The liabilities for accumulating compensated absences not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are measured at the present value of expected future payments to be made in respect of services provided using the projected unit credit method. The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

#### (a) Defined benefit plans-Gratuity obligations

The liability in respect of defined benefit plans and other post-employment benefits is calculated using the projected unit credit method consistent with the advice of qualified actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related defined benefit obligation. The current service cost of the defined benefit plan, recognised in the statement of profit and loss in employee benefit expense, reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes, curtailments and settlements. The interest cost is calculated by applying the discount rate to the balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

#### (b) Defined contribution plans

Provident Fund: The Group pays provident fund contributions to publicly administered funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

State Plans: Employer's contribution to Employee State Insurance plan is charged to Statement of Profit and Loss as and when due.

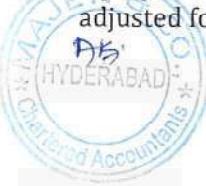
## 2.19 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, and not distributed on or before the end of the reporting period. Dividend is recognised as a liability in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

## 2.20 Earnings per share

Basic earnings per share are calculated by dividing the profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For calculating diluted earnings per share, the profit or loss after tax for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



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# MIDWEST GRANITE PRIVATE LIMITED

## Notes to Consolidated Financial Statements

### 2.21 Commitments

Commitments include bonds executed with external authorities.

### 2.22 Recent accounting pronouncements (Standards issued but not yet effective)

#### Ind AS 16 – Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment.

#### Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

#### Ind AS 103: Business combination

The amendment adds a new exception in Ind AS 103 for liabilities and contingent liabilities



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Consolidated Financial statements**  
 (All amounts in INR Lakhs, unless otherwise stated)

**Note 3: Property, plant and equipment**

Year ended 31 March 2021	Free hold Land	Improvements to Leasehold Premises	Buildings	Plant and Equipment	Mining Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Electrical Installation	Data Processing Equipment	Water works	Total	Capital work in-progress
<b>Gross carrying amount</b>													
Opening Gross carrying amount	<b>8,967.71</b>	195.94	1,206.51	3,224.50	10,524.22	214.06	841.09	228.09	595.97	143.49	129.60	26,271.18	5,19,22
Additions	129.46	-	8.42	61.62	3,244.83	29.51	48.40	10.49	79.81	20.60	18.62	3,651.75	19,151
Disposals	(4.19)	-	-	(52.37)	(1,577.50)	(1.60)	(16.30)	(0.87)	(0.73)	(53.36)	(0.03)	(1,706.95)	-
Currency translation differences	-	-	(9.22)	(68.01)	(13.08)	(0.39)	(1.27)	(0.63)	(0.43)	-	(83.03)	(83.03)	-
<b>Closing gross carrying amount</b>	<b>9,092.98</b>	195.94	1,205.71	3,165.74	12,188.47	241.58	871.92	237.08	675.05	110.30	148.19	28,132.95	71,033
<b>Accumulated depreciation</b>													
Opening accumulated depreciation	-	60.96	487.00	2,680.48	4,237.80	138.42	439.90	165.51	344.11	112.27	53.77	8,720.22	-
Depreciation charge during the year	-	17.75	33.89	87.32	1,093.28	10.75	71.37	18.80	54.95	10.40	8.42	1,406.93	-
Disposals / Transfers	-	-	-	(48.92)	(1,199.78)	(0.77)	(8.67)	(0.44)	(0.57)	(41.45)	-	(1,300.59)	-
Currency translation differences	-	-	(7.55)	(63.83)	(3.05)	(0.37)	(1.27)	(0.62)	(0.43)	-	-	(77.12)	-
Depreciation transferred to development expenses	-	-	0.21	1.42	-	0.21	-	0.01	-	-	-	185	-
Closing accumulated depreciation	-	78.71	533.55	2,656.47	4,128.25	148.24	501.33	183.26	399.49	80.79	62.19	8,751.28	-
<b>Net carrying amount as at March 31, 2021</b>	<b>9,092.98</b>	117.23	692.16	509.27	8,060.22	93.34	370.59	53.82	276.56	29.51	86.00	19,381.68	71,033
<b>Year ended 31 March 2022</b>													
<b>Gross carrying amount</b>													
Opening Gross carrying amount	<b>9,092.98</b>	195.94	1,205.71	3,165.74	12,188.47	241.58	871.92	237.08	675.05	110.30	148.19	28,132.95	71,033
Additions	647.75	-	470.11	288.42	3,141.92	15.51	103.68	36.42	46.39	14.06	15.82	4,780.08	8,48,17
Disposals/Discarded	-	-	(44.41)	(59.263)	(1,052.52)	-	(10.11)	(15.79)	-	(38.06)	-	(1,805.52)	(594.64)
Currency translation differences	-	-	(30.79)	(240.74)	2.03	(0.66)	(4.54)	(0.36)	(1.56)	-	-	(276.62)	-
<b>Closing gross carrying amount</b>	<b>9,740.73</b>	195.94	1,640.62	2,620.79	14,279.90	256.43	869.95	256.35	721.44	84.74	164.01	30,830.90	964.36
<b>Accumulated depreciation</b>													
Opening accumulated depreciation	-	78.71	533.55	2,656.47	4,128.25	148.24	501.33	183.26	398.49	80.79	62.19	8,751.28	-
Depreciation charge during the year	-	17.75	46.29	80.94	1,393.60	12.42	67.70	20.88	48.26	11.99	8.57	1,708.40	-
Disposals / Transfers	-	-	(0.07)	(20.229)	(579.24)	-	(83.66)	(16.08)	(32.42)	-	(913.76)	-	-
Currency translation differences	-	-	(28.41)	(545.04)	2.12	(0.74)	(4.54)	(0.36)	(1.56)	-	(578.53)	-	-
Depreciation transferred to development expenses	-	-	0.24	0.41	-	0.30	-	0.07	-	-	-	1.02	-
Closing accumulated depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net carrying amount as at March 31, 2022</b>	<b>9,740.73</b>	99.48	1,109.02	630.30	9,335.17	96.21	389.12	68.58	274.69	25.94	93.25	21,862.49	964.36

Notes: (i) Refer Note 35 disclosure of contractual commitments for acquisition of property, plant and equipment.

(ii) Refer Note 40 for information on property, plant and equipment as security provided by the group.



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Consolidated Financial statements**

(All amounts in INR Lakhs , unless otherwise stated )

**iii) Aging of capital work-in-progress as at March 31, 2022**

	Amount in capital work-in-progress for				
	Less than 1 Year	1- 2 Years	2-3 years	More than 3 Years	Total
(a) Projects in Progress	848.17	0.04	-	0.11	116.04
(b) Projects temporarily Suspended	-	-	-	-	-
	<b>848.17</b>	<b>0.04</b>		<b>0.11</b>	<b>116.04</b>
					<b>964.36</b>

**iv) Aging of capital work-in-progress as at March 31, 2021**

	Amount in capital work-in-progress for				
	Less than 1 Year	1- 2 Years	2-3 years	More than 3 Years	Total
(a) Projects in Progress	194.57	239.22	-	270.62	6.42
(b) Projects temporarily Suspended	-	-	-	-	-
	<b>194.57</b>	<b>239.22</b>		<b>270.62</b>	<b>6.42</b>
					<b>710.83</b>

v) The title deeds of all the immovable properties (other than properties where the Company is the lessee), are held in the name of the group, except for the following:

Description	Gross carrying value As at March 31, 2022	Title deeds held in the name of As at March 31, 2021	Whether title deed holder is a promoter, director or relative of	Property held since which date	Reason for not being held in the name of the company
FreeHold Land	27.16 39.33 132.98 14.70 1.75 121.38	27.16 39.33 132.98 14.70 1.75 121.38	Subhiksha Agro Farms pvt ltd Yarra Agro Estates pvt ltd Reliance Granite pvt ltd Victorian granite pvt ltd Ind Natali Granite Limited Opusasia Technologies pvt ltd	No No No No No No	For certain properties acquired through amalgamation/merger, the name change in the name of the Company is pending
<b>Total-(a)</b>	<b>337.30</b>	<b>337.30</b>			
FreeHold Land	7.47 0.51 2.91 4.00 2.00	7.47 0.51 2.91 4.00 2.00	Not Applicable	No No No No No	From FY 2001-02 From FY 2002-03 From FY 2006-07 From FY 2009-10 From FY 2011-12
<b>Total-(b)</b>	<b>16.89</b>	<b>16.89</b>			
<b>Grand total(a+b)</b>	<b>354.19</b>	<b>354.19</b>			

\*Gross Carrying value excludes Revaluation Reserve



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Consolidated Financial statements**  
 (All amounts in INR Lakhs , unless otherwise stated )

**Note 4A: Intangible assets, Intangible assets under development**

Particulars	Intangible assets under development	Intangible assets
	Mineral Rights	Software
<b>Year ended 31 March 2021</b>		
Gross carrying amount		
Opening Gross carrying amount	8,749.61	62.01
Additions	0.47	-
Currency translation differences	(250.42)	-
<b>Closing gross carrying amount</b>	<b>8,499.66</b>	<b>62.01</b>
Accumulated depreciation		
Opening accumulated depreciation	-	58.15
Depreciation charge during the year	-	0.43
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>58.58</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>8,499.66</b>	<b>3.43</b>
<b>Year ended 31 March 2022</b>		
<b>Gross carrying amount</b>		
Opening Gross carrying amount	8,499.66	62.01
Additions	51.18	-
Currency translation differences	795.64	-
<b>Closing gross carrying amount</b>	<b>9,346.48</b>	<b>62.01</b>
Accumulated depreciation		
Opening accumulated depreciation	-	58.58
Depreciation charge during the year	-	0.33
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>58.91</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>9,346.48</b>	<b>3.10</b>

Note: Mineral right represents expenditure incurred in relation to acquisition of Mining License, mine development expenditure after post establishment of technical and commercial feasibility.

**Note 4B:Right to Use Asset**

Particulars	Land	Mining Equipment	Total
<b>Year ended March 31, 2021</b>			
<b>Gross Carrying amount</b>	<b>1,339.88</b>	<b>826.48</b>	<b>2,166.36</b>
Currency translation differences	(2.55)	-	(2.55)
<b>Closing gross carrying amount</b>	<b>1,337.33</b>	<b>826.48</b>	<b>2,163.81</b>
Accumulated depreciation	54.69	445.77	500.46
Depreciation for the year	54.65	380.71	435.36
Currency translation differences	(0.57)	-	(0.57)
<b>Closing accumulated depreciation</b>	<b>108.77</b>	<b>826.48</b>	<b>935.25</b>
<b>Net carrying amount as at March 31, 2021</b>	<b>1,228.56</b>	<b>-</b>	<b>1,228.56</b>
<b>Year ended March 31, 2022</b>			
<b>Gross Carrying amount</b>	<b>1,337.33</b>		<b>1,337.33</b>
Currency translation differences	(7.13)	-	(7.13)
<b>Closing gross carrying amount</b>	<b>1,330.20</b>	<b>-</b>	<b>1,330.20</b>
Accumulated depreciation	108.77		108.77
Depreciation for the year	54.61	-	54.61
Currency translation differences	(0.22)	-	(0.22)
<b>Closing accumulated depreciation</b>	<b>163.16</b>	<b>-</b>	<b>163.16</b>
<b>Net carrying amount as at March 31, 2022</b>	<b>1,167.04</b>	<b>-</b>	<b>1,167.04</b>

The Group has entered into leases for its mining Equipment and leasehold lands. Lease of Mining Equipment's are generally have lease terms of 3 years and lands generally have lease terms of 33 years.

The Group also has certain leases of buildings and mining equipment with lease terms of 12 months or less and lease of office equipment's with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The weighted average incremental borrowing rate applied to lease liabilities recognised in the balance sheet at the date of initial application is 7.75%.



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MIDWEST GRANITE PRIVATE LIMITED  
**Notes to the Consolidated Financial statements**  
 (All amounts in INR Lakhs , unless otherwise stated )

**Note: 4C Non current Lease liability**

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	As at March 31, 2022	As at March 31, 2021
<b>Opening Balances of Lease Liability</b>	165.93	554.80
Additions	-	6.57
Accretion of interest	20.90	36.55
Payments	(14.19)	(431.99)
<b>Closing Balance of Lease Liability</b>	<b>172.64</b>	<b>165.93</b>

Refer significant accounting policies for approach followed by the group for transition to Ind AS 116.

- a) There are no restrictions or covenants imposed by leases.
- b) Refer note 29 for rental expense recorded for short-term leases and low value leases for the year ended 31 March 2022
- c) There are no amounts payable toward variable lease expense recognised for the year ended 31 March 2022
- d) The maturity analysis of lease liabilities are disclosed in note.33(C)
- e) There are no leases which have not yet commenced to which the lessee is committed (if any).

**Note 5: Investments accounted for using the equity method**

	As at March 31, 2022	As at March 31, 2021
<b>A. In Joint Ventures (at cost)</b>		
<b>(a) In Equity Instruments (Un quoted)</b>		
South Coast Infrastructure Development Company of Andhra Pradesh Limited 25,000 Equity Shares of Rs.10/- each, fully paid	-	-
<b>(b) In LLP (Un quoted)</b>		
SMW Granites LLP	68.07	67.15
<b>Name of the Partner Share in Profit (%)</b>		
Midwest Granite Private Limited 50%	-	-
Srikanth Daliya 50%	-	-
<b>Total Capital of the firm 8000000</b>	<b>68.07</b>	<b>67.15</b>
<b>Total Investments accounted for using the equity method</b>	<b>68.07</b>	<b>67.15</b>

**Note 6: Non-Current Investments**

	As at March 31, 2022	As at March 31, 2021
<b>A. In Subsidiary (at cost)</b>		
BEML Midwest Limited (Refer Note 38.3)		
66,17,200 Equity shares of Rs.10/- each fully paid	661.72	661.72
Less: Impairment in the value of investment	(661.72)	(661.72)
<b>B. Investment in Other Companies (at fair value through Profit and loss)</b>		
<b>In Equity Instruments (Quoted)</b>		
Aditya Birla Fashion and Retail Limited		
5200 (2021:5200) Equity shares of Rs.10/- each, fully paid	15.70	10.46
<b>Grasim Industries Limited</b>		
1500 (2021: 1500) Equity shares of Rs.2/- each, fully paid	24.97	21.78
Aditya Birla Capital Limited		
2100 (2021: 2100) Equity shares of Rs.10/- each, fully paid	2.26	2.51
<b>C. In Other Companies (at Cost):</b>		
<b>In Equity Shares</b>		
National Stock Exchange Ltd		
5500 Equity shares of Rs.1/- each, fully paid	156.75	-
<b>Midwest Energy Private Limited</b>		
1,000 (2021: 24,69,680) Equity shares of Rs.10/-each, fully paid	0.10	-
<b>In Preference Shares</b>		
<b>Midwest Energy Private Limited</b>		
60,00,000 9% Preference Shares Equity shares of Rs.10/-each, fully paid	600.00	-
<b>D. In Mutual Fund (at fair value through Profit and loss):</b>		
Kotak Pre IPO Opportunities Fund		
19484.706 Units of Rs.1000/- each, fully paid	208.87	-
Nippon India Mutual Fund ETF Liquid BeEs		
2501.031 Units of Rs.1000/- each, fully paid	50.28	-
<b>E. Investment in government securities (at amortised cost):</b>		
National Savings Certificates	1.52	1.52
(Pledged as Security deposit with government authorities)		
<b>Total Non-current investments</b>	<b>1,060.45</b>	<b>36.27</b>
Aggregate amount of quoted investments	302.08	34.75
Aggregate amount of market value of quoted investments	302.08	34.75
<b>Aggregate amount of unquoted investments</b>	<b>1,420.09</b>	<b>663.24</b>
Aggregate amount of impairment in the value of investment	(661.72)	(661.72)



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Consolidated Financial statements**  
 (All amounts in INR Lakhs, unless otherwise stated)

Note 7: Current Loans

	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Loans to related parties (Refer Note:39 & 42D)	300.14	314.78
Loans to Other parties	857.73	-
<b>Total Current loans</b>	<b>1,157.87</b>	<b>314.78</b>
<b>Breakup of security details</b>		
	As at March 31, 2022	As at March 31, 2021
<b>Loans considered good- Secured</b>	-	-
<b>Loans considered good- Unsecured</b>	1,157.87	314.78
<b>Loans which have significant increase in credit risk</b>	-	-
<b>Loans- credit impaired</b>	-	-
<b>Total loans</b>	<b>1,157.87</b>	<b>314.78</b>

Note 8: Other Financial Assets

(A) Non-Current

	As at March 31, 2022	As at March 31, 2021
<b>(Unsecured , Considered good)</b>		
Fixed deposits with original maturity of more than twelve months	3.84	3.68
Keyman Insurance premium and benefits receivable	930.65	841.93
Security Deposit	235.51	103.16
CST receivable	0.76	15.93
<b>Total Other Non Current Financial Assets</b>	<b>1,170.76</b>	<b>964.70</b>

(B) Current

	As at March 31, 2022	As at March 31, 2021
Deposits Recoverable	12.53	1.53
Foreign Currency Forward Contract Receivable	48.48	25.48
<b>Total Other Current Financial Assets</b>	<b>61.01</b>	<b>27.01</b>

**Note 9: Deferred tax assets (net)**

The balance comprises temporary differences attributable to:

	As at March 31, 2022	As at March 31, 2021
<b>Deferred tax assets:</b>		
Arising on account of temporary differences in:		
Expenses allowable on the basis of Payment	132.95	110.61
Provision for impairment of investments	191.14	193.73
Provision for expected credit loss allowances & Doubtful Debts	276.79	179.81
Provision for gratuity	82.20	75.31
Unrealised profit on inventory and Others	-	(2.46)
<b>Unabsorbed loss</b>	<b>55.67</b>	
<b>Deferred tax (liability):</b>		
Property, plant and equipment	(85.17)	(36.81)
Keyman insurance premium and benefits receivable	(234.23)	(196.72)
Financial assets measured at FVTPL	(10.81)	(8.75)
<b>Deferred tax assets (net)</b>	<b>408.55</b>	<b>314.72</b>

**Note 9.1: Reconciliation of deferred tax assets (net)**

	As at March 31, 2022	As at March 31, 2021
<b>Opening balance</b>	<b>314.72</b>	<b>209.43</b>
on account of disposal of group undertaking	0.28	(5.64)
on account of acquisitions	49.84	
Tax (income)/expense recognised in profit and loss	39.46	115.72
Tax (income)/expense recognised in other comprehensive income	4.25	(4.79)
<b>Deferred tax assets (net)</b>	<b>408.55</b>	<b>314.72</b>



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Consolidated Financial statements**  
(All amounts in INR Lakhs, unless otherwise stated)  
Note 10: Other Assets  
(A) Non-current assets

	As at March 31, 2022	As at March 31, 2021
(Unsecured , Considered good)		
Capital advances		
Considered good	1,854.16	1,598.80
Considered Doubtful	407.17	34.50
Less: Provision for doubtful advances	(407.17)	(34.50)
Deposit against cases	26.87	26.87
Security deposits	572.15	345.03
Prepaid income tax (Net of provision for income tax)	610.77	602.75
Other receivables		
Considered good	13.34	115.91
Considered Doubtful	65.00	65.00
Less: Provision for doubtful advances	(65.00)	(65.00)
Total other non-current assets	3,077.29	2,689.36

**(B) Current Assets**

	As at March 31, 2022	As at March 31, 2021
(Unsecured , Considered good)		
Advances other than Capital Advances		
Balances with government authorities	2,235.19	2,429.79
Prepaid expenses	664.88	677.31
Security deposits	8.40	75.44
Supplier Advances (goods, services and expenses )		
Considered good	1,012.23	770.60
Considered doubtful	140.98	140.98
Less : Provision for doubtful advances	(140.98)	(140.98)
Scrap Value of assets discarded	-	54.00
Other Advances and receivables	89.04	21.83
Total other current assets	4,009.74	4,028.97

**Note 11: Inventories (Valued at Lower of cost and net realisable value )**

	As at March 31, 2022	As at March 31, 2021
Raw Materials	329.94	697.13
Work-in-progress	467.36	614.15
Finished goods	2,845.33	3,576.18
Stock-in-trade	65.36	65.36
Stores and spares	1,390.58	1,026.67
Total inventories	5,098.57	5,979.49
Included above, stock-in-transit		
Finished goods	1,339.42	1,541.38

**Note 12: Trade receivables**

**(A) Current**

	As at March 31, 2022	As at March 31, 2021
Secured, considered good	-	-
Unsecured, considered good	4,164.15	5,177.37
Doubtful	1,163.66	857.52
<b>Total</b>	<b>5,327.81</b>	<b>6,034.89</b>
Less: Expected credit loss allowances	(1,163.66)	(857.52)
<b>Total Current trade receivables</b>	<b>4,164.15</b>	<b>5,177.37</b>



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Consolidated Financial statements**  
 (All amounts in INR Lakhs, unless otherwise stated)

**Note 12(b): Trade Receivables ageing as at March 31, 2022**

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months - 1 Year	1-2 year	2-3 Years	More than 3 year	Total
<b>Undisputed</b>							
-Considered good	2,194.47	1,296.53	133.08	119.59	40.65	379.83	4,164.15
-Considered doubtful	0.47	-	4.75	1.50	9.26	704.59	720.57
-Credit impaired	-	-	-	-	-	-	-
<b>Disputed</b>							
-Considered good	-	-	-	-	-	-	-
-Considered doubtful	-	-	-	-	-	443.09	443.09
-Credit impaired	-	-	-	-	-	-	-

**Note 10(c): Trade Receivables ageing as at March 31, 2021**

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 Months	6 months - 1 Year	1-2 year	2-3 Years	More than 3 year	Total
<b>Undisputed</b>							
-Considered good	3,028.19	491.87	95.81	63.17	2.45	1,495.88	5,177.37
-Considered doubtful	-	2.14	-	7.55	99.14	538.92	647.75
-Credit impaired	-	-	-	-	-	-	-
<b>Disputed</b>							
-Considered good	-	-	-	-	-	-	-
-Considered doubtful	-	-	-	-	-	209.77	209.77
-Credit impaired	-	-	-	-	-	-	-

**Note 12(i): Movement in the expected credit loss allowances (Refer Note 33(A)(1))**

	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	857.52	439.16
Add: Expected credit loss allowances during the year	560.61	442.62
Less: Expected credit loss allowances reversed during the year	(97.59)	-
Less: Bad debts written off during the year	(156.88)	(24.26)
Balance at the end of the year	1,163.66	857.52

**Note 13: Cash and cash equivalents**

	As at March 31, 2022	As at March 31, 2021
Balances with banks		
-in Current Accounts	1,356.14	473.87
-in EEFC Accounts	2,199.39	2.77
Cash on hand	5.50	6.18
<b>Total cash and cash equivalents</b>	<b>3,561.03</b>	<b>482.82</b>

**Note 14: Bank balances other than cash and cash equivalents**

	As at March 31, 2022	As at March 31, 2021
In fixed deposits with original maturity of more than three months but less than twelve months	2,655.16	20.05
Balances with banks to the extent held as Margin money (On Letter of credit and Bank Guarantees issued by bank, etc., )	154.60	246.28
<b>Total Bank balances other than cash and cash equivalents</b>	<b>2,809.76</b>	<b>266.33</b>



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**MIDWEST GRANITE PRIVATE LIMITED**

Notes to the Consolidated Financial statements  
(All amounts in INR Lakhs , unless otherwise stated)

**Note 15 : Equity share capital**

**Authorised :**

	<b>Number of shares</b>	<b>Amount</b>
As at 1st April 2020	8,07,000	807.00
Movement on account of Merger	4,50,000	450.00
Movement during the year		
<b>As at 31st March 2021</b>	<b>12,57,000</b>	<b>1,257.00</b>
Movement during the year	-	-
<b>As at 31st March 2022</b>	<b>12,57,000</b>	<b>1,257.00</b>

**Issued :**

	<b>Number of shares</b>	<b>Amount</b>
As at 1st April 2020	91,343	91.34
Movement during the year	(17,030)	(17.03)
<b>As at 31st March 2021</b>	<b>74,313</b>	<b>74.31</b>
Movement during the year	-	-
<b>As at 31st March 2022</b>	<b>74,313</b>	<b>74.31</b>

**Subscribed and fully paid up :**

	<b>Number of shares</b>	<b>Amount</b>
As at 1st April 2020	91,343	91.34
Movement during the year	(17,030)	(17.03)
<b>As at 31st March 2021</b>	<b>74,313</b>	<b>74.31</b>
Movement during the year	-	-
<b>As at 31st March 2022</b>	<b>74,313</b>	<b>74.31</b>

**15.1 Terms and rights attached to equity shares**

The Company has only one class of equity shares having face value of INR 100/- per share. The Company declares and pay dividend in Indian rupees. The holder of equity shares is entitled to dividend right in the same proportion to the paid up capital. The dividend proposed by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting except incase of Interim Dividend. In the event of liquidation of the company, the holders of equity shares are entitled to receive remaining assets of the company, after distribution of all preferential amounts, in proportion to the number of equity shares held by them. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

**15.2 Details of shareholders holding more than 5% equity shares in the company**

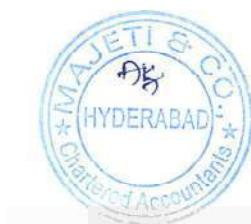
		<b>Mr. K. Rama Raghava Reddy</b>	<b>Mr. G. Ravindra Reddy</b>
<b>As at March 31, 2021</b>			
Number of shares		64,886	7,066
% holding		87.31	9.42
<b>As at March 31, 2022</b>			
Number of shares		64,886	7,066
% holding		87.31	9.42

**15.3 Details of Buyback of equity shares**

During the year ended March 31, 2021, the Company concluded the buyback of 17,030 equity shares as approved by the Board of Directors on September 14, 2020. This has resulted in a total cash outflow of Rs.944.17 Lakhs (including tax on buyback of Rs.177.82 Lakhs). In line with the requirement of the Companies Act, 2013, total amount has been utilised from general reserve respectively. Further, capital redemption reserve of Rs.1.70 Lakhs (representing the nominal value of the shares bought back) has been created as an apportionment from retained earnings. Consequent to such buyback, the paid-up equity share capital has reduced by Rs. 17.03 Lakhs.

**15.4 Disclosure of Shareholding of Promoters**

Promoter name	As at March 31, 2022		% Change during the year	As at March 31, 2021		% Change during the year
	No. of shares	% of total shares		No. of shares	% of total shares	
Mr. K. Rama Raghava Reddy	64,886	87.31%	0.00%	64,886	87.31%	15.94%
M/s.M.V.V.Nagi Reddy (HUF)	-	0.00%	0.00%	-	0.00%	-7.96%
Mrs.M. Padmavati	-	0.00%	0.00%	-	0.00%	-2.28%
Mrs. V.Prameela Rani	-	0.00%	0.00%	-	0.00%	-7.73%
Mr. G.Ravindra Reddy	7,000	9.42%	0.00%	7,000	9.42%	1.68%
Mrs. K. Ranganayakamma	2,227	3.00%	0.00%	2,227	3.00%	0.55%
Mrs. K. Soumya	100	0.13%	0.00%	100	0.13%	-0.06%
Mr.K.Ramachandra	100	0.13%	0.00%	100	0.13%	-0.06%



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**MIDWEST GRANITE PRIVATE LIMITED**

Notes to the Consolidated Financial statements  
(All amounts in INR Lakhs , unless otherwise stated)

**Note 16: Borrowings**

**(A) Non-Current**

	As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>		
From Banks	5,957.48	5,340.69
From Others	621.62	1,290.93
<b>From Others</b>		
-Interest free unsecured loans from directors	-	90.40
- From others	1,196.88	1,145.80
<b>Total non-current borrowings</b>	<b>7,775.98</b>	<b>7,867.82</b>
Less: Current maturities of long-term debt	(2,403.93)	(2,498.83)
Less: Impact of Financial liabilities at amortised cost using Effective interest	-	(0.43)
<b>Non-current borrowings</b>	<b>5,372.05</b>	<b>5,368.56</b>

**Note 16.1 Details of Non-current Borrowings :**

**(i) Term loans from banks**

**Terms of repayment:**

Name of Financial Institution	Amount of Loan	Interest rate %	Amount of Instalment due	Total No. of Instalments due	Period of maturity from balance sheet date
<b>(a) Secured:</b>					
1. Against Hypothecation of Vehicles and personal guarantee by the Director of the company					
HDFC Bank Limited	76.45	8.25	20.74	14	1 Year and 2 months
Axis Bank Limited	12.40	9.36	0.99	3	3 months
Yes Bank Limited	29.10	8.75	14.57	27	2 Years and 3 months
Axis Bank Limited	8.48	9.96	0.77	3	3 months
Axis Bank Limited	32.34	9.42	4.71	5	5 months
Axis Bank Limited	23.58	9.31	6.25	9	9 months
Axis Bank Limited	8.25	8.51	5.15	22	1 Year and 10 months
<b>HDFC Bank Limited</b>	<b>289.03</b>	<b>8.65</b>	<b>228.16</b>	<b>35</b>	<b>2 years 11 months</b>
Kotak Mahindra Bank Limited	393.79	8.65	361.32	30	2 years 6 months
HDFC Bank Limited	107.79	8.65	45.25	32	2 years 8 months
HDFC Bank Limited	92.05	8.55	93.38	21	1 years 9 months
HDFC Bank Limited	393.79	8.65	265.75	30	2 years 6 months
HDFC Bank Limited	107.79	8.65	77.08	32	2 years 8 months
Yes Bank	92.05	8.65	57.92	21	1 years 9 months
<b>Kotak Mahindra Bank Limited</b>	<b>363.16</b>	<b>8.65</b>	<b>302.62</b>	<b>38</b>	<b>3 years 2 months</b>
2. Against Hypothecation of Mining Equipment and guaranteed by one of the directors of the company					
HDFC Bank Limited	10.05	9.20	0.99	4	4 months
Axis Bank Limited	445.44	8.86	15.20	2	2 months
HDFC Bank Limited	450.00	9.50	86.47	9	9 months
Kotak Mahindra Bank Limited	111.60	11.17	14.28	5	5 months
<b>Kotak Mahindra Bank Limited</b>	<b>74.00</b>	<b>11.08</b>	<b>11.65</b>	<b>6</b>	<b>6 months</b>
<b>Kotak Mahindra Bank Limited</b>	<b>55.80</b>	<b>9.00</b>	<b>2.84</b>	<b>2</b>	<b>2 months</b>
Kotak Mahindra Bank Limited	38.50	8.90	3.01	3	3 months
Yes Bank	93.10	8.50	22.81	11	11 months
HDFC Bank Limited	189.38	11.10	78.59	18	1 Year and 6 months
Yes Bank	94.49	8.35	50.19	26	2 Years and 2 months
Yes Bank	94.49	8.35	50.56	26	2 Years and 2 months
<b>ICICI Bank Limited</b>	<b>267.00</b>	<b>9.00</b>	<b>80.80</b>	<b>11</b>	<b>11 months</b>
Axis Bank Limited	261.53	9.02 & 9.26	128.44	18	1 Year and 6 months
Axis Bank Limited	92.97	9.41	49.85	17	1 Year and 5 months
Axis Bank Loan - PRD500M MARP & MKOD	65.64	8.91	37.73	19	1 Year and 7 months
AXIS Junt ED22A,SandDC120&Ta HitacZ	191.16	8.77	137.10	32	2 Years and 8 months
Axis Bank Limited - EICHER PRO 8028	88.82	8.77	65.46	33	2 Years and 9 months
Axis Bank -EICHER PRO 8028XM TIPPER	46.00	8.77	33.90	33	2 Years and 9 months
HDFC Loan - 8 Equipments 86002244	213.05	7.40	201.19	44	3 Years and 8 months
Axis Bank -Volvo FMX & 500PRD -FY20	160.98	8.31 & 8.62	121.58	34	3 Years and 1 months
ICICI Bank (3 Excavators)	271.67	8.00	220.82	36	3 Years
HDFC Bank Limited	377.75	8.90	289.11	43	3 Years and 7 months
Yes Bank Limited	354.60	9.89	220.46	30	2 Years and 6 months
<b>Yes Bank Limited</b>	<b>55.45</b>	<b>9.92</b>	<b>30.60</b>	<b>24</b>	<b>2 Years</b>
Yes Bank Limited	54.00	9.87	31.74	26	2 Years and 2 months
HDFC Loan - Solar Project	277.98		309.45	70	6 Years and 10 months
HDFC DC 120 Sandvik - 84668768 (FY2	79.00	8.65	48.61	27	2 Years and 3 months
HDFC DC 120 Sandvik - 84668762 (FY2	80.60	8.65	49.59	27	2 Years and 3 months
HDFC Volvo Tippers 2 -84668776 & 84	245.00	8.65	150.75	27	2 Years and 3 months



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Consolidated Financial statements**  
 (All amounts in INR Lakhs , unless otherwise stated)

HDFC 2No's Exca370,1No Exca200&2 No's Ex	303.40	8.25	210.89	31	2 Years and 7 months
ICICI Bank 6 Nos. - MR Granites	423.06	7.30	417.15	48	4 Years
HDFC - Sany Excavators 3 Nos 2.80Cr	280.13	7.20	280.13	47	3 Years and 11 months
HDFC Eicher Truck -	44.20	7.20	42.56	47	3 Years and 11 months
HDFC - Volvo Wheel Loader	385.06	7.20	377.94	47	3 Years and 11 months
HDFC VOLVO FMX 460-TIPPER 4 No's	487.73	8.25	348.78	32	2 Years and 8 months
HDFC BANK-Exca Drill22A DrilingUnit	177.97	8.25	123.70	31	2 Years and 7 months
HDFC Bank Limited	142.00	8.25	127.90	32	2 Years and 8 months
<b>Total of term loans from banks secured</b>			<b>5,957.48</b>		

(ii) Term loans from others

**Terms of repayment:**

Name of Financial Institution	Amount of Loan	Interest rate %	Amount of Instalment due	Total No. of Instalments due	Period of maturity from balance sheet date
<b>(a) Secured:</b>					
1.Against hypothecation of Mining Equipment and guaranteed by one of the directors of the company:					
Daimler Financial Services India Private Limited	56.79	11.09	30.78	21	1 Year and 9 months
Tata Capital Financial Services Ltd	14.51	10.94	6.54	33	2 Years and 9 months
Srei Equipment Finance Limited	345.26	9.01	14.99	2	2 months
Siemens Financial Service Limited	28.96	11.00	14.24	21	1 years 9 months
Siemens Financial Service Limited	339.38	11.20	219.85	28	1 years 4 months
2.Against hypothecation of Mining Equipment and guaranteed by the chairman of the company:					
Tata Capital Financial Services Limited	109.82	10.93	47.24	20	1 Year and 8 months
Tata Capital Fin Ser Ltd-Kobelco380	190.57	8.63	75.32	19	1 Year and 7 months
HDB Financial Services Limited	94.16	8.65	5.57	3	3 months
Tata Capital Fin Ser Ltd-Kobelco380	95.29	8.63	39.64	20	1 Year and 8 months
Citicorp Finance (India) Limited	24.42	8.75	11.42	20	1 Year and 8 months
Citicorp Finance (India) Limited	95.28	7.05	43.67	20	1 Year and 8 months
Citicorp Finance (India) Limited	45.40	8.75	21.23	20	1 Year and 8 months
Citicorp Finance (India) Limited	189.57	7.00	91.13	21	1 Year and 9 months
<b>Total of term loans from others secured</b>			<b>621.62</b>		
<b>(b) Unsecured</b>					
Interest free Loans taken from directors			-		
From Others			1,196.88		
<b>Total of term loans from others unsecured</b>			<b>1,196.88</b>		

There is no continuing default as on the balance sheet date in repayment of loans and interest amounts.

**(B) Current**

	As at March 31, 2022	As at March 31, 2021
<b>From Banks (Secured)</b>		
Working capital loan from Canara Bank	-	142.73
Working capital loan from HDFC Bank Limited		392.59
Working capital loan from Kotak Mahindra Bank Limited	165.22	601.31
Working capital loan from Shinhan Bank	342.08	-
Working capital loan from SBI	242.28	527.29
Working capital loan from Commercial Bank*	-	-
Working capital loan from South India Bank	532.17	62.95
<b>Total</b>	<b>1,281.75</b>	<b>1,726.87</b>
<b>From Others (Unsecured)</b>		
Loan from bodies corporate	310.37	337.82
Loan from directors	41.24	22.58
Interest accrued but not due	197.36	173.20
Current maturities of long-term borrowings	2,403.93	2,498.83
<b>Total</b>	<b>2,952.90</b>	<b>3,032.43</b>
<b>Total current borrowings</b>	<b>4,234.65</b>	<b>4,759.30</b>

\*Amount is below the rounding off norms

**Note 16.2 Details of Current borrowings :**

(i) From Canara Bank Limited

**Primary Security:**

Hypothecation of Stocks and book- debts.

**Collateral Security:**

Industrial land and building located at patancheru of Holding company and Plant and Machinery of the subsidiary

**Personal Guarantee:**

Personal Guarantee by two Directors and a relative of Directors of the company

The above loans carry's interest @ 1 year MCLR plus 2.55%

**Corporate Guarantee:**



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Consolidated Financial statements**  
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**By Holding Company**

**(ii) From HDFC Bank Limited**

**Primary Security:**

First charge in favour of the Bank by way of hypothecation of the company's entire stocks of Work-in-progress,

**Security Deposit:**

Retention money deposit with principals

**Collateral Security:**

Equitable Mortgage of Plot no25a, Sr No.41 and 42 situated at Krishnasagara, Attibele Industrial Area, Karnataka

**Personal Guarantee:**

Personal Guarantee by two Directors and a relative of Directors of the company

**Corporate Guarantee:**

By Midwest Gold Limited (Subsidiary Company)

The above loans carry's interest @ 1 year MCLR plus 3.00%

**(iii) From Kodak Mahindra Bank Limited**

**Primary Security:**

First and exclusive charge on all existing and future current assets and unencumbered moveable fixed assets of

**Collateral Security:**

Equitable Mortgage of building located at Bollaram Village and banjara Hills belonging to the Holding Company.

**Personal Guarantee:**

Personal Guarantee by two Directors and a relative of Directors of the company

**Corporate Guarantee:**

**By Holding Company**

The above loans carry's interest @ 1 year MCLR plus 2.00%

**(iv) From Shinhan Bank**

Security: Duly and unconditionally accepted documents (bills) backed by Letter of Credits

The above loans carry's interest @ 3 months LIBOR plus 1.00% p.a

**(v) From South Indian Bank**

**Security:**

Land admeasuring 10861.11 Sq. yards situated in D- Block of Industrial development area, in Sy no 48 part of Chinagantyada village, Visakhapatnam belonging to the company.

**Personal Guarantee:**

Personal Guarantee by three Directors and a one relative of Directors of the company

**(vi) From State Bank of India**

**Security:**

Hypothecation of Stocks and book- debts.

**Corporate Guarantee:**

**By Holding Company**



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MIDWEST GRANITE PRIVATE LIMITED  
 Notes to the Consolidated Financial statements  
 (All amounts in INR Lakhs, unless otherwise stated)

**Note 17: Provisions**

	As at March 31, 2022	As at March 31, 2021
<b>Employee Benefit Obligations</b>		
<b>Non-Current</b>		
Retirement Benefits	362.22	323.66
Leave encashment	103.38	77.07
<b>Total</b>	<b>465.60</b>	<b>400.73</b>
<b>Current</b>		
Retirement Benefits	94.87	71.36
Leave encashment	34.65	24.58
Others	-	2.15
<b>Total</b>	<b>129.52</b>	<b>98.09</b>
<b>Grand Total</b>	<b>595.12</b>	<b>498.82</b>

**Note 17 (a):**

**(i) Defined Contribution plans**

**Employer's Contribution to Provident Fund:** Contributions are made to provident fund for entitled employees at the prescribed rate as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.(the amount also includes contribution to employee trust fund at 3% of gross emoluments on employees according to local laws of a component)

**Employer's Contribution to State Insurance Scheme:** Contributions are made under State Insurance Scheme for entitled employees at the prescribed rate to Employee State Insurance Corporation. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation.

	As at March 31, 2022	As at March 31, 2021
<b>Employer's Contribution to Provident Fund</b>	72.10	71.23
Employer's Contribution to ESI	3.75	3.36

**(ii) Defined Benefits plans**

**Post-employment obligations- Gratuity (Indian)**

The Group provides for gratuity for employees in India as per the payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 day's salary multiplied for the number of years of service.

**Post-employment obligations- Gratuity (Srilanka)**

The subsidiary company has made a provision of gratuity payable on retirement/termination is the employees last drawn half month's salary of the last month of the financial year for all employees, for each completed year of service. Employees who are in continuous service for a period of 5 years are eligible for gratuity.

**A) Reconciliation of opening and closing balances of Defined Benefit Obligation**

	Gratuity (Unfunded)	
	As at March 31, 2022	As at March 31, 2021
<b>Defined Benefit Obligation at beginning of the year</b>	395.02	364.62
Current Service Cost	39.90	27.61
Interest Cost	26.07	22.75
Past Service Cost	-	12.40
Actuarial Loss for the year	16.88	(13.30)
Benefits Paid	(20.78)	(19.06)
<b>Defined Benefit Obligation at year end</b>	<b>457.09</b>	<b>395.02</b>
Current	94.87	71.36
Non current	362.22	323.66

**B) Expenses recognised during the year**

	Gratuity (Unfunded)	
	As at March 31, 2022	As at March 31, 2021
<b>In Statement of Profit and Loss</b>		
Current Service Cost	39.90	27.61
Past service Cost	-	12.40
Interest Cost	26.07	22.75
Net Cost	65.97	62.76
<b>In Other Comprehensive Income</b>		
Actuarial (Gain) / Loss	16.88	(13.30)
Net expense for the period recognised in OCI	16.88	(13.30)



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Consolidated Financial statements**  
**(All amounts in INR Lakh<sup>s</sup>, unless otherwise stated)**

**Significant estimates: Actuarial assumptions and sensitivity**  
The significant actuarial assumptions were as follows:

	As at March 31, 2022	As at March 31, 2021
Discount rate	6.88% - 6.92%	6.70% - 6.76%
Salary growth rate	4% - 10%	4% - 10%
Withdrawl rate	3% - 5%	3% - 5%
<b>Normal Retirement Age</b>	<b>58 Years</b>	<b>58 Years</b>
Average Balance Future Services	11.48% - 19.91%	11.96% - 19.86%
Mortality Table(IALM)	100%	1.00

**Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	As at March 31, 2022	As at March 31, 2021
Defined Benefit Obligation	457.09	395.02
Discount rate:(% change compared to base due to sensitivity)		
Increase : +1%	421.72	368.39
Decrease: -1%	481.34	425.49
Salary Growth rate:(% change compared to base due to sensitivity)		
Increase : +1%	477.50	422.69
Decrease: -1%	424.14	370.44
Withdrawl rate:(% change compared to base due to sensitivity)		
Increase : +1%	454.95	400.11
Decrease: -1%	443.65	389.34

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**Risk Management**

The Significant risks the group has in administering defined benefit obligations are:

**Interest Rate Risk:** This may arise from volatility in asset value due to market fluctuations and impairment of asset due to credit loss. These plans primarily invest in debt instruments such as government securities and highly rated corporate bonds the valuation of which is inversely proportional to the interest rate movements.

**Salary Cost Inflation Risk:** The present value of the Defined Benefit Obligation is calculated with reference to the future salaries of participants. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

**Note 18: Other non-current liabilities**

	As at March 31, 2022	As at March 31, 2021
Security Deposit	102.95	209.39
<b>Total other financial liabilities</b>	<b>102.95</b>	<b>209.39</b>

**Note 19: Other Financial liabilities**

	As at March 31, 2022	As at March 31, 2021
<b>Current</b>		
Creditors for capital goods and services	74.79	120.63
<b>Employee benefits payable</b>	<b>2,091.73</b>	<b>2,101.01</b>
Creditors for expenses	2,212.26	3,546.30
Book Draft	5.47	-
<b>Total other financial liabilities</b>	<b>4,384.25</b>	<b>5,767.94</b>

**Note 20: Other current liabilities**

	As at March 31, 2022	As at March 31, 2021
Advance received from customers	8,671.35	2,949.07
Statutory liabilities	101.70	131.95
Others	457.28	753.57
<b>Total other current liabilities</b>	<b>9,230.33</b>	<b>3,834.59</b>

**Note 21: Current tax liabilities (net)**

	As at March 31, 2022	As at March 31, 2021
Provision for income tax (Net of prepaid tax)	(203.47)	474.58
<b>Total current tax liabilities (net)</b>	<b>(203.47)</b>	<b>474.58</b>



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**MIDWEST GRANITE PRIVATE LIMITED**  
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**Note 22: Revenue from operations**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of products	52,251.05	37,965.29
Sale of traded goods	0.36	4.34
<b>Other operating revenues:</b>		
Export incentive	0.80	2.03
Sale of scrap arising out of production	271.51	26.45
<b>Total revenue from operations</b>	<b>52,523.72</b>	<b>37,998.11</b>

**Disaggregation of revenue from contracts with customers**

The company derives revenue from transfer of goods from the following geographical locations.

	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Geographical location</b>		
- India	24,154.13	24,181.47
- Other countries	28,369.59	13,816.65
<b>Total</b>	<b>52,523.72</b>	<b>37,998.12</b>
<b>Contract Price Reconciliation</b>		
	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>Contract Price</b>	<b>52,516.49</b>	<b>38,018.20</b>
Less: Variable consideration	7.23	(20.08)
	<b>52,523.72</b>	<b>37,998.12</b>

**Note 23: Other income**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income from financial assets carried at amortised cost	98.25	21.54
<b>Dividend income</b>	<b>0.51</b>	<b>0.06</b>
Net gain on foreign currency transaction and translation	496.24	231.82
Net gain arising on financial assets mandatorily measured at FVTPL	28.63	18.77
<b>Rental Income</b>	<b>51.72</b>	<b>53.16</b>
Profit on sale of assets(net)	7.42	-
Net fair value gain on foreign exchange forward contracts	23.00	25.48
provision Expected credit loss no longer required written back	97.59	-
Balances written back (net)	8.89	-
<b>Net gain on disposal of subsidiary</b>	<b>40.35</b>	<b>25.00</b>
<b>Keyman insurance income</b>	<b>51.61</b>	<b>100.44</b>
Refund of Terminal excise duty	-	747.85
Liabilities no longer required written back	2.73	117.75
Other non-operating income	87.80	48.49
Income from Job Work	429.92	-
<b>Total other income</b>	<b>1,424.66</b>	<b>1,390.36</b>

**Note 24: Cost of raw material consumed**

	For the year ended March 31, 2022	For the year ended March 31, 2021
Raw materials at the beginning of the year	697.14	658.51
Add: Purchases	518.51	561.16
Less: Raw material at the end of the year	329.94	697.13
Less: Effect of rate changes	-	37.91
<b>Total cost of raw material consumed</b>	<b>885.71</b>	<b>484.63</b>



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**Note 25: Changes in inventories of finished goods, work-in-progress and stock-in-trade**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>Opening Balance:</b>		
Finished goods	3,584.68	1,562.64
Work-in-progress	614.14	1,241.69
Stock-in trade	56.85	74.18
less: Stock on disposal of subsidiary	-	(176.80)
	<b>4,255.67</b>	<b>2,701.71</b>
<b>Closing Balance:</b>		
Finished goods	2,845.33	3,576.18
Work-in-progress	467.36	614.15
Stock-in trade	65.36	65.36
Less: Effect of rate changes	-	32.10
	<b>3,378.05</b>	<b>4,287.79</b>
<b>Total changes in inventories of finished goods, work-in-progress and stock-in-trade</b>	<b>877.62</b>	<b>(1,586.08)</b>

**Note 26: Employee benefits expense**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Salaries, wages, bonus and other allowances	5,163.89	4,645.50
Contribution to provident fund and other funds	73.76	74.62
Contribution to ESI	3.75	3.36
Staff welfare expenses	251.92	188.61
<b>Total employee benefits expense</b>	<b>5,493.32</b>	<b>4,912.09</b>

**Note 27: Finance costs**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Interest Expenses Measured at amortised cost		
On Financial Liabilities	789.98	605.64
On Lease liabilities	22.90	36.55
Interest on income tax	58.12	5.00
Other borrowing costs	34.29	22.81
<b>Total Finance costs</b>	<b>905.29</b>	<b>670.00</b>

**Note 28: Depreciation expense**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Depreciation of property, plant and equipment	1,708.40	1,406.91
Depreciation of Right-of-use of assets	54.61	435.36
Amortisation expense	0.33	0.43
<b>Total depreciation expense</b>	<b>1,763.34</b>	<b>1,842.70</b>



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**MIDWEST GRANITE PRIVATE LIMITED**  
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 Note 29: Other expenses

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Jobwork charges	92.23	56.89
Power and fuel	855.80	631.93
Rent	157.81	146.78
Repairs to buildings	25.10	25.74
Repairs to machinery	3,769.88	2,809.82
Repairs to others	122.64	61.84
Insurance	172.56	108.69
<b>Rates and taxes, excluding taxes on income</b>	<b>439.20</b>	<b>236.71</b>
Printing and stationery	14.08	13.10
Communication expenses	29.36	27.70
Legal and professional charges	392.70	312.33
Travelling and conveyance	238.73	76.62
Vehicles maintenance	41.82	24.00
Carriage and freight	1,774.78	1,397.57
Payments to Auditors (Refer Note: 29(a))	22.86	32.24
<b>Advertisement expenses</b>	<b>6.21</b>	<b>-</b>
Donations	46.84	120.49
Corporate Social Responsibility (Refer Note: 29(b))	160.51	39.08
Sales commission	131.47	83.88
Security charges	188.47	174.51
<b>Loss on sale of assets (Net)</b>	<b>-</b>	<b>109.74</b>
<b>Book deficit on assets discarded</b>	<b>47.47</b>	<b>55.11</b>
Bad debts written off	156.88	24.26
Provision for expected credit losses	403.73	418.36
Provision for doubtful Advances	372.67	240.48
AGM expenses	0.49	0.45
<b>Net loss on foreign currency transactions and translations</b>	<b>80.13</b>	<b>-</b>
Balances written off(net)	2.58	159.39
Derecognition of Goodwill on account of disposal of subsidiary	1.05	29.56
Share of Loss from Partnership firm	57.26	
General Expenses	255.94	182.27
<b>Total other expenses</b>	<b>10,061.25</b>	<b>7,599.54</b>

**Note 29(a): Details of payments to auditors**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>Payment to Holding company auditors</b>		
As Statutory Auditor	13.05	11.50
For Certification	1.38	1.80
For Reimbursement of expenses	0.85	0.39
<b>Payment to Component Auditors</b>		
As Statutory Auditor	7.08	8.49
For tax Audit	0.15	3.00
For Income tax matters		5.70
For Limited review	0.15	0.15
For Certification	0.20	1.15
For Reimbursement of expenses	-	0.06
<b>Total payments to auditors</b>	<b>22.86</b>	<b>32.24</b>



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**MIDWEST GRANITE PRIVATE LIMITED**

**Notes to the Consolidated Financial statements**

(All amounts in INR Lakhs, unless otherwise stated)

Note 29(b): Corporate social responsibility expenditure

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Amount required to be spent as per section 135 of the Act	88.21	37.28
<b>Amount spent during the year on</b>	<b>160.51</b>	<b>39.08</b>
a) Construction/acquisition of any asset		
Construction-communityhal-U/S Rural development Gudivada	32.25	-
(i) On purpose:		
-Promoting healthcare	119.95	29.16
-Promoting education	4.63	0.51
-Others	3.68	9.41
Accrual towards unspent obligations in relation to	-	-
Proposed transfer of unspent amount relating to ongoing projects*	-	-
Shortfall/(Excess) at the end of previous year	-	-
Total of previous years short fall	-	-
<b>Reason for shortfall</b>		
Related party transactions		
<b>Provision for liability - contractual obligation</b>		
Nature of CSR activities	Promoting education, healthcare, destitute care and rehabilitation, COVID-19 relief and rural development projects	

**Note 30: Income tax expense**

This note provides an analysis of the group's income tax expense, show amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the group's tax positions.

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>Income tax expense</b>		
<b>Current tax</b>		
Current tax on profits for the year	2,660.25	2,380.00
Income tax adjustments of earlier years	-	-
Total current tax expense	2,660.25	2,380.00
<b>Deferred tax</b>		
Deferred tax to profit or loss	(39.46)	(115.72)
Total Deferred tax expense/(benefit)	(39.46)	(115.72)
Income tax expense recognised in statement of profit and loss	2,620.79	2,264.28
Current tax (income)/ expense recognised in other comprehensive income	4.25	(4.79)
Total income tax expense	2,625.04	2,259.49

**Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate:**

	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
Profit from operations before income tax expenses	9,329.31	8,284.18
Income tax expense at tax rates applicable to individual entities	2,580.85	2,344.94
<b>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</b>		
Expenses not allowed for tax purpose	91.43	(10.81)
Income not considered for tax purpose	-	(51.14)
Adjustment on account of merger	(86.50)	-
Others	35.01	(18.71)
<b>Income tax expenses</b>	<b>2,620.79</b>	<b>2,264.28</b>



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**MIDWEST GRANITE PRIVATE LIMITED**  
 Notes to the Consolidated Financial statements  
 (All amounts in INR Lakhs, unless otherwise stated)

**Financial Instruments and Risk Management**  
**Note 31: Categories of Financial Instruments**

	Fairvalue Heirarchy	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>A. Financial assets</b>					
a) Measured at amortised cost					
i) Cash and cash equivalents	Level-3	3,561.03	3,561.03	482.82	482.82
ii) Other bank balances	Level-3	2,809.76	2,809.76	266.33	266.33
iii) Loans	Level-3	1,157.87	1,157.87	314.78	314.78
iv) Other financial assets	Level-3	1,231.77	1,231.77	991.71	991.71
v) Trade receivables	Level-3	4,164.15	4,164.15	5,177.37	5,177.37
vi) Investment	Level-3	758.37	758.37	1.52	1.52
<b>Sub-total</b>		<b>13,682.95</b>	<b>13,682.95</b>	<b>7,234.53</b>	<b>7,234.53</b>
b) Mandatorily Measured at FVTPL					
i) Investments in equity instruments in other entities and mutual funds	Level-1	302.08	302.08	34.75	34.75
<b>Sub-total</b>		<b>302.08</b>	<b>302.08</b>	<b>34.75</b>	<b>34.75</b>
<b>Total financial assets</b>		<b>13,985.03</b>	<b>13,985.03</b>	<b>7,269.28</b>	<b>7,269.28</b>
<b>B. Financial liabilities</b>					
a) Measured at amortised cost					
i) Trade payables	Level-3	1,058.42	1,058.42	852.27	852.27
ii) Borrowings	Level-3	9,606.70	9,606.70	10,127.86	10,127.86
iii) Lease Liabilities	Level-3	172.64	172.64	165.93	165.93
iv) Other financial liabilities	Level-3	4,384.25	4,384.25	5,767.94	5,767.94
<b>Total financial liabilities</b>		<b>15,222.01</b>	<b>15,222.01</b>	<b>16,914.00</b>	<b>16,914.00</b>

**Note 32: Fair Value Heirarchy**

The following table presents the fair value hierarchy of assets and liabilities:

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case with listed instruments where market is not liquid and for unlisted instruments.

- (i) The carrying amounts of trade payables, Lease Liabilities, other financial liabilities, borrowings, cash and cash equivalents, other bank balances, trade receivables and other financial assets are considered to be the same as their fair values due to their short term nature.



**MIDWEST GRANITE PRIVATE LIMITED**  
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**Note 33: Financial Risk Management**

The Group's activities expose it to market risk and credit risk. The Group emphasise on risk management and has an enterprise wide approach to risk management. The Group's risk management and control procedures involve prioritization and continuing assessment of these risks and devise appropriate controls, evaluating and reviewing the control mechanism.

**(A) Credit Risk:**

Credit risk is the risk or potential of loss that may occur due to failure of borrower/counterparty to meet the obligation on agreed terms and conditions of the financial contract. Credit risk arises from financial assets such as cash and cash equivalents, other bank balance, trade receivables and other financial assets. The group have a credit risk management policy in place to limit credit losses due to non-performance of financial counterparties and customers. We monitor our exposure to credit risk on an ongoing basis at various levels.

**(i) Trade Receivable:**

The credit risk related to trade receivables is influenced mainly by the individual characteristics of each customer. The Group follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables. For the purpose of measuring lifetime ECL allowance for trade receivables, the group estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience at each reporting date. The management has identified the specific customer from whom amount is not recoverable and the same is provided for expected credit losses. Hence, the management believes that no further provision for expected credit loss is required as the balance amounts are fully recoverable.  
 Following are the **Expected credit loss for trade receivables under simplified approach:**

Particulars	As at		
	March 31, 2022	March 31, 2021	As at
Gross carrying amount			
Expected credit losses (Loss allowance provision)	5,327.81	6,034.89	
Net carrying amount of trade receivables	(1,163.66)	(857.52)	
	4,164.15	5,177.37	

**(B) Market Risk:**

Market Risk is the risk that the future value of a financial instrument will fluctuate due to moves in the market factors. The most common types of market risks are interest rate risk and foreign interest rates by fixed rate interest. Hence, the Group is not significantly exposed to interest rate risks.

**• Interest Rate Risk**

Interest rate risk is the risk that the future cash flows or the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Group manages its market interest rates by fixed rate interest.

**• Foreign Currency Risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group has substantial exposure to foreign currency risk due to the significant exports made. Sales in other countries and purchases from overseas suppliers are exposed to risk associated with fluctuation in the currencies of those countries vis-a-vis the functional currency i.e. Indian rupee. The Group manages currency fluctuations by having a better geographic balance in revenue mix and ensures a foreign currency match between liabilities and earnings. The Group believes that the best hedge against foreign exchange risk is to have a good business mix. The Group is very cautious towards hedging as it has a cost as well as its own risks. The Group continually reassesses the cost structure impacts of the currency volatility and engages with customers addressing such risks.

**Unhedged foreign currency exposure as at the reporting date:**

	As at March 31, 2022			As at March 31, 2021		
	USD	Euros	Equivalent Amount in INR(Lakhs)	USD	Euros	Equivalent Amount in INR(Lakhs)
<b>Unhedged Assets:</b>						
Trade receivable	39,89,746	21,500	2,980.80	42,35,353	21,500	3,131.69
Advance for Purchases	25,96,322	4,342	1,959.64	4,73,834	4,342	3,520.03
Advance for Purchases(Capital)	-	28,000	24.11	1,36,500	28,000	124.44
Balances with banks	29,00,429	-	2,198.68	2,400	-	1.76
	94,86,497	53,842	7,163.23	48,48,087	53,842	3,609.92



<b>Unhedged Liabilities:</b>							
Advances from customers	64,29,517	14,265	4,738,49	15,68,589	-	36,514	1,152,99
Payable for Supplies	3,34,443	33,000	274,24	8,45,770	-	-	653,12
Borrowings	4,51,856	-	332,14	-	-	-	-
Term loans	-	-	-	-	-	-	-
	72,15,816	47,265	5,344,87	24,14,359	-	36,514	1,806,11

The holding company uses Forward Exchange Contracts to hedge its exposures in foreign currency related to underlying transactions and firm commitments. The information on Derivative Instruments is as follows:

**Forward Exchange Contracts outstanding as at year end which are not designated under hedge accounting:**

INR	Currency	Cross Currency	As at		As at	
			March 31, 2022		March 31, 2021	
			In Buy USD	In sell USD	In Buy USD	In sell USD
	USD		-	58,150,000	-	24,00,000

The Holding company uses forward exchange contracts to hedge its transactional currency exposures in foreign currency related to underlying transactions and firm commitments and measures them at fair value. The counter party in these derivative instruments are generally highly rated counter parties such as banks and the Company considers the risk of non-performance by such counterparty as not material. The Company has not designated hedges under Hedge Accounting. These derivative instruments are carried at fair value with changes being recognised in the Statement of Profit and Loss. Although, such derivative instruments are not designated in a hedge relationship, they act as an economic hedge and will offset the gain / loss in the underlying transactions when they occur.

**i) Foreign Currency Risk - Sensitivity**

The analysis is based on the assumption that the Foreign Currency has increased / (decreased) by 2.5% with all other variables held constant.  
**2.5% increase or decrease in foreign exchange rates will have the following impact on profit before tax**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>USD Sensitivity:</b>		
INR/USD -Increase by	306.92	133.46
INR/USD -Decrease by	(306.92)	(133.46)
<b>Euro Sensitivity:</b>		
INR/Euro -Increase by	2.18	1.94
INR/Euro -Decrease by	(2.18)	(1.94)

**(C) Liquidity Risk:**

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Group manages its risk from their principle source of resources such as cash and cash equivalents, cash flows that is generated from operations and other means of borrowings, to ensure, as far as possible, that it will always have sufficient liquidity to meet the liabilities.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date:

	On Demand	Due in 1st year	Due after 1st year	Total
As At March 31,2022	1,830.72	2,403.93	5,372.05	9,606.70
Borrowing	-	1,058.42	-	1,058.42
Trade and other payable	-	-	172.64	172.64
Lease Liability	-	-	-	-
Other financial liabilities	-	4,384.25	-	4,384.25



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**MIDWEST GRANITE PRIVATE LIMITED**  
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 (All amounts in INR Lakhs, unless otherwise stated)

<b>As At March 31, 2021</b>					
Borrowing		2,355.37	2,403.93	5,368.56	10,127.86
Trade and other payable		-	852.27	-	852.27
Lease Liability		-	-	155.93	165.93
Other financial liabilities		-	5,767.94	-	5,767.94

**D) Other risk - Impact of COVID-19**

The management has assessed the impact of COVID-19 pandemic on the financial statements, business operations, liquidity position, cash flow, and has concluded that based on the current estimates no material adjustments are required in the carrying amount of assets and liabilities as at 31st March 2022. The impact of the pandemic may be different from that estimated as at the date of approval of these Consolidated financial statements and the group will continue to closely monitor any material changes to future economic conditions.

**Note 34: Capital Management**

The Group's financial strategy aims to provide adequate capital for its growth plans for sustained stakeholder value. The group's objective is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. And depending on the financial market scenario, nature of the funding requirements and cost of such funding, the Group decides the optimum capital structure. Currently, there are no borrowings and operations are being funded through internal accruals. The Group aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth plans as a going concern.

**The Company monitors the capital structure on the basis of total debt to equity ratio:**

Particulars	As at March 31, 2021	As at March 31, 2022
Net Debt	6,045.67	9,645.04
Equity	35,224.74	28,275.99
Total Capital ( Net Debt+Equity )	<b>41,270.41</b>	<b>37,921.03</b>

**Net Debt to Total Capital (%)**

14.65%                  25.43%

**Net debt represents:**

Particulars	As at March 31, 2022	As at March 31, 2021
A) Borrowings		
Non-current borrowings		
Current borrowings		
Current Maturity of long term borrowings		
Total(A)	9,606.70	10,127.86
B) Cash and cash equivalents		
C) Net Debt (A-B)	3,561.03	482.82
	<b>6,045.67</b>	<b>9,645.04</b>



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Consolidated Financial statements**  
 (All amounts in INR Lakhs, unless otherwise stated)

**Note 35: Contingent Liabilities and Commitments**

	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>(a) Contingent Liabilities:</b>		
(i) Claims against the group not acknowledged as debt	117.38	2,340.44
(ii) On account of Letter of credits and Bank Guarantees	273.93	368.65
(iii) Income tax demands disputed/contested by the group pending in appeal	621.08	386.47
(iv) Demand of Excise duty against the company	193.19	193.19
(v) Demand of Custom duty against the company	1,376.82	1,376.82
(vi) Demand of Entry tax against the company	326.79	323.51
<b>(b) Commitments:</b>		
(i) On account of Bonds executed with Customs authorities	2,326.91	2,481.99
(ii) On account of Bonds executed with Central excise authorities	10.00	10.00
iii) Capital commitments	875.85	601.52

**Note:**

(i) Performance obligations relating to bonds executed with customs authorities has been duly met by the company and applied for redemption of bonds which is in the process.

(ii) It is not practicable for the company to estimate the timings of cash flows, if any, in respect of the above pending resolution of the respective proceedings.

**Note 36: Payables to Micro, Small & Medium Enterprises**

Information pertaining to Micro and Small Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (Act) as given below has been determined to the extent such parties have been identified on the basis of information available with the Group:

	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
Principal amount remaining unpaid as on 31st March	NIL	NIL
<b>Interest due thereon as on 31st March</b>	NIL	NIL
Interest paid by the Group in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during the year	NIL	NIL
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	NIL	NIL
Interest accrued and remaining unpaid as at 31st March	NIL	NIL
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Act	NIL	NIL

**Note 36(b): Ageing of Trade Payables as at March 31, 2022**

Particulars	Not Due	Less than 1 Year	1- 2 Years	2-3 years	More than 3 Years	Total
(i) Undisputed Dues						
MSME						
Others	408.49	161.38	4.87	17.95	465.73	1,058.42
(ii) Disputed Dues						
MSME						
Others						
<b>Total</b>	<b>408.49</b>	<b>161.38</b>	<b>4.87</b>	<b>17.95</b>	<b>465.73</b>	<b>1,058.42</b>

**Note 36(c): Ageing of Trade Payables as at March 31, 2021**

Particulars	Not Due	Less than 1 Year	1- 2 Years	2-3 years	More than 3 Years	Total
(i) Undisputed Dues						
MSME						
Others	173.23	288.01	223.22	0.72	2.21	849.34
(ii) Disputed Dues						
MSME						
Others						
<b>Total</b>	<b>173.23</b>	<b>288.01</b>	<b>223.22</b>	<b>59.04</b>	<b>108.77</b>	<b>852.27</b>



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**MIDWEST GRANITE PRIVATE LIMITED**  
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Note 37 : Segment Information  
 The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by Whole Time Directors who are identified as Chief operating decision maker as defined in Ind AS 108 - Operating segments in deciding how to allocate resources and in assessing performance. These have been identified taking into account nature of products and services , the differing risks and returns and the internal business reporting system.

The Group has three principal operating and reporting segments, Viz, extraction, processing, trading of granite slabs, manufacturing of diamond wire rope and investing activities. The accounting policies adopted for segment reporting are in line with the accounting policy of the company.

a) Revenue and Expenses have been identified for segment reporting on the basis of relationship to operating activities of the segment; Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

b) Segment Assets and segment Liabilities represent Assets and Liabilities that can not be allocated to a segment on reasonable basis have been disclosed as the secondary reportable segments.

**Identification of reportable segments:**

(a) **Business Segments :**  
 The company is engaged in extraction, processing, trading of granite slabs, manufacturing of diamond wire rope and investment activities which are considered as the three primary reportable business segments.

(b) **Geographical Segments :**

Revenue is segregated into two segments namely India (Sales to customers with in India) and other countries (Sales to customers outside India) on the basis of geographical location of customers for the purpose of reporting geographical segments which is considered as the secondary reportable segments.

**(i) Primary Segment Information :**

Particulars	2021-22			2020-21		
	Extraction, processing, trading of granite slabs	Manufacturing of Diamond Wire Rope	Investment Activities	Others	Eliminations	Total
<b>Revenue</b>						
External revenue	51,574.50	949.22	-	-	52,523.72	37,297.60
Inter segment revenue	111.21	-	-	(111.21)	-	93.87
<b>Total Revenue</b>	<b>51,685.71</b>	<b>949.22</b>	<b>-</b>	<b>-</b>	<b>52,523.72</b>	<b>37,391.47</b>
<b>Segment Result before Interest and Taxes</b>						
Segment result	10,052.97	(375.01)	(60.28)	(0.19)	9,617.49	8,664.00
Interest Expense					905.29	(582.79)
Interest Income					98.25	(12.85)
Unallocated Income/(Expense)					518.86	
<b>Profit before Share of Profit or Loss of an Associate and Joint Venture and Tax</b>					9,329.31	
Add: Share of profit of an Associate and Joint Venture					0.92	
Less: Tax Expense					2,620.75	
<b>Profit after tax (before adjustment for non controlling interest)</b>					6,709.44	
Less: Share of profit transferred to Non Controlling Interest					379.33	
<b>Profit after tax (after adjustment for Non Controlling interest)</b>					6,330.11	
<b>Other Information</b>						
Segment Assets	58,065.60	86.86	172.45	4.55	58,329.46	47,623.03
Unallocated assets					2,045.65	
<b>Total assets</b>					<b>60,375.15</b>	<b>49,668.68</b>
Segment Liabilities	22,532.84	335.20	2,457.20	15.67	25,340.91	18,108.75
Unallocated Liabilities					(190.50)	2,367.28
<b>Total Liabilities</b>	<b>22,532.84</b>	<b>335.20</b>	<b>2,457.20</b>	<b>15.67</b>	<b>25,504.41</b>	<b>18,108.75</b>
Capital expenditure	4,615.88	164.21			4,780.06	3,640.48
Additions to Fixed Assets		1,710.23	53.11		1,763.34	1,113.32
Depreciation						66.94
						-
						-
						3,651.80
						1,942.70

**(ii) Secondary Segment Information:**

Particulars	2021-22			2020-21		
	With in India	Outside India	Total	With in India	Outside India	Total
Revenue (From external customers)	24,154.13	28,359.59	52,523.72	24,141.47	12,816.65	37,998.12
Carrying amount of Segment Assets	50,120.11	10,255.04	60,375.15	39,121.34	11,086.03	50,207.37
Additions to Fixed Assets	4,779.90	0.19	4,780.09	3,650.77	1.03	3,651.80

The Group's operating segments are established on the basis of those components of the Group that are evaluated regularly by Midwest Granite Private Limited



**MIDWEST GRANITE PRIVATE LIMITED**

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**Note 38: Interest in other entities**

The following are the entities considered in consolidated financial statements

<b>Name of the entity</b>	<b>Nature of Financial Statements</b>	<b>Country of incorporation</b>	<b>Principal activity</b>	<b>Ownership Interest</b>	
				<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Indian Subsidiaries</b>					
A) Andhra Pradesh (Midwest) Granite Private Limited	Audited	India	Quarrying, manufacturing and processing and selling of Granite	85%	85%
B) Midwest Gold Limited	Audited	India	Trading Business of Granite Marbles and Gold	71%	71%
C) Midwest Neostone Private Limited	Audited	India	Manufacture of Non-metallic products	100%	100%
D) Amaya Smart Technologies Private Limited	Audited	India	Software Development	99.99%	99.99%
E) Deccan Silica LLP	Audited	India	Production and Trading of Silica products	87%	75%
F) Midwest Energy Private Limited(cease to be a Subsidiary w.e.f. January 28, 2022)	Audited	India	Energy Solutions	0%	100%
G) Midwest Quartz Private Limited	Unaudited	India	Quarrying and Processing of Quartz	100%	0%
H) Astral Granite Private Limited	Audited	India	Quarrying, manufacturing and processing and selling of Granite	99.99%	0%
<b>Foreign Subsidiaries</b>					
A) Reliance Diamond Tools Private Limited	Audited	Sri Lanka	Manufacturing of Diamond Tools	100%	100%
a)South Asia Granite and Marble Private Limited (a 100% subsidiary of Reliance Diamond Tools Private Limited)	Audited	Sri Lanka	Quarrying, manufacturing and processing and selling of Granite slabs	100%	100%
B) Midwest Holdings Limited (Refer Note: 38.1)	Unaudited	Isle of Man	Investment Company	100%	100%
a)Maven Holdings Limited (a subsidiary of Midwest Holdings Limited)	Audited	Mauritius	Investment Company	90.87%	90.87%
i) Midwest Africa LDA (Refer Note: 38.1& 38.2) (Maven Holdings Limited - 98%, Midwest Holdings Limited - 2%)	Unaudited	Mozambique	Mineral Exploration	100%	100%
ii) Midwest Gercoal LDA (Refer Note: 38.1& 38.2) (a 100% subsidiary of Maven Holdings Limited)	Unaudited	Mozambique	Mineral Exploration	100%	100%
iii) Midwest Gondana LDA(Refer Note: 38.1& 38.2) (a 100% subsidiary of Maven Holdings Limited)	Unaudited	Mozambique	Mineral Exploration	100%	100%
iv) Midwest Koriba LDA (Refer Note: 38.1& 38.2) (a 100% subsidiary of Maven Holdings Limited)	Unaudited	Mozambique	Mineral Exploration	100%	100%
v) Midwest Texara LDA (Refer Note: 38.1& 38.2) (a 100% subsidiary of Maven Holdings Limited)	Unaudited	Mozambique	Mineral Exploration	100%	100%
<b>JOINT VENTURES</b>					
A) South Coast Infrastructure Development Company of Andhra Pradesh Limited	Audited	India	Manufacturing of Building Materials	50%	50%
a) S.C.R. Agro Tech Private Limited (a 100% subsidiary of South Coast Infrastructure Development Company of Andhra Pradesh Limited)	Audited	India	Agro Business	50%	50%
B) Baahula Minerals (Partnership Firm) (The Holding company holds control over the governing body of the entity)	Audited	India	Mineral Exploration	50%	50%
C) SMW Granites LLP	Audited	India	Manufacture of Granite Slabs	50%	50%



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**MIDWEST GRANITE PRIVATE LIMITED**

Notes to the Consolidated Financial statements  
(All amounts in INR Lakhs, unless otherwise stated)

**Notes:**

- 38.1.Audit is not required as per the laws of Country of Incorporation of the company.  
38.2.The Company has not commenced commercial operations.

38.3.There was complete cessation of activities of BEML Midwest Limited, subsidiary since September, 2008 and the matters relating to the subsidiary are subjudice. In view of the above, the subsidiary has not prepared its accounts and thus the same could not be consolidated. Provision for diminution in the value of investment in the subsidiary is already made. The impact, if any, on account of non-consolidation is not expected to be material.

Name of the entity	Country of incorporation	Principal activity	Ownership Interest	
			As at March 31, 2022	As at March 31, 2021
BEML Midwest Limited	India	Mining and Mineral Trading	52.94%	52.94%

**Note 39: Related Party Transactions**

**(a) Joint venture** : South Coast Infrastructure Development Company of Andhra Pradesh Limited

: SMW Granites LLP

**(b) Key Management personnel(KMP)**

: K.Raghava Reddy-President  
: K.Ramachandra-Director  
: K.Ranganayakamma-Chairman  
: K.Soumya-Director  
: G.Ravindra Reddy-Director

: K.Deepak

**(c) Relatives of Key Management personnel(KMP)**

: K.Uma Priyadarshini  
M. Rajasekhara Reddy

**(d) Transactions with Related Parties:**

	As at March 31, 2022		As at March 31, 2021	
	Amount	Outstanding balance as at March 31, 2022	Amount	Outstanding balance as at March 31, 2021
<b>1. Key Management Personnel:</b>				
<b>Short-term employee benefits</b>				
<b>Remuneration*:</b>				
K.Raghava Reddy	387.53	(280.70)	373.67	(293.98)
K.Ramachandra	508.93	363.37	413.43	(285.94)
K.Ranganayakamma	381.58	(369.60)	497.66	(471.50)
K.Soumya	406.04	(224.56)	392.57	(276.60)
G.Ravindra Reddy	14.30	2.10	-	-
M.Rajasekhara Reddy	-	-	-	-
Venkat Chitturi	-	-	-	-
K.Deepak	454.64	(234.81)	140.16	-
<b>Acceptance of unsecured loan:</b>				
K.Raghava Reddy	-	-	-	(10.00)
K.Ranganayakamma	-	-	-	(27.50)
K.Ramachandra	-	-	-	(12.58)
K.Soumya	-	26.88	-	(55.55)
K.Deepak	-	-	5.15	(7.35)
<b>Repayment of unsecured loans:</b>				
K.Raghava Reddy	-	-	248.45	-
K.Ranganayakamma	27.50	-	100.00	-
K.Ramachandra	-	-	0.09	-
K.Soumya	-	-	0.04	-
<b>Advance for expenses given</b>				
K.Deepak	-	-	-	0.09
<b>Creditors for expenses</b>				
K.Deepak	-	-	-	(113.08)
<b>Rent paid:</b>				
K.Ramachandra	42.00	-	42.00	-
K.Soumya	21.00	-	21.00	(1.62)
K.Deepak	21.00	-	21.00	(6.62)
<b>Professional Charges:</b>				
G.Ravindra Reddy	14.68	-	10.50	(1.16)
M.Rajasekhara Reddy	-	-	3.75	-



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**MIDWEST GRANITE PRIVATE LIMITED**  
 Notes to the Consolidated Financial statements  
 (All amounts in INR Lakhs , unless otherwise stated)

	As at March 31, 2022		As at March 31, 2021	
	Amount	Outstanding balance as at March 31, 2022	Amount	Outstanding balance as at March 31, 2021
<b>2.Relatives of Key Management personnel:</b>				
<u>Salaries:</u>				
K.Uma Priyadarshini	439.94	(172.22)	413.13	(299.10)
<b>3. Entity having substantial interest:</b>				
<u>Project development advance:</u>				
IL&FS NDC Fund	-	-	-	300.00
<u>4.Joint venture:</u>				
<u>Unsecured loans given:</u>				
South Coast Infrastructure Development Company of Andhra Pradesh Limited	-	300.13	-	300.13
<u>Rent received:</u>				
SMW Granites LLP	2.24	7.41	2.03	6.39
<u>Advance for expenses:</u>				
SMW Granites LLP	1.02	-	0.42	-
<u>Sale of goods:</u>				
SMW Granites LLP	66.79	58.71	47.12	61.66
<b>5.Concern in which directors have interest</b>				
<u>Unsecured loans given:</u>				
Midwest Mining (Private) Limited	-	-	-	14.65

**(g) Terms and Conditions**

\* Provision for employee benefits, which are based on actuarial valuation done on an overall company basis, is excluded.



MIDWEST GRANITE PRIVATE LIMITED  
 Notes to the Consolidated Financial statements  
 [All amounts in INR Lakhs , unless otherwise stated]

**Note 40 : Assets pledged as security**

The carrying amounts of Group's assets pledged as security for current borrowings are:

	As at March 31, 2022	As at March 31, 2021
<b>Working capital loans from banks (secured)</b>		
<b>Primary security</b>		
<b>Current assets</b>		
Financial assets	9,836.44	6,870.19
Non financial assets	7,581.31	7,343.25
<b>Property, plant and equipment</b>	<b>12,244.99</b>	<b>10,080.79</b>
(except freehold land, leasehold land and improvements to leasehold premises)		
<b>Total current borrowings</b>	<b>29,662.74</b>	<b>24,294.23</b>

**Note 41: Earnings per share**

	As at March 31, 2022	As at March 31, 2021
<b>(a) Basic EPS</b>		
Basic earnings per share attributable to the equity holders of the company	8,518.17	6,770.45
<b>(b) Diluted EPS</b>		
Diluted earnings per share attributable to the equity holders of the company	8,518.17	6,770.45

**(c ) Reconciliation of earnings used in calculating earnings per share**

	As at March 31, 2022	As at March 31, 2021
<b>Basic earnings per share</b>		
Profit attributable to the equity holders in calculating basic earnings per share	6,330.11	5,678.90
<b>Diluted earnings per share</b>		
Profit attributable to the in calculating diluted earnings per share	6,330.11	5,678.90

**(d) Weighted average number of shares used as the denominator**

	As at March 31, 2022	As at March 31, 2021
Weighted average number of equity shares used as the denominator in calculating basic EPS	74,313	83,878
Adjustments for calculation of diluted earnings per share:	-	-
<b>Weighted average number of equity shares used as the denominator in calculating diluted EPS</b>	<b>74,313</b>	<b>83,878</b>

**Note 42: Note on Balances of Holding company:**

**A.Holding Company**

(i) Confirmation letters have been issued in respect of trade receivables and other receivables and advances and trade payables and other payables of the company but not responded in many cases. Balances where confirmations are not forthcoming, such balances are subject to reconciliation and consequential adjustments required, if any, would be determined/made on receipt of confirmation. However, in the opinion of the Board, assets other than Fixed Assets and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities have been made.



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Consolidated Financial statements**  
(All amounts in INR Lakhs , unless otherwise stated)

**B. Subsidiaries**

- (i) As at March 31 2022 the Physical verification of stocks have not been conducted due to COVID and FUEL CRISIS Lockdown. Inventory amounting to Rs. 210.85 Lakhs of South Asia Granite and Marble Private Limited (Srilanka) (Step-down subsidiary company) has been accounted based on the management valuation.
- (ii) As at March 31, 2022, Reliance Diamond Tools Private Limited's (subsidiary company) operations were significantly scaledown during year due to the has incurred a net loss of Rs.233.15 Lakhs. The subsidiary company ability to continue in the business is dependent on the financial institutions maintaining the facilities available. However, Board of directors of the company is of the opinion that the situation is temporary and requires no provision in this regard.
- (iii) As at March 31, 2022, South Asia Granite and Marble Private Limited's (Step-down subsidiary company) operations were significantly scaledown during year due to the has incurred a net loss of Rs.1234.18 Lakhs. The step-down subsidiary company ability to continue in the business is dependent on the financial institutions maintaining the facilities available. The holding company has provided guarantees for loans aggregating to Rs.479.23 Lakhs. However, Board of directors of the company is of the opinion that the situation is temporary and requires no provision in this regard.

C. Confirmation letters have been issued in respect of trade receivables and other receivables and advances and trade payables and other payables of the respective subsidiaries but not responded in many cases. Balances where confirmations are not forthcoming, such balances are subject to reconciliation and consequential adjustments required, if any, would be determined/made on receipt of confirmation. However, in the opinion of the Board, assets other than Plant Property and Equipment and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated and provision for all known liabilities have been made.

**D. Joint Venture - South Coast Infrastructure Development Company of Andhra Pradesh Limited**

a) During the financial year 2018-2019, pursuant to the proceedings filed by the Union of India under Sections 241 and 242 of the Companies Act, 2013, on account of various grounds, inter alia, (i) mismanagement of public funds by the erstwhile board of directors of Infrastructure Leasing and Financial Services Limited ("IL&FS"); and (ii) affairs of IL&FS being conducted in a manner prejudicial to the public interest, the National Company Law Tribunal, Mumbai bench ("NCLT"), by way of an order dated October 1, 2018, suspended the erstwhile board of directors of IL&FS and re-constituted the same with persons proposed by the Union of India (such reconstituted board, referred to as the "Reconstituted Board") with the powers to supersede the Boards of all entities belonging to the IL&FS Group including this Company. Simultaneously, various inquiries and investigations have been initiated by the Registrar of Companies, Mumbai; Serious Fraud Investigations Office (SFIO); Enforcement Directorate (ED); Securities and Exchange Board of India (SEBI); Reserve Bank of India (RBI) etc. against IL&FS and its subsidiaries (including the company) and its ex-directors who were dismissed by NCLT. Further, the new board of directors of the ultimate holding company, in January, 2019 have initiated a forensic examination for the period from April, 2013 to September, 2018, in relation to certain companies of the group and has appointed an independent third party for performing the forensic audit and to report their findings to the board of directors of the ultimate holding company which is currently ongoing. pending completion of such examination, no adjustments have been recorded in these financial statements for any consequential effects / matters that may arise in this regard.

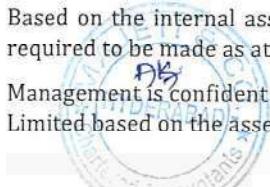
b) Additionally, the National Company Law Appellate Tribunal, New Delhi (the "NCLAT") has passed an order of moratorium on October 15, 2018 in respect of actions (as set out therein) that cannot be taken against IL&FS and its group companies, which includes, amongst others, institution or continuation of suits or any other proceedings by any party or person or bank or company, etc. against 'IL&FS' and its group companies in any Court of Law or Tribunal and any action by any party or person or bank or company, etc. to foreclose, recover or enforce any security interest created the assets of 'IL&FS' and its group companies. This has been done taking into consideration the nature of the case, larger public interest and economy of the nation, and interest of IL&FS and its group companies. This moratorium has subsequently been modified by the NCLAT order dated January 11, 2019.

Subsequently, the NCLT passed an order dated January 1, 2019 pursuant to an application filed by MCA under Section 130 of the Companies Act, 2013 permitting reopening of books of account and recasting the financial statements of (a) Infrastructure Leasing and Financial Services Limited (IL&FS) and its two subsidiaries IL&FS Financial Services Limited (IFIN) and IL&FS Transportation Network Limited (ITNL), for the past 5 financial years (i.e. Financial year 2013 to Financial year 2018) which has been upheld by the Hon'ble Supreme Court vide its order dated June 04, 2019. The process of reopening and recasting of prior years' accounts are currently in progress.

While the Company, based on its current understanding, believes that the above would not have a material impact on the financial statement, the implications, if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage.

Based on the internal assessment, the Management is confident that for the above mentioned contingent liabilities, no provision is required to be made as at March 31, 2022.

Management is confident about the recovery of the loan given to South Coast Infrastructure Development Company of Andhra Pradesh Limited based on the assets owned by the joint venture. Accordingly, no ECL is considered necessary



**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Consolidated Financial statements**  
(All amounts in INR Lakhs, unless otherwise stated)

**Note 43: Ratios to be disclosed**

Particulars	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	% Change in Ratio
a) Current ratio(in times)	Current Assets	Current Liabilities	1.11	1.03	7%
b) Debt-Equity ratio(in times)	Total debt	Shareholder's Equity	0.28	0.36	-24%
c) Debt service coverage ratio(in times)	Earnings available debt Service = Profit after tax+Non cash expenses + Interest + Others non cash adjustments	Debt Service = Interest payments + Principle payments	3.21	3.01	7%
d) Return on Equity ratio(in %)	Profit after tax	Average Shareholders fund's	0.20	0.22	-2%
e) Inventory turnover ratio(in times)	Sale of Products	Average Inventory	10.25	6.35	61%
f) Trade receivables turnover ratio(in times)	Revenue from operations	Average trade receivable	12.61	7.34	72%
g) Trade payables turnover ratio(in times)	Net Credit Purchases	Average Trade Payables	15.19	9.76	56%
h) Net capital turnover ratio(in times)	Revenue from Operations	Working Capital	25.89	77.55	-67%
i) Net profit ratio(in %)	Profit after tax	Revenue from operations	0.13	0.16	-3%
j) Return on capital employed(in %)	Earning before interest and taxes	Capital employed = Net worth + Total debt+ Deferred tax liability	0.20	0.20	0%
k) Return on investment(in %)	Net Profit	Average Invested funds	0.06	0.54	-48%

**Reasons for Variance:**

**Inventory Turnover Ratio:** Change is on account of increase in revenue from operations during the year.

**Trade receivables turnover ratio:** Change is on account of increase in revenue from operations during the year.

**Trade Payables Turnover Ratio:** Change is on account of increase in payment to trade payables compared to Previous year.

**Net Capital Turnover Ratio :** Change on account of increase in Revenue and decrease in working capital.

**Note 44 (i):** No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**Note 44 (ii):** No funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Consolidated Financial statements**

{All amounts in INR Lakhs, unless otherwise stated}

**Note 4.5: Statement of net assets and profit or loss attributable to owners and minority interest**

S.No.	Name of the Entity	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or (Loss)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		As % of Consolidated net assets	Amount	As % of Consolidated Profit or (Loss)	Amount	As % of Consolidated Other Comprehensive Income	Amount	Share in Total Comprehensive Income	Amount
<b>A. PARENT</b>									
	Midwest Granite Private Limited	57.27	20,173.07	69.87	4,687.83	(6.30)	5.95	69.00	4,693.78
<b>B. INDIAN SUBSIDIARIES</b>									
1	Andhra Pradesh Granite (Midwest) Private Limited	15.29	5,386.35	37.08	2,487.90	16.72	(15.79)	36.33	2,472.11
2	Midwest Gold Limited	1.99	701.52	(0.56)	(37.62)	-	-	(0.55)	(37.62)
3	Midwest Neostone Private Limited	1.98	696.71	(1.49)	(99.85)	-	-	(1.47)	(99.85)
4	Amaya Smart Technologies Private Limited	(0.03)	(11.12)	-	(0.19)	-	-	(0.19)	-
5	Deccan Silica LLP	0.17	58.27	(0.04)	(2.40)	-	-	(0.04)	(2.40)
6	Astral Granite Private Limited	0.22	76.09	(0.11)	(7.40)	-	-	(0.11)	(7.40)
7	Midwest Quartz Private Limited	0.04	15.00	-	-	-	-	-	-
<b>C. FOREIGN SUBSIDIARIES</b>									
1	Reliance Diamond Tools Private Limited (consolidated)	(0.38)	(133.31)	[17.97]	(1,205.99)	40.56	(38.31)	(18.29)	(1,244.30)
2	Midwest Holdings Limited (consolidated)	19.26	6,784.86	5.39	361.37	(153.93)	145.39	7.45	506.76
<b>D Minority Interest in all Subsidiaries</b>									
		2.70	951.23	5.61	376.42	2.95	(2.79)	5.49	373.64
<b>E. JOINT VENTURE (INDIAN)</b>									
1	South Coast Infrastructure Development Company of Andhra Pradesh Limited (consolidated)	(0.01)	(2.50)	-	-	-	-	-	-
2	SMW Granites LLP	0.08	28.07	0.01	0.92	-	-	0.01	0.92
3	Baahula Minerals	1.42	500.50	(0.05)	(3.25)	-	-	(0.05)	(3.25)
<b>F On Account of Consolidation Adjustments</b>									
		100	35,224.74	100.00	6,709.44	(100.00)	94.45	100.00	6,803.89

**Note:** BEML Midwest Limited is a subsidiary that has not consolidated, the reason stated in Note no. 38.3.



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**MIDWEST GRANITE PRIVATE LIMITED**  
**Notes to the Consolidated Financial statements**  
 (All amounts in INR Lakhs, unless otherwise stated)

**Note 46: Investment in equity accounted investees:**

**A. JOINT VENTURES:**

The aggregate summarised financial information in respect of the Company's immaterial joint ventures that are accounted for using the equity method is set forth below

	<b>As at March 31, 2022</b>	<b>As at March 31, 2021</b>
<b>Carrying amount of the Company's interest in joint venture</b>	68.07	67.15
Company's share of profit in joint venture	0.92	1.56
Company's share of other comprehensive income in joint venture		
Company's share of total comprehensive income in joint venture	0.92	1.56

Note: The accumulated losses of Joint Venture (South Coast Infrastructure Development Company of Andhra Pradesh Limited) exceeds the value of investment, the investment is shown as zero and no further losses are allocated.

**Note 47:** During the year substantial investment is sold in Midwest Energy Private Limited In accordance with Ind AS 110, if a parent loses control of a subsidiary, it should recognise any investment retained in the former subsidiary at its fair value when control is lost. Management of the company is of the opinion that investment remaining after the investment is not substantial and no significant / material difference b/w cost and fair value of the investment.

**Note 48:** Holding company and its subsidiary companies have not issued any dividend during the current financial year.

**Note 49:** The figures for the previous year have been reclassified / regrouped wherever necessary to conform to current year's classification.

The accompanying notes are an integral part of the financial statements

**As per our report of even date**

For MAJETI & CO.,

Chartered Accountants

Firm's Registration Number: 015975S



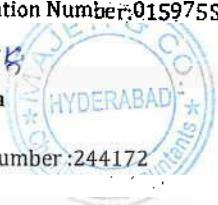
Kowshik Anna

Partner

Membership Number :244172

Hyderabad

23.12.2022



**For and on behalf of Board**



K. Ranganayakamma

Chairman

DIN:00033569



K. Ramachandra

Director

DIN:00060086