



## INDEPENDENT AUDITOR'S REPORT

### To the Board of Directors of MIDWEST HOLDINGS LIMITED Report on the Audit of the Special Purpose Standalone Financial Statements

#### Opinion

We have audited the accompanying Special Purpose Standalone Financial Statements of **MIDWEST HOLDINGS LIMITED** (herein after referred to as the "Company"), which comprise the Balance Sheet as at March 31, 2023, Statement of Profit and Loss (including other comprehensive income), and the Statement of Cash Flows for the Year ended, and notes to the Special Purpose Standalone Financial Statements including a summary of material accounting policies and other explanatory information and disclosure(Collectively referred to as the "Special Purpose Standalone Financial Statements", "SFSFS").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid SFSFS is prepared, in all material respects, in accordance with basis set out in note 2.1 to the SFSFS.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the SFSFS' 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 independence and ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 (the "Act") and the Rules made thereunder, and we have fulfilled our other responsibilities in accordance with these requirements and the 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 SFSFS.

#### Emphasis of Matter

Temporarily the company is meeting administrative expenses through the accounts of lenders who extended this support as an unsecured loan as stated in note 17 of the SPSFS.

Our opinion is not modified in respect of this matters.



### **Restriction on Distribution and Use**

Without modifying our opinion, we draw attention to Note 2.1 to the SFSFS which describes that the financial statements have been prepared in accordance with in conformity with the Indian Accounting Standard prescribed under Section 133 of the Companies Act, 2013 (the “Act”) read with 2023, Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India of the financial position of the Company as at March 31, 2023 and of its financial performance, its changes in equity and its cash flow for the Year ended. As a result, the SFSFS may not be suitable for another purpose.

We, MAJETI & CO., Chartered Accountants, shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

### **Responsibilities of Management and Those charged with Governance for SFSFS**

Management is responsible for the preparation and fair presentation of these SFSFS that give a true and fair view of the state of affairs, results of operations and cash flows of the Company, in accordance with the Indian Accounting Standard 34 “Financial Reporting” as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, and this includes design, implementation, and maintenance of such internal controls as management determines necessary to enable the preparation of SFSFS that are free from material misstatement, whether due to fraud or error.

In preparing the SFSFS, the Management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

### **Auditor’s Responsibilities for the Audit of the SFSFS**

Our objectives are to obtain reasonable assurance about whether the SFSFS 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 SFSFS.



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 Special Purpose Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing our opinion on whether the company has internal financial controls with reference to Special Purpose Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose 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 Special Purpose Standalone Financial Statements, including the disclosures, and whether the Special Purpose Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Special Purpose Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose 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 Special Purpose 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.

**For MAJETI & CO.,**  
**Chartered Accountants**  
ICAI Firm Registration No. 0015975S



Kiran Kumar Majeti  
Partner  
Membership No. 220354  
UDIN: 24220354BKAMUF5716



Place: Hyderabad  
Date: September 20, 2024.

Midwest Holdings Limited  
Special Purpose Balance sheet as at March 31, 2023

Particulars	Note No.	As at March 31, 2023		As at March 31, 2022	
		Amount in USD	Amount in INR	Amount in USD	Amount in INR
<b>ASSETS</b>					
<b>I Non-current assets</b>					
Financial assets					
(i) Investments	3	20,593	16,93,093	20,593	15,61,096
(ii) Other Financial Assets	4	1,01,53,547	83,47,93,189	1,01,53,547	76,97,10,979
<b>Total Non-current assets</b>		<b>1,01,74,140</b>	<b>83,64,86,281</b>	<b>1,01,74,140</b>	<b>77,12,72,075</b>
<b>TOTAL ASSETS</b>		<b>1,01,74,140</b>	<b>83,64,86,281</b>	<b>1,01,74,140</b>	<b>77,12,72,075</b>
<b>EQUITY AND LIABILITIES</b>					
<b>III Equity:</b>					
(a) Equity share capital	5	28,75,000	13,01,18,398	28,75,000	13,01,18,398
(b) Other equity	6	4,52,295	14,34,41,508	4,79,631	12,41,86,453
<b>Total Equity</b>		<b>33,27,295</b>	<b>27,35,59,906</b>	<b>33,54,631</b>	<b>25,43,04,851</b>
<b>IV Non-current liabilities</b>					
(a) Financial liabilities					
(i) Borrowings	7	63,89,029	52,52,86,144	63,72,768	48,31,01,047
<b>Total Non-current liabilities</b>		<b>63,89,029</b>	<b>52,52,86,144</b>	<b>63,72,768</b>	<b>48,31,01,047</b>
<b>V Current liabilities</b>					
(a) Financial liabilities					
(i) Borrowings	8	3,06,285	2,51,81,822	3,06,285	2,32,18,595
(iii) Other financial liabilities	9	1,51,531	1,24,58,409	1,40,456	1,06,47,582
<b>Total current liabilities</b>		<b>4,57,816</b>	<b>3,76,40,231</b>	<b>4,46,741</b>	<b>3,38,66,177</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,01,74,140</b>	<b>83,64,86,281</b>	<b>1,01,74,141</b>	<b>77,12,72,075</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

M. Kiran Kumar Majeti  
Kiran Kumar Majeti

Partner

Membership Number: 220354

Hyderabad

Date: September 20, 2024



FOR AND ON BEHALF OF THE BOARD

Ramachandra Kollareddy  
Director

Midwest Holdings Limited  
Special Purpose Statement of Profit and Loss for the year ended 31st March 2023

Particulars	Note No.	For the year ended March 31, 2023		For the year ended March 31, 2022	
		Amount in USD	Amount in INR	Amount in USD	Amount in INR
I. Revenue from operations	10	-	-	-	-
II. Other income	11	3,066	2,46,452	71,522	53,28,954
<b>Total Revenue</b>		<b>3,066</b>	<b>2,46,452</b>	<b>71,522</b>	<b>53,28,954</b>
<b>III EXPENSES</b>					
(a) Finance costs	12	18,394	14,78,719	18,185	13,54,926
(b) Other expenses	13	12,008	9,65,293	1,42,797	1,06,39,507
<b>Total expenses</b>		<b>30,402</b>	<b>24,44,012</b>	<b>1,60,982</b>	<b>1,19,94,433</b>
<b>IV Profit/(Loss) before tax (I+II-III)</b>		<b>(27,336)</b>	<b>(21,97,560)</b>	<b>(89,460)</b>	<b>(66,65,479)</b>
<b>V Tax expense</b>					
(a) Current tax		-	-	-	-
(b) Deferred tax		-	-	-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>VI Profit/(Loss) after tax(IV-V)</b>		<b>(27,336)</b>	<b>(21,97,560)</b>	<b>(89,460)</b>	<b>(66,65,479)</b>
<b>VII Other Comprehensive Income</b>					
(a) Items that will not be reclassified to profit or loss					
(i) Remeasurements of post-employment		-	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-	-
(a) Items that will be reclassified to profit or loss					
Exchange differences in translating the financial statements of foreign operations		-	2,14,52,614	-	78,13,455
<b>Other Comprehensive Income after tax for the year</b>		<b>-</b>	<b>2,14,52,614</b>	<b>-</b>	<b>78,13,455</b>
<b>VIII Total Comprehensive Income for the year(VI+VII)</b>		<b>(27,336)</b>	<b>1,92,55,054</b>	<b>(89,460)</b>	<b>11,47,976</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

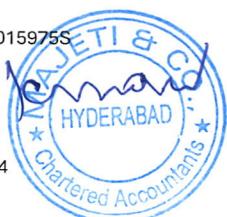
For MAJETI & CO.,

Chartered Accountants

Firm's Registration Number: 0159755

Kiran Kumar Majeti  
Partner

Membership Number: 220354  
Hyderabad  
Date: September 20, 2024



FOR AND ON BEHALF OF THE BOARD

  
Ramachandra Kollareddy  
Director

Midwest Holdings Limited  
Special Purpose Statement of Changes in Equity for the year ended 31st March 2023

a. Equity share capital

Paid up Equity Share capital	Number of Shares	Amount in USD	Amount in INR
<b>Balance as at April 01, 2021</b>	18,79,514	28,75,000	13,01,18,398
Issued during the year	-	-	-
<b>Balance as at March 31, 2022</b>	18,79,514	28,75,000	13,01,18,398
Issued during the year	-	-	-
<b>Balance as at March 31, 2023</b>	18,79,514	28,75,000	13,01,18,398

b. Other Equity

Particulars	Reserves and Surplus			
	Amount in USD	Amount in INR		
	Retained Earnings	Retained Earnings	Foreign currency Translation Reserve	Total
<b>Balance as at April 01, 2021</b>	5,69,091	3,54,64,490	8,75,73,988	12,30,38,478
Profit/(Loss) for the year	(89,460)	(66,65,479)	-	(66,65,479)
Other comprehensive income for the period, net of income tax	-	-	78,13,455	78,13,455
<b>Total comprehensive income/(loss) for the period</b>	(89,460)	(66,65,479)	78,13,455	11,47,976
Transactions with owners in their capacity as owners:	-	-	-	-
<b>Balance as at March 31, 2022</b>	4,79,631	2,87,99,011	9,53,87,442	12,41,86,453
<b>Balance as at April 01, 2022</b>	4,79,631	2,87,99,011	9,53,87,442	12,41,86,453
Profit/(Loss) for the year	(27,336)	(21,97,560)	-	(21,97,560)
Other comprehensive income for the year, net of income tax	-	-	2,14,52,614	2,14,52,614
<b>Total comprehensive income/(loss) for the year</b>	(27,336)	(21,97,560)	2,14,52,614	1,92,55,054
Transactions with owners in their capacity as owners:	-	-	-	-
<b>Balance as at March 31, 2023</b>	4,52,295	2,66,01,451	11,68,40,057	14,34,41,508

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

Kiran Kumar Majeti

Partner

Membership Number: 220354

Hyderabad

Date: September 20, 2024



FOR AND ON BEHALF OF THE BOARD

Ramachandra Kollareddy

Director

Midwest Holdings Limited  
Special Purpose Cash Flow Statement for the year ended 31st March 2023

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
<b>Cash flow from operating activities</b>				
Profit/(Loss) before tax	(27,336)	(21,97,560)	(89,460)	(66,65,479)
<b>Adjustments for:</b>				
Interest Expenses	18,394	14,78,719	18,185	13,54,926
Provision for Expenses no longer Required written back	-	-	(21,522)	(16,03,559)
Borrowing no longer payable written back	-	-	(50,000)	(37,25,395)
Balance written off	-	-	1,38,000	1,02,82,090
	(8,942)	(7,18,841)	(4,797)	(3,57,417)
<b>Adjustments for working capital changes:</b>				
Other current liabilities	(7,319)	(5,54,852)	(5,245)	(3,68,665)
Other current Assets	-	-	-	-
<b>Cash generated from/(used in) operations</b>	(7,319)	(5,54,852)	(5,245)	(3,68,665)
Income tax paid	-	-	-	-
<b>Net cash flows from/(used in) operating activities</b>	(16,261)	(12,73,692)	(10,042)	(7,26,081)
<b>Cash flows from Financing activities</b>				
Proceeds from Borrowing	16,261	12,73,692	10,042	7,26,081
Interest Paid	-	-	-	-
<b>Net cash flow from/(used in) Financing activities</b>	16,261	12,73,692	10,042	7,26,081
<b>Net cash flow from/(used in) Investing activities</b>	-	-	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	-	-	-	-
Cash and cash equivalents at the beginning of the reporting year	-	-	-	-
<b>Cash and cash equivalents at the end of the Year</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. Figures in brackets represents outflows.

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

M. Kiran Kumar Majeti  
Kiran Kumar Majeti  
Partner  
Membership Number: 220354  
Hyderabad  
Date: September 20, 2024



FOR AND ON BEHALF OF THE BOARD

Ramachandra Kollareddy  
Director

**Midwest Holdings Limited**  
**Notes annexed to and forming part of the Special Purpose Financial Statements**

**Note 1 : Corporate information**

1.1 The company is incorporated on 6th February, 2008 under Section 3(1)(c) of the Companies Act, 2006 of Isle of Man.

The registered office of the company is located at International House, Castle Hill, Victoria Road, Douglas, Isle of Man IM2 4RB. The company is Investment company.

**Note 2 : Material Accounting Information**

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

**Note 2.1 : Basis of Preparation of financial statements**

These financial statements are prepared under the historical cost convention and in accordance with the accounting standards issued by the Institute of Chartered Accountants of India and accounting policies generally accepted in India, only to enable their incorporation in the consolidation of financial statements of parent company. The significant accounting policies adopted by the company are similar in line & structure with that of the parent company.

All the amounts disclosed in the financial statements and notes have been rounded off to the nearest USD.

**(i) Compliance with Ind AS**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules as amended from time to time and other relevant provisions of the Act.

**(iii) Current and non-current classification**

An asset is classified as current if:

- (i) It is expected to be realised 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 atleast 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 atleast 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.

**(iv) Operating Cycle**

The operating cycle is the time between acquisition of assets for processing and their realization in cash and cash equivalents. Based on the nature of products and time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

**(vi) Consolidation**

According to Sub - Para (iv) to Para 4 of Ind AS 110 - Consolidated Financial Statements exempts a company from consolidation if its ultimate parent produces Ind AS complied consolidated financial statement, which are available for public use. In view of above exemptions, the Company is not required to file the consolidated financial statements. The Company has complied with Ind AS 27: Separate financial statements whereby investments in subsidiaries, joint ventures and associates are to be valued either

- i. at Cost or
- ii. in accordance with Ind AS 109

The Company has elected to measure its investment in subsidiaries and associates at cost determined in accordance with Ind AS 27 at original cost of investment in subsidiaries



**Midwest Holdings Limited**  
**Notes annexed to and forming part of the Special Purpose Financial Statements**

**Note 2.2 : Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Director has been identified as the Chief Operating Decision Maker. Refer Note 10 for the segment information presented.

**Note 2.3 : Use of estimates, assumptions and judgements**

The preparation of financial statements in conformity with Ind AS requires management of the Company 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 ongoing basis. Any revision to accounting estimates is recognized prospectively in the current and future periods.

The Company uses the following accounting estimates in the preparation of financial statements:

- Provisions and contingent liabilities.

**Note 2.4 : 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 USD.

**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.

**Note 2.5 : Revenue Recognition**

**Interest Income**

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

**Note 2.6 : 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 exemption 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.

**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 is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward unused tax credits and the carried forward 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.



## **Midwest Holdings Limited**

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is probable evidence that the Company will pay normal income tax in future years.

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

#### **Note 2.7 : Financial Instruments**

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

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

- a.Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- b.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 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 of 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 Company classifies its debt instruments:

**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.

**At fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.

**At fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

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

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

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



**Midwest Holdings Limited**  
**Notes annexed to and forming part of the Special Purpose Financial Statements**

**Derecognition of financial assets**

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

**Note 2.8 : 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 amortised 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**

These amounts represent liabilities for goods and services provided to the company 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 recognized initially at their fair value and subsequently measured at amortized 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 the 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 liabilities**

The company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. On derecognition 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.

**Note 2.9 : Offsetting of 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 recognized amounts and there is an intention to settle on a net basis or realize 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 Company or the counterparty.

**Note 2.10 : Impairments of assets**

**Financial Assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).The impairment methodology applied depends on whether there has been a significant increase in credit risk

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 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.



**Midwest Holdings Limited**  
**Notes annexed to and forming part of the Special Purpose Financial Statements**

**Non-financial assets**

Property, Plant and Equipment and Other intangible assets 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.

**Note 2.11 : Provisions, contingent liabilities and contingent assets**

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 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.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

**Note 2.12 : 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.

**Note 2.13 : Earnings per share**

**Basic earnings per share**

Basic earnings per share is 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.

**Diluted earnings per share**

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.



**Midwest Holdings Limited**  
**Notes to the Special Purpose Financial statements**

**Note :3 Non-Current Investments**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
<b>Investment in equity instruments (Unquoted):</b>				
-In Subsidiaries (at cost unless stated otherwise)				
Maven Holdings Ltd - Mauritius (94050 shares of 1 USD each )	19,000	15,62,121	19,000	14,40,335
-In Step-down Subsidiaries (at cost unless stated otherwise)				
Midwest Africa LDA, Mozambique (50000 shares.of share @ 1 MZN)	1,593	1,30,972	1,593	1,20,761
<b>Total</b>	<b>20,593</b>	<b>16,93,093</b>	<b>20,593</b>	<b>15,61,096</b>

**Note :4 Non Current Financial Asset**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
Loan to Related Parties	1,01,53,547	83,47,93,189	1,01,53,547	76,97,10,979
<b>Total</b>	<b>1,01,53,547</b>	<b>83,47,93,189</b>	<b>1,01,53,547</b>	<b>76,97,10,979</b>

**Note : 5 Equity Share Capital**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
<b>Issued, Subscribed and fully paid up :</b>				
18,79,514 Equity Shares of £ 1/- each fully paid	28,75,000	13,01,18,398	28,75,000	13,01,18,398
<b>Total</b>	<b>28,75,000</b>	<b>13,01,18,398</b>	<b>28,75,000</b>	<b>13,01,18,398</b>

**5.1. Terms and rights attached to equity shares**

The Company has only one class of equity shares having par value of GBP 1/- per share. Each holder of equity shares is entitled to cast one vote per share.

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

	As at March 31, 2023	As at March 31, 2022
Midwest Granite Private Limited Number of shares % holding	18,79,514 100%	18,79,514 100%

**Note 6 :Other Equity**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
<b>Reserves and surplus:</b>				
<b>Retained Earnings:</b>				
<b>Balance in statement of profit and loss(surplus):</b>				
As per last account	4,79,631	2,87,99,011	5,69,091	3,54,64,490
Add: Profit as per Statement of Profit and Loss	(27,336)	(21,97,560)	(89,460)	(66,65,479)
	4,52,295	2,66,01,451	4,79,631	2,87,99,011
<b>Other Comprehensive Income:</b>				
<b>Foreign Currency translation Reserve:</b>				
As per last account		9,53,87,442		8,75,73,988
Add: Profit as per Statement of Profit and Loss		2,14,52,614		78,13,455
		11,68,40,057		9,53,87,442
<b>Total</b>	<b>4,52,295</b>	<b>14,34,41,508</b>	<b>4,79,631</b>	<b>12,41,86,453</b>



**Midwest Holdings Limited**  
**Notes to the Special Purpose Financial statements**

**Note 7 : Non Current Borrowings:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
<b>(Unsecured loan)</b>				
From Others				
AGENCIA COMMERCIAL WENG TAI	11,58,815	9,52,74,152	11,58,815	8,78,46,382
Consolidated Minerals PTE Ltd	3,00,000	2,46,65,070	3,00,000	2,27,42,130
Consolidated Metals PTE Ltd	1,00,000	82,21,690	1,00,000	75,80,710
From Related Parties	36,303	29,84,731	20,042	15,19,334
<b>Preference Shares:</b>				
4,793,911 Non- Cumulative Preference Shares of USD 1/- each	47,93,911	39,41,40,501	47,93,911	36,34,12,491
<b>Total</b>	<b>63,89,029</b>	<b>52,52,86,144</b>	<b>63,72,768</b>	<b>48,31,01,047</b>

**Loan From Others**

Interest Rate : Libor at time of Disbursement +100 basis points(i.e. 1.151%).

Loan from Related parties are interest Free

**Note 8 : Current Borrowings:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
<b>(Unsecured loan)</b>				
From Others				
Chang Yip Development Co Ltd	3,06,285	2,51,81,822	3,06,285	2,32,18,595
<b>Total</b>	<b>3,06,285</b>	<b>2,51,81,822</b>	<b>3,06,285</b>	<b>2,32,18,595</b>

**Note 9: Other Financial Liabilities:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
Interest accrued	1,51,531	1,24,58,409	1,33,137	1,00,92,730
Creditors for expense	-	-	7,319	5,54,852
<b>Total</b>	<b>1,51,531</b>	<b>1,24,58,409</b>	<b>1,40,456</b>	<b>1,06,47,582</b>



Midwest Holdings Limited  
Notes to the Special Purpose Financial statements

Note 10: Revenue From Operations:

PARTICULARS	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
Revenue from operations	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Note 11 : Other Income

PARTICULARS	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
Provision for Expenses no longer Required written back	-	-	21,522	16,03,559
Borrowing no longer payable written back	-	-	50,000	37,25,395
Other Non- Operating Income	3,066	2,46,452	-	-
<b>Total</b>	<b>3,066</b>	<b>2,46,452</b>	<b>71,522</b>	<b>53,28,954</b>

Note 12: Finance Costs:

PARTICULARS	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
Interest and finance charges on financial liabilities carried at amortised cost	18,394	14,78,719	18,185	13,54,926
<b>Total</b>	<b>18,394</b>	<b>14,78,719</b>	<b>18,185</b>	<b>13,54,926</b>

Note 13 :Other Expenses:

PARTICULARS	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
Professional fees	11,490	9,23,687	4,797	3,57,417
Rates & Taxes	518	41,606	-	-
Balance written off	-	-	1,38,000	1,02,82,090
<b>Total</b>	<b>12,008</b>	<b>9,65,293</b>	<b>1,42,797</b>	<b>1,06,39,507</b>



**Midwest Holdings Limited**  
**Notes to the Special Purpose Financial statements**

**Note 14: Segment Information**

**(a) Description of segments and principal activities**

The 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 activity of Holding companies.

**Note 15: Related Party Transactions**

<b>(a) Holding Company</b>	:	Midwest Granite Private Limited
<b>(b) Subsidiary Company</b>	:	Maven Holding Limited
<b>(c) Step-Down Subsidiary Companies</b>	:	Midwest Africa LDA, Mozambique
	:	Midwest Cercoal LDA, Mozambique
	:	Midwest Gondana LDA, Mozambique
	:	Midwest Koriba LDA, Mozambique
	:	Midwest Texera LDA, Mozambique
<b>(d) Key Management personnel(KMP)</b>	:	Kollareddy Ramachandra
<b>(e) Relative of Key Management Person</b>	:	Deepak Kukreti

**(f) Transactions with Related Parties:**

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
Transaction During the Year				
<b>Relative of Key Management Person</b>				
Deepak Kukreti				
Unsecured loan Taken	16,261	13,36,931	10,042	7,61,263

Particulars	As at March 31, 2023		As at March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
Outstanding Balances at the year end				
<b>Relative of Key Management Person</b>				
Deepak Kukreti				
Unsecured loan taken	36,303	29,84,731	20,042	15,19,334
<b>Step-Down Subsidiary Companies</b>				
Midwest Africa LDA				
Unsecured loan Given	1,01,53,547	83,47,93,189	1,01,53,547	76,97,10,979



Midwest Holdings Limited  
Notes to the Special Purpose Financial statements

Note 16: Earnings/(Loss) per share

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
(a) Basic EPS				
Basic earnings/(loss) per share attributable to the equity holders of the company	(0.01)	10.24	(0.05)	0.61
(b) Diluted EPS				
Diluted earnings/(loss) per share attributable to the equity holders of the company	(0.01)	10.24	(0.05)	0.61

(c) Reconciliation of earnings/(loss) used in calculating earnings per share

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Amount in USD	Amount in INR	Amount in USD	Amount in INR
Basic earnings/(loss) per share				
Profit/(Loss) attributable to the equity holders of the	(27,336.00)	1,92,55,054.30	(89,459.64)	11,47,975.74
Diluted earnings/(loss) per share				
Profit/(Loss) attributable to the equity holders of the	(27,336.00)	1,92,55,054.30	(89,459.64)	11,47,975.74

(d) Weighted average number of shares used as the denominator

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	18,79,514	18,79,514
Adjustments for calculation of diluted earnings per share:	Nil	Nil
Weighted average number of equity shares used as the	18,79,514	18,79,514

**Note 17:** the company's bank account is closed due to the account being inactive by the bank. Day-to-day expenses are met with unsecured borrowings from Deepak Kukreti (related to Key managerial personnel)

**Note 18:** The figures for the previous period have been reclassified / regrouped wherever necessary to conform to current period'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: 0015975S

M. kiran kumar  
Kiran Kumar Majeti  
Partner  
Membership Number: 220354  
Hyderabad  
Date: September 20, 2024



FOR AND ON BEHALF OF THE BOARD

Ramachandra Kollareddy  
Director