

COMPONENT AUDITOR CLEARANCE MEMORANDUM

From: Daxin Certified Public Accountants (LLP) Guangdong Branch

Date: April-18th -2023

To: Kartikeya Raval, Deloitte Haskins & Sells, Ahmedabad, India.

In accordance with your instructions dated February 28,2023 , including, if applicable, your instructions to exclude certain procedures or account balances from the scope of our work, we have audited for purposes of your audit of the consolidated financial statements of [Symphony Limited (the "Group") the financial information included in the Symphony group auditing reporting package of Guangdong Symphony Keruilai Air Coolers Co Ltd for the Year and quarter ended 31 March 2023 (comprising of the interim financial results for the quarter 31 March 2023) .This financial information has been prepared solely to enable the Group to prepare its consolidated financial statements. We have also performed additional procedures in accordance with your instructions, and our findings are included in Appendix X

Management's Responsibility

Management is responsible for the preparation and presentation of the financial information in accordance with the Group's accounting policies, and for such internal control as management determines is necessary to enable the preparation of the financial information that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial information using International Auditing Standards ("ISAs") and in accordance with your instructions. As requested by you, we planned and performed our audit, including the additional procedures, in accordance with your instructions, using the component materiality and component performance materiality specified in your instructions which is different than the materiality and performance materiality that we would have used had we been designing the audit to express an opinion on the financial information of the component alone.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the special purpose financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial information.

the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. The conclusions reached in forming our opinion are based on the component materiality and component performance materiality as agreed to by you, in the context of the audit of the consolidated financial statements of the Group.

We have complied with the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, including the requirements related to Public Interest Entities.

Opinion

In our opinion, the financial information for Guangdong Symphony Keruilai Air Coolers Co Ltd as of 31st March, 2023, and for the year then ended has been prepared, in all material respects, on the basis of Symphony Limited's Group's accounting Policies.

Other Matters

We draw the special purpose financial information users' attention that Guangdong Symphony Keruilai Air Coolers Co Ltd, had accumulated losses of RMB 138,694,774.98 and its total liabilities exceeded its total assets by RMB 52,036,966.26 as of 31 March 2023. The continuing operation of the Company mainly depends on the financial support from the Symphony Limited, which has undertaken to provide such financial support to the Company. Accordingly, the Company has the ability to meet its liabilities in order to avoid the reduction of the production scale in the future.

Restriction on Use and Distribution

This financial information has been prepared for purposes of providing information to the Group to enable it to prepare its consolidated financial statements. As a result, the financial information is not a complete set of financial statements of *[name of component]* in accordance with Group's accounting Policies, and is not intended to give a true and fair view of the financial position of *[name of component]* as of 31st March, 2023 and of its financial performance, and its cash flows for the year then ended in accordance with Group's Accounting Policies. The financial information may, therefore, not be suitable for another purpose.


This report is intended solely for Deloitte Haskins & Sells and should not be used by, or distributed to, anyone in the Group, any of its components, or any other third party.

April-18th -2023

Daisy Deng (邓元秀)

Engagement Partner

The membership No.441900150023



ManGuang Liu

Audit Partner (刘满光)

The membership No.441900150011



Daxin Certified Public Accountants (LLP) Guangdong Branch

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Guangdong Symphony Keruilai Air Coolers Co., Ltd**BALANCE SHEET AS AT MARCH 31, 2023****(In RMB)**

Particulars	Note	As at 31/3/2023	As at 31/3/2022
I ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	2(A)	6,84,186.54	13,92,967.69
(b) Right-of-use asset	2(A)	30,96,125.27	60,51,842.33
(c) Other intangible assets	2(B)	44,432.04	2,54,749.39
(d) Other non-current assets	3	27,205.11	1,37,658.81
Total Non-current assets		38,51,948.96	78,37,218.22
(2) Current assets			
(a) Inventories	4	47,18,666.35	65,25,326.67
(b) Financial assets			
(i) Trade receivables	5	10,35,489.43	1,59,613.75
(ii) Cash and cash equivalents	6	30,43,249.88	55,76,219.48
(iii) Other financial assets	7	-	-
(c) Other current assets	8	9,33,488.04	9,04,478.68
Total Current assets		97,30,893.70	1,31,65,638.58
Total Assets		1,35,82,842.66	2,10,02,856.80
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	9	8,50,00,000.00	8,50,00,000.00
(b) Other equity	10	(13,70,32,966.26)	(13,41,29,493.06)
Total Equity		(5,20,32,966.26)	(4,91,29,493.06)
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	11	4,90,69,414.35	1,60,93,764.01
(ii) Lease liabilities	12	65,883.49	30,96,125.33
		4,91,35,297.84	1,91,89,889.34
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	-	3,29,75,650.34
(ii) Trade payables	14	83,32,512.13	96,95,824.42
(iii) Lease liabilities	15	30,96,125.39	29,55,717.06
		1,14,28,637.52	4,56,27,191.82
(b) Other current liabilities	16	45,52,610.69	48,70,244.79
(c) Provisions	17	4,99,262.87	4,45,023.91
Total Current liabilities		1,64,80,511.08	5,09,42,460.52
Total Liabilities		6,56,15,808.92	7,01,32,349.86
Total Equity and Liabilities		1,35,82,842.66	2,10,02,856.80
See accompanying notes forming part of the financial statements	1-34		

Guangdong Symphony Keruilai Air Coolers Co., Ltd

STATEMENT OF PROFIT AND LOSS FOR THE MONTH ENDED MARCH, 2023

(In RMB)

Particulars	Note	Year Ended 31/3/2023	Year Ended 31/3/2022
I Gross Revenue from Sale of Products	18	2,77,64,012.79	3,24,29,695.82
Less: Excise Duty	18	-	-
Net Revenue from Sale of Products	18	2,77,64,012.79	3,24,29,695.82
Other Operating Revenue	18	-	-
I Revenue from Operations	18	2,77,64,012.79	3,24,29,695.82
II Other income	19	12,10,624.38	4,03,358.53
III Total Revenue (I + II)		2,89,74,637.17	3,28,33,054.35
IV Expenses:			
Cost of materials consumed	20	1,72,27,726.65	2,26,37,025.96
Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	11,16,885.52	(10,87,793.43)
Employee benefits expense	22	65,44,678.43	92,78,109.73
Finance costs	23	2,06,690.45	26,26,178.74
Depreciation and amortisation expense	2	39,07,110.77	44,43,088.40
Advertisement and Sales Promotion Expenses	24	1,91,554.30	1,98,002.23
Other Expenses	25	26,83,464.25	34,88,285.83
Total Expenses (IV)		3,18,78,110.37	4,15,82,897.46
V (Loss) before Tax (III – IV)		(29,03,473.20)	(87,49,843.11)
VI Tax expense:			
(1) Current tax		-	-
(2) Short / (Excess) provision of tax relating to previous years		-	-
(3) Net current tax		-	-
(4) Deferred tax		-	-
Net tax expense (VI)		-	-
VII (Loss) for the year (V - VI)		(29,03,473.20)	(87,49,843.11)
VIII Other comprehensive income			
Items that will not to be reclassified to profit or loss :			
(i) Remeasurements of the defined benefit plans		-	-
(ii) Income tax effect on above		-	-
Items that will be reclassified to profit or loss :			
(i) Gain / (Loss) on Items designated as Fair Value Through Other Comprehensive Income		-	-
(ii) Income tax effect on above		-	-
Total other comprehensive income (VIII)		-	-
IX Total comprehensive income for the year (VII+VIII)		(29,03,473.20)	(87,49,843.11)
X Earnings per equity share of face value of RMB _/- each :			
(1) Basic	26	-	-
(2) Diluted	26	-	-
See accompanying notes forming part of the financial statements	1-34		

Guangdong Symphony Kouilai Air Coolers Co., Ltd
STATEMENT OF CHANGES IN EQUITY FOR THE MONTHS ENDED MARCH 31, 2023
A EQUITY SHARE CAPITAL

	No. of Shares	Amount in RMB
Balance as at March 31, 2022	-	8,50,00,000
Add: Issued during the period	-	-
Balance as on March 31, 2023	-	8,50,00,000

B OTHER EQUITY

Particulars	Securities Premium	Capital Reserve	Retained Earnings	Total
Balance as on March. 31, 2022	16,00,897.94	60,910.78	(13,57,91,301.78)	(13,41,29,493.06)
Profit during the period	-	-	(29,03,473.20)	(29,03,473.20)
Other Comprehensive Income for the period, net of income tax	-	-	-	-
Total Comprehensive Income for the period	-	-	(29,03,473.20)	(29,03,473.20)
IND AS adjustment in Other Equity	-	-	-	-
Balance as on March 31, 2023	16,00,897.94	60,910.78	(13,86,94,774.98)	(13,70,32,966.26)

Guangdong Symphony Keruilai Air Coolers Co., Ltd
STATEMENT OF CASH FLOWS FOR MONTHS ENDED MARCH 31, 2023

(In RMB)

	Year Ended 31/3/2023	Year Ended 31/3/2022
A CASH FLOW FROM OPERATING ACTIVITIES		
(Loss) for the year	(29,03,473.20)	(87,49,843.11)
Adjustments For:		
Depreciation and amortization expenses	39,07,110.77	44,43,088.40
Finance costs recognised in profit or loss	2,06,690.45	26,26,178.74
Interest Income recognised in profit or loss	(47,868.24)	(6,397.53)
Gain on disposal of property, plant and equipment	-	(1,91,879.50)
Provisions / Liabilities no longer required written back	65,883.46	-
Operating Profit Before Working Capital Changes	12,28,343.24	(18,78,853.00)
Movements in working capital:		
(Increase)/Decrease in trade and other receivables	(8,75,875.68)	2,37,458.74
Decrease in inventories	18,06,660.32	(12,24,589.77)
Decrease in other assets	81,444.34	7,03,647.55
Increase/(Decrease) in trade payables	(13,63,312.29)	(18,93,163.85)
Increase/(Decrease) in other liabilities	(3,17,872.73)	49,420.40
(Decrease) in provisions	54,238.96	58,683.46
Cash Generated from Operations	6,13,626.16	(39,47,396.47)
Income taxes paid	-	-
Net Cash generated / (Used) in Operating Activities (A)	6,13,626.16	(39,47,396.47)
B CASH FLOW FROM INVESTING ACTIVITIES		
Payments for property, plant and equipment, intangible assets and capital advances	(32,056.49)	(26,671.78)
Proceeds from disposal of property, plant and equipment	-	7,26,857.10
Interest received	47,868.24	6,397.53
Net Cash Used in Investing Activities (B)	15,811.75	7,06,582.85
C CASH FLOW FROM FINANCING ACTIVITIES		
Finance cost paid	(2,06,690.45)	(3,40,731.22)
Payments on lease liabilities	(29,55,717.06)	(28,63,391.31)
Proceeds from borrowings	-	70,30,700.00
Net Cash generated / (Used) in Financing Activities (C)	(31,62,407.51)	38,26,577.47
Net Decrease in Cash & Cash Equivalents (A+B+C)	(25,32,969.60)	5,85,763.85
Cash & Cash Equivalents at the beginning of the year	55,76,219.48	49,90,455.63
Cash & Cash Equivalents at the end of the year	30,43,249.88	55,76,219.48
Cash on Hand	16,395.48	40,973.18
Balances with Schedule Bank in Current Account	30,26,854.40	55,35,246.30
Cash & Cash Equivalents included in Note no.6	30,43,249.88	55,76,219.48

Guangdong Symphony Keruilai Air Coolers Co., Ltd

Notes forming part of the Financial Statements

(2) Property, Plant and Equipment, Capital Work-In-Progress & Other Intangible Assets

	Plant Property Equipment					Total (A)	Other Intangible Assets			Total (B)	Grand Total (A+B+C)
	Right-of-use asset	Plant & Machinery	Vehicles	Office Equipments	Computers		Softwares	Trademarks	Patent right		
As at 31/3/2022	1,20,93,969.56	1,41,77,464.47	1,01,180.45	26,87,863.08	3,07,999.80	2,93,68,477.36	25,49,205.44	20,38,834.95	1,59,90,000.00	2,05,78,040.39	4,99,46,517.75
Additions		238.72			12,254.51	12,493.23	19,801.98			19,801.98	32,295.21
Disposals						-				-	-
As at 31/3/2023	1,20,93,969.56	1,41,77,703.19	1,01,180.45	26,87,863.08	3,20,254.31	2,93,80,970.59	25,69,007.42	20,38,834.95	1,59,90,000.00	2,05,97,842.37	4,99,78,812.96
Accumulated Depreciation and Amortization											
As at 31/3/2022	60,42,127.23	1,27,98,892.82	1,01,180.45	26,73,596.19	3,07,870.65	2,19,23,667.34	22,95,053.26	20,38,237.74	1,59,90,000.00	2,03,23,291.00	4,22,46,958.34
Depreciation and Amortization For The Year	29,55,717.06	7,09,353.39		9,964.46	1,956.53	36,76,991.44	2,29,522.12	597.21		2,30,119.33	39,07,110.77
Eliminated on disposals of assets											-
As at 31/3/2023	89,97,844.29	1,35,08,246.21	1,01,180.45	26,83,560.65	3,09,827.18	2,56,00,658.78	25,24,575.38	20,38,834.95	1,59,90,000.00	2,05,53,410.33	4,61,54,069.11
Net Block											
As at 31/3/2022	60,51,842.33	13,78,571.65	-	14,266.89	129.15	74,44,810.02	2,54,152.18	597.21	-	2,54,749.39	76,99,559.41
As at 31/3/2023	30,96,125.27	6,69,456.98	-	4,302.43	10,427.13	37,80,311.81	44,432.04	-	-	44,432.04	38,24,743.85

Guangdong Symphony Keruilai Air Coolers Co., Ltd

Notes forming part of the Financial Statements

(3) OTHER NON-CURRENT ASSETS

(In RMB)

Particulars	As at 31/3/2023	As at 31/3/2022
Unsecured, considered good		
Capital advances	-	-
Prepaid expenses	27,205.11	1,37,658.81
	27,205.11	1,37,658.81

(4) INVENTORIES

Particulars	As at 31/3/2023	As at 31/3/2022
Raw materials (Including Packing Material)	28,35,918.61	35,25,693.41
Work-in-Progress	-	-
Finished Goods	18,82,747.74	29,99,633.26
	47,18,666.35	65,25,326.67

(5) TRADE RECEIVABLES

5.1 Particulars	As at 31/3/2023	As at 31/3/2022
Considered good - Unsecured	10,35,489.43	1,59,613.75
Credit impaired	-	-
Less : Allowances for credit losses	-	-
	10,35,489.43	1,59,613.75

Majority business of the Company is on Cash and Carry basis, for credit business the Company trades with recognised and credit worthy third parties. In addition, receivable balances are monitored on an on-going basis with the result that the Company's exposure to bad debts is not significant. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables for credit sales based on provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows:

5.2 Movement in the expected credit loss allowance

	As at 31/3/2023	As at 31/3/2022
Balance at beginning of the year	-	-
Change in allowance for credit impairment during the year	-	-
Trade receivables written off during the year	-	-
Balance at end of the year	-	-

The concentration of credit risk is limited due to the fact that the customer base is large and unrelated.

5.3 Trade receivables ageing schedule for March 31, 2023 is as below

Sr No	Particulars	g for following periods from due date					Total
		No Due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	
1	Undisputed Trade receivables - Considered good		10,31,738.36	1,805.94	2,211.42		10,35,755.72
2	Undisputed Trade receivables - which have significant increase in risk						-
3	Undisputed Trade receivables - credit impaired						-
Sr No	Particulars	g for following periods from due date					Total
		No Due	Less than 6 months	6 Months - 1 year	1-2 Years	2-3 Years	
4	Disputed Trade receivables - Considered good						-
5	Disputed Trade receivables - which have significant increase in risk						-
6	Disputed Trade receivables - credit impaired						-
	Total		10,31,738.36	1,805.94	2,211.42	-	10,35,755.72

(6) CASH & CASH EQUIVALENTS

Particulars	As at 31/3/2023	As at 31/3/2022
Cash and Cash Equivalents		
Cash on Hand	5,595.48	16,973.18
Balance with employees Imprest account	10,800.00	24,000.00

Balance with banks in current accounts

30,26,854.40

55,35,246.30

30,43,249.88

55,76,219.48

(7) OTHER FINANCIAL ASSETS

Particulars	As at 31/3/2023	As at 31/3/2022
Export Incentive Receivable	-	-

(8) OTHER CURRENT ASSETS

Particulars	As at 31/3/2023	As at 31/3/2022
Advance for supply of goods and rendering of services		
Unsecured, considered good	8,21,744.00	8,35,175.84
Prepaid expenses	1,11,744.04	69,302.84
Balance with statutory / government authorities		
Other Loans and advances		
	9,33,488.04	9,04,478.68

Guangdong Symphony Keruilai Air Coolers Co., Ltd

Notes forming part of the Financial Statements

(9) EQUITY SHARE CAPITAL

(In RMB)

Particulars	As at 31/3/2023	As at 31/3/2022
Authorised :		
_____ Equity Shares of RMB _____/- each	8,50,00,000.00	8,50,00,000.00
Issued, Subscribed & Paid up :		
_____ Equity Shares of RMB _____/- each fully paid up	8,50,00,000.00	8,50,00,000.00
	8,50,00,000.00	8,50,00,000.00

(10) OTHER EQUITY

Particulars	As at 31/3/2023	As at 31/3/2022
Securities Premium Account	16,00,897.94	16,00,897.94
Capital Reserve	60,910.78	60,910.78
Retained Earnings	(13,86,94,774.98)	(13,57,91,301.78)
	(13,70,32,966.26)	(13,41,29,493.06)

10.1 Securities Premium Account

Particulars	As at 31/3/2023	As at 31/3/2022
Closing balance	16,00,897.94	16,00,897.94

10.2 Capital Reserve

Particulars	As at 31/3/2023	As at 31/3/2022
Opening balance	60,910.78	60,910.78
Closing balance	60,910.78	60,910.78

10.3 Retained Earnings

Particulars	As at 31/3/2023	As at 31/3/2022
Opening balance	(13,57,91,301.78)	(12,70,41,458.67)
Add: Profit/ (Loss) for the year	(29,03,473.20)	(87,49,843.11)
Closing balance	(13,86,94,774.98)	(13,57,91,301.78)

Guangdong Symphony Kerulai Air Coolers Co., Ltd

Notes forming part of the Financial Statements

(11) NON-CURRENT BORROWINGS

(In RMB)

Particulars	As at 31/3/2023	As at 31/3/2022
Unsecured		
Loan from related party	4,90,69,414.35	1,60,93,764.01
	<u>4,90,69,414.35</u>	<u>1,60,93,764.01</u>

(12) OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at 31/3/2023	As at 31/3/2022
Lease liabilities	65,883.49	30,96,125.33
	<u>65,883.49</u>	<u>30,96,125.33</u>

(13) BORROWINGS

Particulars	As at 31/3/2023	As at 31/3/2022
Unsecured		3,29,75,650.34
Loan from Bank	-	-
Interest Payable Accrued But Not Due	-	-
	<u>-</u>	<u>3,29,75,650.34</u>

(14) TRADE PAYABLES

14.1 Particulars	As at 31/3/2023	As at 31/3/2022
Trade Payables	83,32,512.13	96,95,824.42
	<u>83,32,512.13</u>	<u>96,95,824.42</u>

14.2 Trade payables ageing schedule for March 31, 2023 is as below

Sr No	Particulars	Outstanding for following periods from due date of Payment					Total
		Unbilled Dues	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME				-	-	-
2	Others	38,69,719.01	33,52,046.75		-	11,10,746.37	83,32,512.13
3	Disputed dues - MSME				-	-	-
4	Disputed dues - Others				-	-	-
	Total	38,69,719.01	33,52,046.75	0.00	0.00	11,10,746.37	83,32,512.13

14.3 Trade payables ageing schedule for March 31, 2022 is as below

Sr No	Particulars	Outstanding for following periods from due date of Payment					Total
		Unbilled Dues	Less than 1 year	1-2 years	2-3 Years	More than 3 years	
1	MSME	-	-	-	-	-	-
2	Others	33,94,673.99	51,90,404.06	-	5,000.00	11,05,746.37	96,95,824.42
3	Disputed dues - MSME	-	-	-	-	-	-
4	Disputed dues - Others	-	-	-	-	-	-
	Total	33,94,673.99	51,90,404.06	-	5,000.00	11,05,746.37	96,95,824.42

(15) OTHER FINANCIAL LIABILITIES

Particulars	As at 31/3/2023	As at 31/3/2022
Lease liabilities	30,96,125.39	29,55,717.06
	<u>30,96,125.39</u>	<u>29,55,717.06</u>

(16) OTHER CURRENT LIABILITIES

Particulars	As at 31/3/2023	As at 31/3/2022
Advance from customers	42,71,201.90	45,77,598.67
Statutory dues	1,41,958.79	93,589.12
Other payables	1,39,450.00	1,99,057.00
	<u>45,52,610.69</u>	<u>48,70,244.79</u>

(17) PROVISIONS

Particulars	As at 31/3/2023	As at 31/3/2022
Provision for Warranty	4,99,262.87	4,45,023.91
	<u>4,99,262.87</u>	<u>4,45,023.91</u>
	As at 31/3/2023	As at 31/3/2022
Opening balance	4,45,023.91	3,86,340.45
Additional provisions recognised	54,888.96	65,038.31
Reductions arising from payments	(650.00)	(6,354.85)
Reductions arising from remeasurement or settlement	-	-
Closing balance	<u>4,99,262.87</u>	<u>4,45,023.91</u>

Guangdong Symphony Keruilai Air Coolers Co., Ltd

Notes forming part of the Financial Statements

(18) REVENUE FROM OPERATIONS

(In RMB)

18.1 Particulars	Year Ended 31/3/2023	Year Ended 31/3/2022
Gross Revenue from Sale of Products	2,77,64,012.79	3,24,29,695.82
Less: Excise Duty	-	-
Revenue from Sale of Products	2,77,64,012.79	3,24,29,695.82
Other Operating Revenue	-	-
	2,77,64,012.79	3,24,29,695.82
Sale of products comprises of :		
Air Coolers	2,51,96,266.93	2,99,96,839.40
Others	25,67,745.86	24,32,856.42
	2,77,64,012.79	3,24,29,695.82

18.2 Reconciling the amount of revenue recognised in the statement of profit and loss with the contracts

Particulars	Year Ended 31/3/2023	Year Ended 31/3/2022
Revenue as per contracted price	2,77,64,012.79	3,24,29,695.82
Adjustments		
Extended warranties	-	-
Rebate	-	-
Others (pls. specify)	-	-
Sales return	-	-
Discount	-	-
Revenue from contract with customers	2,77,64,012.79	3,24,29,695.82

(19) OTHER INCOME

Particulars	Year Ended 31/3/2023	Year Ended 31/3/2022
Interest Income	47,868.24	6,397.53
Foreign Exchange Fluctuation(Net)	19,682.27	
Gain on disposal of property, plant and equipment	-	1,91,879.50
Other Non Operating Income	11,43,073.87	2,05,081.50
	12,10,624.38	4,03,358.53

(20) COST OF MATERIALS CONSUMED

Particulars	Year Ended 31/3/2023	Year Ended 31/3/2022
Opening Stock of Raw Materials	35,25,693.41	33,88,897.07
Add: Purchases	1,65,37,951.85	2,27,73,822.30
Less: Closing Stock of Raw Materials	28,35,918.61	35,25,693.41
	1,72,27,726.65	2,26,37,025.96

(21) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	Year Ended 31/3/2023	Year Ended 31/3/2022
Opening Stock		
Work-in-Progress	-	-
Finished Goods	29,99,633.26	19,11,839.83
Less:		
Closing Stock		
Work-in-Progress	-	-
Finished Goods	18,82,747.74	29,99,633.26
	11,16,885.52	(10,87,793.43)

(22) EMPLOYEE BENEFITS EXPENSE

Particulars	Year Ended 31/3/2023	Year Ended 31/3/2022
Salaries, Wages and Bonus	56,99,063.54	81,15,701.33
Contribution to Provident Fund and Other Funds	5,45,171.59	7,60,753.30
Staff Welfare Expenses	3,00,443.30	4,01,655.10
	65,44,678.43	92,78,109.73

Guangdong Symphony Keruilai Air Coolers Co., Ltd

Notes forming part of the Financial Statements

(23) FINANCE COSTS

(In RMB)

Particulars	Year Ended 31/3/2023	Year Ended 31/3/2022
Interest Expenses	2,06,690.45	26,26,178.74
	2,06,690.45	26,26,178.74

(24) ADVERTISEMENT AND SALES PROMOTION EXPENSE

Particulars	Year Ended 31/3/2023	Year Ended 31/3/2022
Advertisement and Sales Promotion	1,91,554.30	1,98,002.23
Conference and Other Expenses	-	-
	1,91,554.30	1,98,002.23

(25) OTHER EXPENSES

Particulars	Year Ended 31/3/2023	Year Ended 31/3/2022
Stores, Spare parts and Packing Material consumed	-	67,724.68
Power and Fuel	5,87,847.55	2,34,571.90
Repairs & Maintenance		
Machinery	67,840.70	1,45,297.83
Rent	1,10,453.69	5,61,833.57
Rates & Taxes	92,903.40	1,10,090.34
Travelling	79,402.70	1,97,993.63
Communication Expenses	57,822.52	69,066.27
Insurance	17,547.17	29,613.21
Printing and stationery charges	10,998.92	41,498.72
Legal & Professional Charges	24,000.00	71,333.16
Payment to Auditors (Refer Note no. 27)	90,000.00	2,28,000.00
Vehicle Expenses	47,287.70	7,550.41
General Expenses	9,40,977.30	10,91,915.97
Bank Charges	43,743.54	38,106.86
Foreign Exchange Fluctuation(Net)	-	38,271.81
Freight & Forwarding Charges	3,10,192.19	4,84,427.80
Warranty Expense	54,888.96	65,038.31
Sales Commission	1,47,557.91	(49,236.61)
VAT and Sales Tax	-	55,187.97
	26,83,464.25	34,88,285.83

(26) EARNINGS PER SHARE

Particulars	Year Ended 31/3/2023	Year Ended 31/3/2022
Face value of Equity Shares (RMB)	-	-
Net Profit available for Equity Shareholders(In RMB)	(29,03,473.20)	(87,49,843.11)
No. of Equity Shares	-	-
Basic and Diluted EPS (RMB)	-	-

Guangdong Symphony Keruilai Air Coolers Co., Ltd

Notes forming part of the Financial Statements

(27) Segment Reporting

(a) Secondary Segment : Geographical segment

	<u>2022-23</u>	(In RMB) <u>2021-22</u>
(1) Segment Revenue		
China	1,75,50,279.89	1,87,88,072.99
Rest of the world	1,02,13,732.90	1,36,41,622.83
Net Revenue from Sale of Products	<u>2,77,64,012.79</u>	<u>3,24,29,695.82</u>
(2) Segment Profit before Interest and Taxes (PBIT)		
China	(16,96,276.35)	(39,80,381.84)
Rest of the world	(10,00,506.40)	(21,43,282.53)
Total	<u>(26,96,782.75)</u>	<u>(61,23,664.37)</u>
Less: Finance Costs	2,06,690.45	26,26,178.74
Less: Taxes	-	-
Total Profit After Tax	<u>(29,03,473.20)</u>	<u>(87,49,843.11)</u>

Guangdong Symphony Keruilai Air Coolers Co., Ltd

Notes forming part of the Financial Statements

(28) Related Party Disclosures

(In RMB)

Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	2022- 23		2021-22	
				Volume of transaction	Balance at the end of the year	Volume of transaction	Balance at the end of the year
1	Symphony Limited	The parent company	Sale of Goods	3,57,905.20	(49,818.96)	5,99,512.69	(3,16,613.61)
			Sale of Moulds			7,17,704.00	
			Purchase of Goods			-	
			Software Expenses	39,000.00		39,000.00	
			R&D Charges	1,59,440.09		-	
2	Symphony Limited	The parent company	Loan Given		4,90,69,414.35	70,30,700.00	4,90,69,414.35
			Loan interest	-		22,85,447.52	
3	IMPCO S DE RL DE C V., Mexico	Subsidiary of Symphony Limited	Purchase of Goods		8,18,295.78	-	(13,540.71)
			Sale of Goods	22,09,857.14		20,53,281.44	
4	Climate Technologies Pty. Limited	Subsidiary of Symphony AU Pty. Limited	Sale of Moulds & Tools	8,300.00	-		-
			Sale of Goods	7,60,356.52		19,50,348.10	
5	Symphony Climatizadores LTDA Brazil	Subsidiary of Symphony Limited	Purchase of Goods		-		1,38,898.62
			Sale of Goods	2,13,430.93		2,86,420.90	
6	Bonaire USA LLC	Subsidiary of Symphony Limited	Purchase of Goods		1,35,935.97		
			Sale of Goods	1,33,512.68			

(29) Auditors' Remuneration (Refer Note no. 23)

	2022- 23	2021-22
a) As Auditor	90,000.00	2,28,000.00
b) In other capacity, in respect of		
i) Tax Audit	-	-
ii) Certification	-	-
iii) Taxation Matters	-	-
	90,000.00	2,28,000.00

(30) Leases

30.1 : Leasing Arrangement

Effective from April 01, 2019, the Company adopted 'Ind AS 116 – Leases' and applied the Standard to all lease contracts existing as on April 01, 2019 using the modified retrospective method on the date of initial application i.e. April 01, 2019. The impact of Ind AS 116 is as follows:

Balance Sheet

The adoption of Ind AS 116 has resulted in an increase in total assets of RMB 32,20,450.92 and liabilities are increased by RMB 32,20,450.92 as at April 01, 2019.

Statement of profit and loss

Depreciation increased by RMB 15,49,724.54, finance costs increased by RMB 1,18,875.46 due to the interest on lease liabilities and operating lease expenses decreased by RMB 16,68,600.00 during the year ended March 31, 2020.

Statement of cash flows

Cash flows from operating activities increased by RMB 16,68,600.00 with a corresponding increase in cash used in financing activities on account of lease payments during the year ended March 31, 2020.

Operating lease is related to factory rental and temporary warehouse

30.2 : Payment recognised as an expenses

	2022- 23	2021-22
Minimum Lease Payments	30,84,809.57	31,62,407.52
Contingent Rentals		
Sub-Lease payment received		
Total	30,84,809.57	31,62,407.52

If there is some Non-cancellable operating lease then, following details are also required:

30.3 : Non-cancellable operating lease commitments

	2022- 23	2021-22
Note later than 1 year	30,96,125.39	29,55,717.06
Later than 1 year and not later than 5 years	65,883.49	30,96,125.33
Later than 5 years		
	31,62,008.88	60,51,842.39

(31) Details of yearwise carryforward loss of previous years under Income Tax Act. And for how many years the loss can be carryforward.

Item	Year	Loss/profit	Carryforward loss
Previous Year 10	2011	-11,32,374.92	
Previous Year 9	2012	49,84,460.32	
Previous Year 8	2013	-2,71,49,967.49	
Previous Year 7	2014	-1,67,25,689.75	
Previous Year 6	2015	-1,30,33,552.10	
Previous Year 5	2016	-1,02,97,905.19	-1,02,97,905.19
Previous Year 4	2017	-1,05,10,050.41	-2,08,07,955.60
Previous Year 3	2018	-39,25,711.04	-2,47,33,666.64
Previous Year 2	2019	-69,81,780.78	-3,17,15,447.42
Previous Year 1	2020	-1,10,64,495.78	-4,27,79,943.20
Current Year	2021	-93,84,346.44	-5,21,64,289.64
Total		-10,52,21,413.58	

(32) Maturities of financial liabilities:

The tables below analyse the Company's financial liabilities into relevant maturity groupings base on their contractual maturities for all non-derivative financial liabilities.

Guangdong Symphony Keruilai Air Coolers Co., Ltd

Notes forming part of the Financial Statements

Particulars	As at Mar, 2023		
	Less than 1 year	1 to 5 years	> 5 years
Non-current			
(i) Borrowings		4,90,69,414.35	
(ii) Lease liabilities		65,883.49	-
Current			
(i) Borrowings		-	-
(ii) Trade payables	83,32,512.13	-	-
(iii) Lease liabilities	30,96,125.39	-	-
Particulars	As at Mar, 2022		
	Less than 1 year	1 to 5 years	> 5 years
Non-current			
(i) Borrowings		1,60,93,764.01	
(ii) Lease liabilities		30,96,125.33	-
Current			
(i) Borrowings		3,29,75,650.34	-
(ii) Trade payables	96,95,824.42	-	-
(iii) Lease liabilities	29,55,717.06	-	-

The surplus funds with the Company and operational cash flows will be sufficient to dispose the financial liabilities within the maturity period.

Guangdong Symphony Keruilai Air Coolers Co., Ltd

Notes forming part of the Financial Statements

(33) Particulars of Unhedged Foreign Currency Exposure as at the Balance Sheet Date

Particulars	Currency	2022-23		2021-22	
		In Foreign Currency	In RMB	In Foreign Currency	In RMB
Trade Payables	US\$				
Advance for Import purchases	US\$				
Advance from Customer	US\$	79,753.00	5,49,407.38	33,295.57	2,11,366.94
	GBP				
Trade Receivable	US\$	1,47,575.88	10,14,097.17	21,892.98	1,38,981.02
	EURO	-	-	-	-
Loan Receivable	US\$	-	-	-	-

(34) Expenditure on Research & Development activities as certified by the Management are as under

<u>Particulars</u>	<u>2022-23</u>	<u>2021-22</u>
Revenue Expenditure		
Material Cost	85,122.85	1,16,613.19
Other Expenses	1,88,618.99	1,35,185.90
Total	<u>2,73,741.84</u>	<u>2,51,799.09</u>

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