

COMPONENT AUDITOR CLEARANCE MEMORANDUM

From: DFK Llarena, Monterrey, México.
Date: April 15, 2023
To: Mr. Kartikeya Raval (Partner) / Ms. Riddhi Mehta (Manager), Ahmedabad

In accordance with your instructions dated December 23, 2022, February 27, 2023 and March 24, 2023, we have audited for purposes of your audit of the consolidated financial statements of *Symphony Limited* (the "Group") the financial information included in the special purpose reporting package (the "financial information") of Impco, S. de R.L. de C.V., for the year ended March 31, 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 G and Appendix H.

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.

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 specified 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 Impco, S. de R.L. de C.V. as of March 31, 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.

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 Impco, S. de R.L. de C.V. in accordance with Group's accounting Policies, and is not intended to give a true and fair view of the financial position of Impco, S. de R.L. de C.V. as of March 31, 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.



Salvador Llarena Menard
Partner / DFK Llarena
April 15, 2023

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IMPCO, S. de R. L. de C. V.**BALANCE SHEET AS AT MARCH 31, 2023**

(In '000 MXP)

| Particulars | Note | As at 31/03/2023 | As at 31/03/2022 |
|--------------------------------------|------|---------------------|---------------------|
| I ASSETS | | | |
| (1) Non-Current Assets | | | |
| (a) Property, plant and Equipment | 2a) | 22,093 | 10,346 |
| (b) Right-of-use-asset | 2a) | 25,644 | 1,491 |
| (c) Capital work - in - progress | 2b) | - | - |
| (d) Other Intangible Assets | 2b) | 1,209 | 1,406 |
| (e) Deferred Income Tax Asset | 3 | 18,001 | 17,185 |
| (f) Financial Assets | | | |
| (i) Other Financial Assets | 4 | 1,259 | 787 |
| Total Non-Current Assets | | 68,206 | 31,215 |
| (2) Current Assets | | | |
| (a) Inventories | 5 | 133,475 | 119,211 |
| (b) Financial Assets | | | |
| (i) Other Investments | 6 | 2 | 1,606 |
| (ii) Trade Receivables | 7 | 53,300 | 83,511 |
| (iii) Cash and Cash Equivalents | 8 | 1,731 | 4,461 |
| (c) Other Current Assets | 9 | 66,269 | 33,018 |
| Total Current Assets | | 254,777 | 241,807 |
| Total Assets | | 322,983 | 273,022 |
| II EQUITY AND LIABILITIES | | | |
| (1) Equity | | | |
| (a) Equity Share Capital | 10 | 1 | 1 |
| (b) Other Equity | 11 | 163,263 | 158,919 |
| Total Equity | | 163,264 | 158,920 |
| (2) Non-Current Liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Lease Liabilities | 12 | 18,862 | - |
| (b) Provisions | 13 | 7,707 | 7,547 |
| Total Non-Current Liabilities | | 26,569 | 7,547 |
| (3) Current Liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 14 | 200 | 5,800 |
| (ii) Trade Payables | 15 | 105,544 | 73,042 |
| (iii) Lease Liabilities | 16 | 7,828 | 1,684 |
| | | 113,572 | 80,526 |
| (b) Other Current Liabilities | 17 | 16,282 | 17,262 |
| (c) Provisions | 18 | 1,456 | 506 |
| (d) Current tax liabilities (Net) | 19 | 1,840 | 8,261 |
| Total Current Liabilities | | 133,150 | 106,555 |
| Total Liabilities | | 159,719 | 114,102 |
| Total Equity and Liabilities | | 322,983 | 273,022 |

See accompanying notes forming part
of the Financial Statements

1-27a)



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IMPCO, S. de R. L. de C. V.**STATEMENT OF PROFIT AND LOSS FOR THE YEAR QUARTER MARCH 31, 2023**

(In '000 MXP)

| Particulars | Note | Year Ended 31/03/2023 | Year Ended 31/03/2022 |
|--|------|--------------------------|--------------------------|
| I Revenue from Operations | 20 | 289,869 | 282,234 |
| II Other Income | 21 | 3,029 | 2,189 |
| III Total Revenue (I + II) | | 292,898 | 284,423 |
| IV Expenses: | | | |
| Cost of Material Consumed | 22 | 132,400 | 107,849 |
| Purchase of Stock-in-Trade | 23 | 64,860 | 85,544 |
| Changes in Inventories of Finished Goods, Work- in-Progress and Stock-in-Trade | 24 | (9,066) | (15,952) |
| Employee Benefit Expense | 25 | 28,366 | 24,406 |
| Finance Costs | 26 | 3,412 | 464 |
| Depreciation and Amortization Expense | 2 | 12,258 | 5,441 |
| Advertisement and Sales Promotion Expense | 27 | 2,900 | 2,784 |
| Other Expenses | 27a) | 50,322 | 42,595 |
| Total Expenses (IV) | | 285,452 | 253,131 |
| V Profit before Exceptional Items and tax (III - IV) | | 7,446 | 31,292 |
| VI Exceptional Items | | - | - |
| VII Profit before Tax (III - IV) | | 7,446 | 31,292 |
| VIII Tax Expense: | | | |
| Current Tax | | 2,933 | 9,841 |
| Deferred Tax | | (521) | (1,581) |
| IX Profit for the year (V - VI) | | 5,034 | 23,032 |
| X Other comprehensive income | | | |
| Items that will not to be reclassified to profit or loss : | | | |
| (i) Remeasurements of the defined benefit plans | | (985) | 1,533 |
| (ii) Income tax effect on above | | 295 | (460) |
| 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/(loss), net of tax(VIII) | | (690) | 1,073 |
| XII Total comprehensive income for the year (VII+VIII) | | 4,344 | 24,105 |
| See accompanying notes forming part of the Financial Statements 1-27a) | | | |

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IMPCO, S. de R. L. de C. V.**STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED MARCH 31, 2023****A EQUITY SHARE CAPITAL**

Amount in '000 MXP

| | |
|------------------------------|---|
| Balance as at March 31, 2021 | 1 |
| Add: Issue during the period | - |
| Balance as at March 31, 2022 | 1 |
| Add: Issue during the period | - |
| Balance as at March 31, 2023 | 1 |

B OTHER EQUITY

Amount in '000 MXP

| Particulars | Retained Earnings | Total |
|--|-------------------|---------|
| Balance as on March 31, 2021 | 134,814 | 134,814 |
| Profit during the year | 23,032 | 23,032 |
| Other Comprehensive Income for the period, net of income tax | 1,073 | 1,073 |
| Total Comprehensive Income for the period | 24,105 | 24,105 |
| IND AS adjustment in Other Equity | - | - |
| Balance as on March 31, 2022 | 158,919 | 158,919 |

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STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED MARCH, 2023

(In '000 MXP)

| Particulars | Year Ended 31/03/2023 | Year Ended 31/03/2022 |
|---|-----------------------------|-----------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Profit for the year | 5,034 | 23,032 |
| Adjustments For | | |
| Income tax expenses recognised in profit or loss | 2,412 | 8,260 |
| Depreciation and Amortization Expense | 12,258 | 5,441 |
| Gain on Cancellation of lease contract | (101) | - |
| Finance costs recognised in profit or loss | 3,412 | 464 |
| Interest Income recognised in profit or loss | (963) | (580) |
| Allowances for credit losses on trade receivables | - | - |
| (Gain)/Loss on disposal of property, plant and equipment | (43) | 165 |
| Operating Profit Before Working Capital Changes | 22,009 | 36,782 |
| Movements in working capital: | | |
| (Increase) in trade and other receivables | 30,211 | (23,408) |
| (Increase)/Decrease in inventories | (14,264) | (41,681) |
| Decrease in other assets | (33,724) | 154 |
| Increase/(Decrease) in trade payables | 30,310 | 23,962 |
| Increase in other liabilities | (980) | 4,177 |
| Increase/(Decrease) in provisions | 178 | 1,076 |
| Cash Generated from Operations | 33,740 | 1,062 |
| Income taxes paid | (9,406) | (3,154) |
| Net Cash generated by Operating Activities (A) | 24,334 | (2,092) |
| B CASH FLOW FROM INVESTING ACTIVITIES : | | |
| Payments to acquire property, plant and equipment / Intangibles | (14,621) | (4,983) |
| Proceeds from disposal of property, plant and equipment | 43 | 164 |
| Interest Received | 963 | 580 |
| Net payments to acquire mutual funds | 1,604 | 7,494 |
| Payments to acquire financial assets | (28) | - |
| Net Cash generated / (Used) in Investing Activities (B) | (12,039) | 3,255 |
| C CASH FLOW FROM FINANCING ACTIVITIES : | | |
| Cash received from bank loans | 16,295 | 5,800 |
| Payments of principal on bank loans | (21,895) | - |
| Payments on lease liabilities | (6,223) | (3,405) |
| Finance Cost paid | (3,230) | (464) |
| Net Cash Used in Financing Activities (C) | (15,053) | 1,931 |
| Net Increase (Decrease) in Cash & Cash Equivalents (A+B+C) | (2,758) | 3,094 |
| Cash & Cash Equivalents at the beginning of the year | 3,910 | 816 |
| Cash & Cash Equivalents at the end of the year | 1,152 | 3,910 |
| Cash on Hand | 30 | 66 |
| Balances with Schedule Bank in Current Account | 1,122 | 3,844 |
| Cash & Cash Equivalents included in Note no.8 | 1,152 | 3,910 |

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Notes forming part of the Financial Statements

(1) Significant Accounting Policies:

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

Upto the year ended March 31, 2017, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016.

(i) Basis of Accounting:

The Accounts have been prepared using historical cost convention and on the basis of going concern.

Opening / Closing Balances of Assets and Liabilities are converted at opening / closing rates respectively. Transaction during the year are converted at the average rate.

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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) | Capital WIP (C) | Grand Total (A+B+C) |
|--|--------------------------|-----------|--------------------|-------------------|----------------------|----------|----------|-----------|-------------------------|-----------|-----------------|---------------------|
| | Free Hold Land | Buildings | Right to Use Asset | Plant & Machinery | Furniture & Fixtures | Computer | Vehicles | | | | | |
| Gross Block | | | | | | | | | | | | |
| As at 31/03/2021 | - | 3,737 | 10,888 | 20,989 | 1,044 | 1,309 | 2,804 | 40,771 | 1,958 | 1,958 | - | 42,729 |
| Additions | - | 57 | 235 | 4,414 | - | 42 | - | 4,748 | - | - | - | 4,748 |
| Disposals | - | - | - | 5,088 | - | 280 | - | 5,368 | - | - | - | 5,368 |
| As at 31/03/2022 | - | 3,794 | 11,123 | 20,315 | 1,044 | 1,071 | 2,804 | 40,161 | 1,958 | 1,958 | - | 42,109 |
| Additions | - | 13 | 17,486 | 2,528 | - | 62 | - | 20,089 | - | - | - | 20,089 |
| Disposals | - | - | 11,123 | 3 | - | 8 | 148 | 11,282 | - | - | - | 11,282 |
| As at 30/06/2022 | - | 3,807 | 17,486 | 22,840 | 1,044 | 1,125 | 2,656 | 48,958 | 1,958 | 1,958 | - | 50,916 |
| Additions | - | 216 | 13,691 | 1,782 | - | 70 | - | 15,759 | - | - | 8,336 | 24,095 |
| Disposals | - | - | - | - | - | - | - | - | - | - | - | - |
| As at 30/09/2022 | - | 4,023 | 31,177 | 24,622 | 1,044 | 1,195 | 2,656 | 64,717 | 1,958 | 1,958 | 8,336 | 75,011 |
| Additions | - | - | - | 10,434 | 85 | 35 | - | 10,554 | - | - | 1,054 | 11,608 |
| Disposals | - | - | - | - | - | - | - | - | - | - | 8,137 | 8,137 |
| As at 31/12/2022 | - | 4,023 | 31,177 | 35,056 | 1,129 | 1,230 | 2,656 | 75,271 | 1,958 | 1,958 | 1,253 | 78,482 |
| Additions | - | 1,482 | 32,067 | 15,053 | 85 | 193 | - | 48,880 | - | - | 9,390 | 58,270 |
| Disposals | - | - | 11,123 | 3 | - | 8 | 148 | 11,282 | - | - | 9,390 | 20,672 |
| As at 31/03/2023 | - | 5,276 | 32,067 | 35,365 | 1,129 | 1,256 | 2,656 | 77,749 | 1,958 | 1,958 | - | 79,707 |
| Accumulated Depreciation and Amortization | | | | | | | | | | | | |
| As at 31/03/2021 | - | 596 | 6,321 | 17,315 | 365 | 1,132 | 2,383 | 28,112 | 352 | 352 | - | 28,464 |
| Depreciation and Amortization For The Period | - | 190 | 3,311 | 1,370 | 102 | 113 | 155 | 5,241 | 200 | 200 | - | 5,441 |
| Eliminated on disposals of assets | - | - | - | 4,759 | - | 280 | - | 5,039 | - | - | - | 5,039 |
| As at 31/03/2022 | - | 786 | 9,632 | 13,926 | 467 | 965 | 2,538 | 28,314 | 552 | 552 | - | 28,866 |
| Depreciation and Amortization For The Period | - | 211 | 6,995 | 4,516 | 105 | 79 | 155 | 12,061 | 197 | 197 | - | 12,258 |
| Eliminated on disposals of assets | - | - | 10,204 | 3 | - | 8 | 148 | 10,363 | - | - | - | 10,363 |
| As at 31/03/2023 | - | 997 | 6,423 | 18,439 | 572 | 1,036 | 2,545 | 30,012 | 749 | 749 | - | 30,761 |
| Net Block | | | | | | | | | | | | |
| As at 31/03/2021 | - | 3,141 | 4,567 | 3,674 | 679 | 177 | 421 | 12,659 | 1,606 | 1,606 | - | 14,265 |
| As at 31/03/2022 | - | 3,008 | 1,491 | 6,389 | 577 | 106 | 266 | 11,837 | 1,406 | 1,406 | - | 13,243 |

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Notes forming part of the Financial Statements

(In '000 MXP)

(3) DEFERRED TAX LIABILITIES/(ASSETS) (NET)

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|---|---------------------|------------------|
| Deferred Tax Liabilities/(Assets) on | | |
| (i) Property, plant and equipment and intangible assets | 7,412 | (8) |
| (ii) Tax effect on non deductible expenses | (19,533) | (11,923) |
| (iii) Carry forward tax losses | - | - |
| (iv) Others | (5,890) | (5,254) |
| Total | (18,001) | (17,185) |

Movement of Deferred Tax Liabilities / Assets
For the year ended March 31, 2023

| Particulars | Opening Balance | Recognised in profit or loss | Recognised in Other Comprehensi ve Income | Reclassified from Other Equity to Profit or Loss | Closing Balance |
|---|--------------------|------------------------------------|--|---|-----------------|
| (i) Property, plant and equipment and intangible assets | (8) | 7,420 | - | - | (8) |
| (ii) Tax effect on non deductible expenses | (11,923) | (7,510) | - | - | (11,923) |
| (iii) Carry forward tax losses | - | - | - | - | - |
| (iv) Others | (5,254) | (331) | (295) | - | (5,254) |
| Deferred Tax Liabilities/(Assets) Net | (17,185) | (521) | (295) | - | (17,185) |

(4) OTHER NON-CURRENT FINANCIAL ASSETS

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|----------------------------|---------------------|------------------|
| Unsecured, considered good | | |
| Other loans and advances | | |
| Deposit Others | 1,259 | 787 |
| | 1,259 | 787 |

(5) INVENTORIES

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|--|---------------------|------------------|
| Raw materials (Including Packing Material) | 53,529 | 48,331 |
| Finished Goods | 63,898 | 40,274 |
| Stock-in-Trade Including Goods in Transit | 16,008 | 30,606 |
| | 133,475 | 119,211 |

(6) OTHER INVESTMENTS

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|-------------------------------------|---------------------|------------------|
| Current Investments | Nos. | Nos. |
| Unquoted Investments | | |
| Investment in Mutual Funds at FVTPL | | |
| BBVA BANCOMER S.A.-BMRGBP Series E | 125 2 | 619,147 1,506 |
| | 2 | 1,506 |

(7) TRADE RECEIVABLE

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|-------------------------------------|---------------------|------------------|
| Considered good - Unsecured | 78,645 | 109,856 |
| Less : Allowances for credit losses | (25,345) | (25,345) |
| | 53,300 | 83,511 |

Movement in the expected credit loss allowance

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|---|---------------------|------------------|
| Balance at beginning of the year | 25,345 | 25,345 |
| Change in allowance for credit impairment during the year | - | - |
| Trade receivables written off during the year | - | - |
| Balance at end of the year | 25,345 | 25,345 |

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

Trade receivables aging schedule as on March 31, 2022 is as below

| Sr No | Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|-------|--------------------------------|--|--------------------|-------------------|-----------|-----------|-------------------|--------|
| | | No Due | Less than 6 months | 6 Months - 1 year | 1-2 Years | 2-3 Years | More than 3 years | |
| 1 | Undisputed Trade receivables - | 73,081 | 3,719 | - | 6,711 | - | - | 83,511 |
| 2 | Undisputed Trade receivables - | - | - | - | - | - | - | - |
| | Total | 73,081 | 3,719 | - | 6,711 | - | - | 83,511 |

Trade receivables aging schedule as on March 31, 2023 is as below

| Sr No | Particulars | Outstanding for following periods from due date of payment | | | | | | Total |
|-------|--------------------------------|--|--------------------|-------------------|-----------|-----------|-------------------|--------|
| | | No Due | Less than 6 months | 6 Months - 1 year | 1-2 Years | 2-3 Years | More than 3 years | |
| 1 | Undisputed Trade receivables - | 35,016 | 9,586 | 1,811 | 876 | - | 6,009 | 53,300 |
| 2 | Undisputed Trade receivables - | - | - | - | - | - | - | - |
| | Total | 35,016 | 9,586 | 1,811 | 876 | - | 6,009 | 53,300 |

(8) CASH & CASH EQUIVALENTS

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|--|---------------------|------------------|
| Cash and Cash Equivalents | | |
| Cash on Hand | 16 | 31 |
| Balance with employees imprest account | 14 | 35 |
| Balance with banks in current accounts | 1,122 | 3,844 |
| | 1,152 | 3,910 |
| Other Bank Balances | | |
| In Earmarked Accounts | 579 | 551 |
| Margin Accounts | 1,731 | 4,461 |

(9) OTHER CURRENT ASSETS

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|---|---------------------|------------------|
| Advance for supply of goods and rendering of services | | |
| Unsecured, considered good | 55,132 | 18,744 |
| Advances to related parties | - | 44 |
| Balance with statutory / government authorities | 11,137 | 14,230 |
| | 66,269 | 33,018 |

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Notes forming part of the Financial Statements

(In '000 MXP)

(10) EQUITY SHARE CAPITAL

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|---------------|---------------------|---------------------|
| Share Capital | 1 | 1 |
| | 1 | 1 |

The details of shareholder holding more than 5% shares as at March 31, 2023 is set out below:

| Name of the shareholder | % held as at March 31, 2023 | % held as at March 31, 2022 |
|-------------------------|-----------------------------------|--------------------------------|
| Symphony Limited | 99.90% | 99.90% |

(11) OTHER EQUITY

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|-------------------|---------------------|---------------------|
| Retained Earnings | 163,263 | 158,919 |
| | 163,263 | 158,919 |

11.1 Retained Earnings

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|---|---------------------|---------------------|
| Opening Balance | 158,919 | 134,814 |
| Profit for the year | 5,034 | 23,032 |
| Other Comprehensive income arising from remeasurement of defined benefit obligation, net of tax | (690) | 1,073 |
| Amount available for appropriation | 163,263 | 158,919 |
| Appropriations: | - | - |
| Closing Balance | 163,263 | 158,919 |

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Notes forming part of the Financial Statements

(In '000 MXP)

(12) OTHER NON-CURRENT FINANCIAL LIABILITIES

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|--------------------------------|---------------------|---------------------|
| Lease Liabilities (LT-Portion) | 18,862 | - |
| | <u>18,862</u> | <u>-</u> |

(13) LONG-TERM PROVISIONS

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|------------------------------------|---------------------|---------------------|
| Provision for Defined Benefit Plan | 7,707 | 7,547 |
| | <u>7,707</u> | <u>7,547</u> |

(14) BORROWINGS

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|-------------|---------------------|---------------------|
| Bank Loans | 200 | 5,800 |
| | <u>200</u> | <u>5,800</u> |

(15) TRADE PAYABLES

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|------------------------------|---------------------|---------------------|
| Trade Payables | 78,733 | 39,339 |
| Trade Payables Related Party | 26,811 | 33,703 |
| | <u>105,544</u> | <u>73,042</u> |

Trade payables aging schedule for March 31, 2022 is as below:

| Sr No | Particulars | Outstanding for following periods from due date of Payment | | | | | Total |
|-------|--------------|--|---------------------|-----------|-----------|----------------------|---------------|
| | | No Due | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| 1 | MSME | - | - | - | - | - | - |
| 2 | Others | 24,206 | 48,836 | - | - | - | 73,042 |
| | Total | 24,206 | 48,836 | - | - | - | 73,042 |

Trade payables aging schedule for March 31, 2023 is as below:

| Sr No | Particulars | Outstanding for following periods from due date of Payment | | | | | Total |
|-------|--------------|--|---------------------|--------------|-----------|----------------------|----------|
| | | No Due | Less than 1 year | 1-2 years | 2-3 Years | More than 3 years | |
| 1 | MSME | - | - | - | - | - | - |
| 2 | Others | 15,199 | 87,722 | 2,591 | 32 | - | 105,544 |
| | Total | 15,199 | 87,722 | 2,591 | 32 | - | - |

(16) OTHER FINANCIAL LIABILITIES

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|--------------------------------|---------------------|---------------------|
| Lease Liabilities (ST Portion) | 7,828 | 1,684 |
| | <u>7,828</u> | <u>1,684</u> |

(17) OTHER CURRENT LIABILITIES

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|------------------------|---------------------|---------------------|
| For other liabilities | | |
| Advance from Customers | 16,282 | 17,262 |
| Statutory Dues | 16,282 | 17,262 |
| | <u>16,282</u> | <u>17,262</u> |

(18) SHORT-TERM PROVISIONS

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|----------------------------------|---------------------|---------------------|
| Provisions for Warranty | 1,456 | 506 |
| | <u>1,456</u> | <u>506</u> |
| | Warranty | Warranty |
| Opening Balance | 506 | 250 |
| Additional provisions recognised | 2,232 | 2,218 |
| Reductions arising from payments | (1,282) | (1,962) |
| Closing Balance | <u>1,456</u> | <u>506</u> |

(19) CURRENT TAX LIABILITIES (NET)

| Particulars | As at 31/03/2023 | As at 31/03/2022 |
|--------------------------|---------------------|---------------------|
| Tax liabilities | | |
| Provision for income tax | 5,986 | 9,043 |
| Total | <u>5,986</u> | <u>9,043</u> |
| Tax assets | | |
| Advance income tax | 4,146 | 782 |
| Total | <u>4,146</u> | <u>782</u> |
| Net | <u>1,840</u> | <u>8,261</u> |

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(20) RECONCILING THE AMOUNT OF REVENUE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS WITH THE CONTRACTED PRICE

| Particulars | Year Ended 31/03/2023 | Year Ended 31/03/2022 |
|---------------------------------|--------------------------|--------------------------|
| Revenue as per contracted price | 317,813 | 318,106 |
| Adjustments | | |
| Allowances | (18,769) | (21,517) |
| Sales return | (8,030) | (13,223) |
| Discount | (945) | (1,132) |
| | <u>289,869</u> | <u>282,234</u> |
| Sale of products comprises of: | | |
| Air Coolers | 263,920 | 276,711 |
| Others | 25,949 | 5,523 |
| | <u>289,869</u> | <u>282,234</u> |

(21) OTHER INCOME

| Particulars | Year Ended 31/03/2023 | Year Ended 31/03/2022 |
|---|--------------------------|--------------------------|
| Interest Income | 983 | 580 |
| Gain on disposal of property, plant and equipment | 43 | - |
| Foreign Exchange Fluctuation | 1,175 | 855 |
| Other Non Operating Income | 848 | 754 |
| | <u>3,029</u> | <u>2,189</u> |

(22) COST OF MATERIAL CONSUMED

| Particulars | Year Ended 31/03/2023 | Year Ended 31/03/2022 |
|--|--------------------------|--------------------------|
| Opening Stock of Raw Materials | 48,331 | 22,602 |
| Add: Purchases | 137,598 | 133,578 |
| Less: Closing Stock of Raw Materials | 53,529 | 48,331 |
| | <u>132,400</u> | <u>107,849</u> |
| Cost of material comprises of Moulded Parts & components of Air Cooler | | |

(23) PURCHASE OF STOCK-IN-TRADE

| Particulars | Year Ended 31/03/2023 | Year Ended 31/03/2022 |
|-------------|--------------------------|--------------------------|
| Air Coolers | 60,506 | 58,175 |
| Others | 4,354 | 27,369 |
| | <u>64,860</u> | <u>85,544</u> |

(24) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESSES AND STOCK-IN-TRADE

| Particulars | Year Ended 31/03/2023 | Year Ended 31/03/2022 |
|------------------|--------------------------|--------------------------|
| Opening Stock | | |
| Work-in-Progress | | |
| Finished Goods | 40,274 | 31,012 |
| Stock-In-Trade | 30,606 | 23,916 |
| Less: | | |
| Closing Stock | | |
| Work-in-Progress | | |
| Finished Goods | 63,938 | 40,274 |
| Stock-In-Trade | 16,008 | 30,606 |
| | <u>(9,066)</u> | <u>(15,952)</u> |

(25) EMPLOYEE BENEFIT EXPENSES

| Particulars | Year Ended 31/03/2023 | Year Ended 31/03/2022 |
|--|--------------------------|--------------------------|
| Salaries, Wages and Bonus | 16,932 | 14,049 |
| Contribution to Provident Fund and Other Funds | 11,434 | 10,357 |
| | <u>28,366</u> | <u>24,406</u> |

(26) FINANCE COSTS

| Particulars | Year Ended 31/03/2023 | Year Ended 31/03/2022 |
|------------------|--------------------------|--------------------------|
| Interest Expense | 3,412 | 464 |
| | <u>3,412</u> | <u>464</u> |

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| Particulars | Year Ended 31/03/2023 | Year Ended 31/03/2022 |
|---|--------------------------|--------------------------|
| (27) Advertisement and Sales Promotion | 2,900 | 2,784 |
| | <u>2,900</u> | <u>2,784</u> |
| (27a) OTHER EXPENSES | | |
| Particulars | Year Ended 31/03/2023 | Year Ended 31/03/2022 |
| Stores, Spareparts and Packing Material consumed | 1,024 | 115 |
| Assembly and Labour Charges | 9,835 | 5,635 |
| Power and Fuel | 385 | 372 |
| Repairs & Maintenance | | |
| Building | 519 | 117 |
| Machinery | 896 | 379 |
| Rent | 2,320 | 2,053 |
| Travelling | 910 | 626 |
| Communication Expenses | 999 | 689 |
| Insurance | 1,627 | 1,271 |
| Printing and stationery charges | 136 | 141 |
| Legal & Professional Charges | 1,750 | 2,419 |
| Payment to Auditors | 655 | 551 |
| Vehicle Expenses | 2,107 | 2,112 |
| General Expenses | 8,133 | 8,825 |
| Bank Charges | 244 | 457 |
| Repairs Others | 202 | 256 |
| Loss on disposal of property, plant and equipment | - | 165 |
| Foreign Exchange Fluctuation | 376 | - |
| Freight & Forwarding Charges | 15,334 | 13,163 |
| Warranty Expense | 2,232 | 2,219 |
| Sales Commission | 638 | 1,030 |
| | <u>50,322</u> | <u>42,595</u> |

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(28) Segment Reporting

(a) Secondary Segment: Geographical segment

| | Year Ended 31/03/2023 | Year Ended 31/03/2022 |
|---|--------------------------|--------------------------|
| (1) Segment Revenue | | |
| Mexico | 280,211 | 273,736 |
| Rest of the world | 9,658 | 8,498 |
| Net Revenue from Sale of Products | 289,869 | 282,234 |
| (2) Segment Profit before Interest and Taxes (PBIT) | | |
| Mexico | 9,164 | 27,976 |
| Rest of the world | 1,693 | 3,780 |
| Total | 10,858 | 31,756 |
| Less: Finance Costs | 3,412 | 464 |
| Less: Taxes | 2,412 | 8,260 |
| Total Profit After Tax | 5,034 | 23,032 |

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(29) Related Party Disclosures

| Sr no | Name of the Related Parties | Nature of relationship with company | Nature of transaction | Apr 2022 - Mar 2023 | | Apr 2021 - Mar 2022 | |
|----------|--|---|-------------------------|--------------------------|--|--------------------------|--|
| | | | | Volume of transaction | Balance at the end of the period | Volume of transaction | Balance at the end of the period |
| 1 | Symphony Limited | The parent company | Sale of Goods | - | - | - | - |
| | | | Software expenses | 124 | - | 124 | - |
| | | | Purchase of fixed asset | 10,629 | - | 211 | - |
| | | | Bank commissions | - | - | 98 | - |
| | | | Purchase of Goods | 19,124 | 24,351 | 37,826 | 33,703 |
| 2 | Symphony Limited | The parent company | Loan taken | - | - | - | - |
| | | | Loan repaid | - | - | - | - |
| | | | Loan interest | - | - | - | - |
| 3 | Guangdong Symphony Kerulal Air Coolers Co., Ltd | Subsidiary of Symphony Limited | Sale of Goods | - | - | - | - |
| | | | Purchase of Goods | 5,977 | 2,179 | 6,543 | (44) |
| 4 | Climate Tech | Subsidiary of Symphony Limited | Sale of Goods | - | - | - | - |
| | | | Purchase of Goods | 56 | - | - | - |
| 5 | Bonaire USA LLC | Subsidiary of Symphony Limited | Sale of Goods | 6,437 | 1,490 | - | - |
| | | | Purchase of Goods | 303 | 281 | - | - |

(30) Auditors' Remuneration

| | mar-23 | mar-22 |
|-------------------------------------|--------|--------|
| a) As Auditor | 592 | 518 |
| b) In other capacity, in respect of | | |
| i) Social Security Audit | 63 | 33 |
| ii) Certification | - | - |
| iii) Taxation Matters | - | - |
| | 655 | 551 |

(31) Leases
31.1 : 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:

31.2 : Payment recognised as an expenses

| | mar-23 | mar-22 |
|----------------------------|--------------|--------------|
| Minimum Lease Payments | 2,320 | 2,053 |
| Contingent Rentals | - | - |
| Sub-Lease payment received | - | - |
| Total | 2,320 | 2,053 |

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

31.3 : Non-cancellable operating lease commitments

| | mar-23 | mar-22 |
|--|--------|--------|
| Not later than 1 year | 10,330 | 1,734 |
| Later than 1 year and not later than 5 years | 21,551 | - |
| Later than 5 years | - | - |
| | 31,881 | 1,734 |

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

| Calendar year of expiration | Tax loss carryforwards | Calendar year of expiration | Tax loss carryforwards |
|--------------------------------|---------------------------|-----------------------------------|---------------------------|
| - | - | - | - |
| - | - | - | - |

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

| Particulars | mar-23 | | | mar-22 | | |
|------------------------------|----------|-----------------------------|-------------|----------|-----------------------------|-------------|
| | Currency | In '000 Foreign Currency | In '000 MXP | Currency | In '000 Foreign Currency | In '000 MXP |
| Trade Payables | US\$ | 1,478 | 27,052 | US\$ | 1,753 | 35,839 |
| Advance for Import purchases | US\$ | 1,101 | 20,154 | US\$ | 565 | 11,545 |
| Advance from Customer | US\$ | - | - | US\$ | - | - |
| | GBP | - | - | GBP | - | - |
| Trade Receivable | US\$ | - | - | US\$ | - | - |
| | EURO | - | - | EURO | - | - |
| Loan Receivable | US\$ | - | - | US\$ | - | - |

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

| Particulars | mar-23 | mar-22 |
|-----------------------------------|--------|--------|
| Capital Expenditure | - | - |
| Revenue Expenditure | - | - |
| Material Cost | - | - |
| Other Expenses (general expenses) | 678 | 266 |
| Total | 678 | 266 |

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(35) Employee Benefits

Defined benefit plans

The defined benefit plant of the Company includes seniority premium and pension plan.

The plan typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.

Interest risk: A fall in the discount rate which is linked to the Government Securities. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Longevity risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Salary risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

The Present value of gratuity obligations is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The principal assumptions used for the purposes of actuarial valuation were as follows:

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|--------------------------------|-------------------------|-----------------|-------------------------|-----------------|
| | Seniority Premium | Pension Plan | Seniority Premium | Pension Plan |
| Expected return on plan assets | - | - | - | - |
| Discount rate | - | - | - | - |
| Rate of salary increase | 9.50% | 9.50% | 8.50% | 8.25% |
| Rate of employee turnover | 4.50% | 4.50% | 4.50% | 4.50% |

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:

| | For the year ended March 31, 2023 | | For the year ended March 31, 2022 | |
|---|--------------------------------------|-----------------|--------------------------------------|-----------------|
| | Seniority Premium | Pension Plan | Seniority Premium | Pension Plan |
| Current service cost | 85 | 339 | 76 | 378 |
| Net interest expense | 60 | 550 | 53 | 495 |
| Actuarial (gains)/losses arising from experience adjustments | - | - | - | - |
| Adjustment in OCI due to extinction of obligations | - | - | - | - |
| Components of defined benefit cost recognised in profit or loss | 145 | 889 | 129 | 873 |
| Actuarial (gains)/losses on obligation for the period | 51 | 933 | - | (1,533) |
| Adjustment in OCI due to extinction of obligations | - | - | - | - |
| Return on plan assets (excluding interest income) | - | - | - | - |
| Components of defined benefit costs recognised in other comprehensive income | 51 | 933 | - | (1,533) |
| Total | 196 | 1,822 | 129 | (660) |

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

| | As at March 31, 2023 | | As at March 31, 2022 | |
|--|-------------------------|-----------------|-------------------------|-----------------|
| | Seniority Premium | Pension Plan | Seniority Premium | Pension Plan |
| Present value of defined benefit obligation | (779) | (6,928) | (749) | (6,798) |
| Fair value of plan assets | - | - | - | - |
| Deficit or Surplus | - | - | - | - |
| Net liability arising from defined benefit obligation | (779) | (6,928) | (749) | (6,798) |

Movements in the present value of the defined benefit obligation are as follows:

| | As at March 31, 2023 | | As at March 31, 2022 | |
|--|-------------------------|-----------------|-------------------------|-----------------|
| | Seniority Premium | Pension Plan | Seniority Premium | Pension Plan |
| Opening defined obligation | 749 | 6,798 | 747 | 7,458 |
| Current service cost | 85 | 339 | 76 | 378 |
| Interest cost | 60 | 550 | 53 | 495 |
| Benefits paid | (166) | (1,692) | (127) | - |
| Actuarial (gains)/losses arising from changes in financial assumptions | (65) | (736) | (78) | (867) |
| Actuarial (gains)/losses arising from experience adjustments | 116 | 1,669 | 78 | (666) |
| Closing defined benefit obligation | 779 | 6,928 | 749 | 6,798 |

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