

COMPONENT AUDITOR CLEARANCE MEMORANDUM

From: DFK Llarena, Monterrey, México

Date: April 20, 2024

To: Deloitte Haskins & Sells, Ahmedabad, India.

In accordance with your instructions dated November 6, 2023, January 13, 2024 and April 7, 2024, 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. (the "Component") for the quarter and for the year ended March 31, 2024. This financial information has been prepared solely to enable the Group to prepare its consolidated financial statements. We 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.

Conclusion

In our opinion, the financial information for Impco, S. de R.L. de C.V. as of March 31, 2024, and for the quarter and year then ended has been prepared, in all materials 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, 2024 and of its financial performance, and its cash flows for the quarter and 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.

DFK Llarena



*Salvador Llarena Menard - Partner
April 20, 2024*

IMPCO, S. de R. L. de C. V.**BALANCE SHEET AS AT MARCH 31, 2024****(In '000 MXP)**

Particulars	Note	As at 31/03/2024	As at 31/03/2023
I ASSETS			
(1) Non-Current Assets			
(a) Property, plant and Equipment	2	20,187	22,093
(b) Right-of-use-asset	2	18,370	25,644
(c) Capital work - in - progress	2	-	-
(d) Other Intangible Assets	2	1,010	1,209
(e) Deferred Income Tax Asset	3	14,767	18,001
(f) Financial Assets			
(i) Other Financial Assets	4	1,259	1,259
Total Non-Current Assets		55,593	68,206
(2) Current Assets			
(a) Inventories	5	163,886	133,475
(b) Financial Assets			
(i) Other Investments	6	5	2
(ii) Trade Receivables	7	76,031	53,300
(iii) Cash and Cash Equivalents	8	12,859	1,731
(iv) Other Financial Assets	9a)	235	-
(c) Current Tax Assets (Net)	19	-	-
(d) Other Current Assets	9	29,606	66,269
Current Tax Assets (Net)		282,622	254,777
Total Assets		338,215	322,983
II EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	10	1	1
(b) Other Equity	11	188,875	163,263
Total Equity		188,876	163,264
(2) Non-Current Liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	12	10,746	18,862
(b) Provisions	13	6,063	7,707
Total Non-Current Liabilities		16,809	26,569
(3) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	14	3,017	200
(ii) Trade Payables	15	91,715	105,544
(iii) Lease Liabilities	16	9,192	7,828
		103,924	113,572
(b) Other Current Liabilities	17	20,302	16,282
(c) Provisions	18	3,595	1,456
(d) Current tax liabilities (Net)	19	4,709	1,840
Total Current Liabilities		132,530	133,150
Total Liabilities		149,339	159,719
Total Equity and Liabilities		338,215	322,983
See accompanying notes forming part of the Financial Statements	1-27b)		

IMPCO, S. de R. L. de C. V.**STATEMENT OF PROFIT AND LOSS FOR THE YEAR AND QUARTER ENDED MARCH 31, 2024 (In '000 MXP)**

Particulars	Note	Year Ended 31/03/2024	Year Ended 31/03/2023
I Revenue from Operations	20	378,973	289,869
II Other Income	21	2,497	3,029
III Total Revenue (I + II)		381,470	292,898
IV Expenses:			
Cost of Material Consumed	22	49,900	132,400
Purchase of Stock-in-Trade	23	205,450	64,860
Changes in Inventories of Finished Goods, Work- in-Progress and Stock-in-Trade	24	(38,713)	(9,066)
Employee Benefit Expense	25	33,554	28,366
Finance Costs	26	2,748	3,412
Depreciation and Amortization Expense	2	15,421	12,258
Advertisement and Sales Promotion Expense	27	4,589	2,900
Other Expenses	27a)	69,360	50,322
Total Expenses (IV)		342,309	285,452
V Profit before Exceptional Items and tax (III - IV)		39,161	7,446
VI Exceptional Items	27b)	5,440	-
VII Profit before Tax (III – IV)		33,721	7,446
VIII Tax Expense:			
Current Tax		7,562	2,933
Deferred Tax		2,428	(521)
IX Profit for the year (V - VI)		23,731	5,034
X Other comprehensive income			
Items that will not to be reclassified to profit or loss :			
(i) Remeasurements of the defined benefit plans		2,687	(985)
(ii) Income tax effect on above		(806)	295
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)		1,881	(690)
XII Total comprehensive income for the year (VII+VIII)		25,612	4,344
See accompanying notes forming part of the Financial Statements	1-27a)		

IMPCO, S. de R. L. de C. V.**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024**

A EQUITY SHARE CAPITAL		
	Amount in '000 MXP	
Balance as at March 31, 2022		1
Add: Issue during the period		-
Balance as at March 31, 2023		1
Add: Issue during the period		-
Balance as at March 31, 2024		1
B OTHER EQUITY		
	Amount in '000 MXP	
Particulars	Retained Earnings	Total
Balance as on March 31, 2023	163,263	163,263
Profit during the year	23,731	23,731
Other Comprehensive Income for the period, net of income tax	1,881	1,881
Total Comprehensive Income for the period	25,612	25,612
IND AS adjustment in Other Equity	-	-
Balance as on March 31, 2024	188,875	188,875

IMPCO, S. de R. L. de C. V.**STATEMENT OF CASH FLOWS FOR THE QUARTER ENDED MARCH, 2024**

(In '000 MXP)

Particulars	Year Ended 31/03/2023	Year Ended 31/03/2023
A CASH FLOW FROM OPERATING ACTIVITIES :		
Profit for the year	23,731	5,034
Adjustments For		
Income tax expenses recognised in profit or loss	9,990	2,412
Depreciation and Amortization Expense	15,421	12,258
Gain on Cancellation of lease contract	-	(101)
Finance costs recognised in profit or loss	2,748	3,412
Interest Income recognised in profit or loss	(1,574)	(963)
Allowances for credit losses on trade receivables	7,256	-
(Gain)/Loss on disposal of property, plant and equipment	(105)	(43)
Operating Profit Before Working Capital Changes	<u>57,467</u>	<u>22,009</u>
Movements in working capital:		
(Increase) in trade and other receivables	(29,987)	30,211
(Increase)/Decrease in inventories	(30,411)	(14,264)
Decrease in other assets	36,428	(33,724)
Increase/(Decrease) in trade payables	(13,899)	30,310
Increase in other liabilities	4,020	(980)
Increase/(Decrease) in provisions	3,183	178
Cash Generated from Operations	<u>26,801</u>	<u>33,740</u>
Income taxes paid	(4,693)	(9,406)
Net Cash generated by Operating Activities (A)	<u>22,108</u>	<u>24,334</u>
B CASH FLOW FROM INVESTING ACTIVITIES :		
Payments to acquire property, plant and equipment / Intangibles	(8,119)	(14,621)
Proceeds from disposal of property, plant and equipment	3,527	43
Interest Received	1,574	963
Net payments to acquire mutual funds	(3)	1,604
Payments to acquire financial assets	(38)	(28)
Net Cash generated / (Used) in Investing Activities (B)	<u>(3,059)</u>	<u>(12,039)</u>
C CASH FLOW FROM FINANCING ACTIVITIES :		
Cash received from bank loans	37,400	16,295
Payments of principal on bank loans	(34,600)	(21,895)
Payments on lease liabilities	(8,028)	(6,223)
Finance Cost paid	(2,731)	(3,230)
Net Cash Used in Financing Activities (C)	<u>(7,959)</u>	<u>(15,053)</u>
Net Increase (Decrease) in Cash & Cash Equivalents (A+B+C)	<u>11,090</u>	<u>(2,758)</u>
Cash & Cash Equivalents at the beginning of the period	<u>1,152</u>	<u>3,910</u>
Cash & Cash Equivalents at the end of the period	<u>12,242</u>	<u>1,152</u>
Cash on Hand	838	30
Balances with Schedule Bank in Current Account	11,404	1,122
Cash & Cash Equivalents included in Note no.8	<u>12,242</u>	<u>1,152</u>

Summary of significant accounting policies refer note 1

Notes to Statement of Cash Flows:

1. The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of Cash Flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

2. Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

IMPCO, S. de R. L. de C. V.

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.

IMPCO, S. de R. L. de C. V.**Notes forming part of the Financial Statements****(2) Property, Plant and Equipment, Capital Work-In-Progress & Other Intangible Assets**

(In '000 MXP)

	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 31/03/2022	-	3,794	11,123	20,315	1,044	1,071	2,804	40,151	1,958	1,958	-	42,109
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
Additions	-	-	923	8,023	-	-	-	8,946	-	-	-	8,946
Disposals	-	-	-	64	-	-	-	64	-	-	-	64
As at 30/06/2023	-	5,276	32,990	43,324	1,129	1,256	2,656	86,631	1,958	1,958	-	88,589
Additions	-	-	-	-	-	96	-	96	-	-	-	96
Disposals	-	-	-	5,166	-	-	-	5,166	-	-	-	5,166
As at 30/09/2023	-	5,276	32,990	38,158	1,129	1,352	2,656	81,561	1,958	1,958	-	83,519
Additions	-	-	-	-	-	69	-	69	-	-	-	69
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at 31/12/2023	-	5,276	32,990	38,158	1,129	1,421	2,656	81,630	1,958	1,958	-	83,588
Additions	-	-	353	-	-	-	-	353	-	-	-	353
Disposals	-	-	-	-	-	-	221	221	-	-	-	221
As at 31/03/2024	-	5,276	33,343	38,158	1,129	1,421	2,435	81,762	1,958	1,958	-	83,720
Accumulated Depreciation and Amortization												
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
Depreciation and Amortization For The Period	-	264	8,550	6,079	111	107	111	15,222	199	199	-	15,421
Eliminated on disposals of assets	-	-	-	1,808	-	-	221	2,029	-	-	-	2,029
As at 31/03/2024	-	1,261	14,973	22,710	683	1,143	2,435	43,205	948	948	-	44,153
Net Block												
As at 31/03/2022	-	3,008	1,491	6,389	577	106	266	11,837	1,406	1,406	-	13,243
As at 31/03/2023	-	4,279	25,644	16,926	557	220	111	47,737	1,209	1,209	-	48,946
As at 31/03/2024	-	4,015	18,370	15,448	446	278	-	38,557	1,010	1,010	-	39,567

IMPCO, S. de R. L. de C. V.
Notes forming part of the Financial Statements

(In '000 MXP)

(3) DEFERRED TAX LIABILITIES/(ASSETS) (NET)		
Particulars	As at 31/03/2024	As at 31/03/2023
Deferred Tax Liabilities/(Assets) on		
(i) Property, plant and equipment and intangible assets	5,161	7,412
(ii) Tax effect on non deductible expenses	(11,623)	(19,533)
(iii) Carry forward tax losses	-	-
(iv) Others	(8,305)	(5,880)
Total	(14,767)	(18,001)

Movement of Deferred Tax Liabilities / Assets For the quarter ended December 31, 2023					
Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other Comprehensive Income	Reclassified from Other Equity to Profit or Loss	Closing Balance
(i) Property, plant and equipment and intangible assets	7,412	(2,251)	-	-	5,161
(ii) Tax effect on non deductible expenses	(19,533)	7,910	-	-	(11,623)
(iii) Carry forward tax losses	-	-	-	-	-
(iv) Others	(5,880)	(3,231)	806	-	(8,305)
Deferred Tax Liabilities/(Assets) Net	(18,001)	2,428	806	-	(14,767)

(4) OTHER NON-CURRENT FINANCIAL ASSETS		
Particulars	As at 31/03/2024	As at 31/03/2023
Unsecured, considered good		
Other loans and advances		
Deposit Others	1,259	1,259
	1,259	1,259

(5) INVENTORIES		
Particulars	As at 31/03/2024	As at 31/03/2023
Raw materials (Including Packing Material)	45,227	53,529
Finished Goods	56,092	63,938
Stock-In-Trade (Including Goods in Transit 15,754 MXP, Previous year 5,074 MXP)	62,567	16,008
	163,886	133,475

(6) OTHER INVESTMENTS				
Particulars	As at 31/03/2024		As at 31/03/2023	
Current Investments	<u>Nos.</u>		<u>Nos.</u>	
Unquoted Investments				
Investment in Mutual Funds at FVTPL				
BBVA BANCOMER S.A. -BMRGOBP Series E	289	5	125	2
		<u>5</u>		<u>2</u>

(7) TRADE RECEIVABLE		
Particulars	As at 31/03/2024	As at 31/03/2023
Considered good - Unsecured	76,992	78,645
Less : Allowances for credit losses	(961)	(25,345)
	76,031	53,300

Movement in the expected credit loss allowance		
	As at 31/03/2024	As at 31/03/2023
Balance at beginning of the year	25,345	25,345
Change in allowance for credit impairment during the period	6,401	-
Trade receivables written off during the period	(30,785)	-
Balance at end of the period	961	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, 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 - Considered good	35,016	9,588	1,811	876	-	6,009	53,300
2	Undisputed Trade receivables - which have significant increase in risk							-
	Total	35,016	9,588	1,811	876	-	-	53,300

Trade receivables aging schedule as on March 31, 2024 is as below									
Sr No	Particulars	Outstanding for following periods from due date of payment					2-3 Years	More than 3 years	Total
		No Due	Less than 6 months	6 Months - 1 year	1-2 Years				
1	Undisputed Trade receivables - Considered good	74,045	1,655	331	-	-	-	76,031	
2	Undisputed Trade receivables - which have significant increase in risk							-	
	Total	74,045	1,655	331	-	-	-	76,031	

(8) CASH & CASH EQUIVALENTS

Particulars	As at 31/03/2024	As at 31/03/2023
Cash and Cash Equivalents		
Cash on Hand	16	16
Balance with employees Imprest account	822	14
Balance with banks in current accounts	11,404	1,122
	<u>12,242</u>	<u>1,152</u>
Other Bank Balances		
In Earmarked Accounts		
Margin Accounts	617	579
	<u>12,859</u>	<u>1,731</u>

(9) OTHER CURRENT ASSETS

Particulars	As at 31/03/2024	As at 31/03/2023
Advance for supply of goods and rendering of services		
Unsecured, considered good	15,027	55,132
Advances to related parties	-	-
Balance with statutory / government authorities	14,579	11,137
Other loans advanced	-	-
	<u>29,606</u>	<u>66,269</u>

(9a) OTHER FINANCIAL ASSETS

Particulars	As at 31/03/2024	As at 31/03/2023
Others	235	-
	<u>235</u>	<u>-</u>

IMPCO, S. de R. L. de C. V.

Notes forming part of the Financial Statements

(In '000 MXP)

(10) EQUITY SHARE CAPITAL

Particulars	As at 31/03/2024	As at 31/03/2023
Share Capital	1	1
	<u>1</u>	<u>1</u>

The details of shareholder holding more than 5% shares as at September 30, 2023 is set out below:

Name of the shareholder	% held as at March 31, 2024	% held as at March 31, 2023
Symphony Limited	99.90%	99.90%

(11) OTHER EQUITY

Particulars	As at 31/03/2024	As at 31/03/2023
Retained Earnings	188,875	163,263
	<u>188,875</u>	<u>163,263</u>

11.1 Retained Earnings

Particulars	As at 31/03/2024	As at 31/03/2023
Opening Balance	163,263	158,919
Profit for the period	23,731	5,034
Other Comprehensive income arising from remeasurement of defined benefit obligation, net of tax	1,881	(690)
Amount available for appropriation	188,875	163,263
Appropriations:	-	-
Closing Balance	<u>188,875</u>	<u>163,263</u>

IMPCO, S. de R. L. de C. V.

Notes forming part of the Financial Statements

(In '000 MXP)

(12) OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	As at 31/03/2024	As at 31/03/2023
Lease Liabilities (LT Portion)	10,746	18,862
	<u>10,746</u>	<u>18,862</u>

(13) LONG-TERM PROVISIONS

Particulars	As at 31/03/2024	As at 31/03/2023
Provision for Defined Benefit Plan	6,063	7,707
	<u>6,063</u>	<u>7,707</u>

(14) BORROWINGS

Particulars	As at 31/03/2024	As at 31/03/2023
Bank Loans	3,017	200
	<u>3,017</u>	<u>200</u>

(15) TRADE PAYABLES

Particulars	As at 31/03/2024	As at 31/03/2023
Trade Payables	41,315	78,733
Trade Payables Related Party	50,400	26,811
	<u>91,715</u>	<u>105,544</u>

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	-	105,544

Trade payables aging schedule for March 31, 2024 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	63,033	28,375	224	83	-	91,715
	Total	63,033	28,375	224	83	-	91,715

(16) OTHER FINANCIAL LIABILITIES

Particulars	As at 31/03/2024	As at 31/03/2023
Lease Liabilities (ST Portion)	9,192	7,828
	<u>9,192</u>	<u>7,828</u>

(17) OTHER CURRENT LIABILITIES

Particulars	As at 31/03/2024	As at 31/03/2023
For other liabilities		
Advance from Customers	-	-
Statutory Dues	20,302	16,282
	<u>20,302</u>	<u>16,282</u>

(18) SHORT-TERM PROVISIONS

Particulars	As at 31/03/2024	As at 31/03/2023
Provisions for:		
Sales Return	-	-
Provisions for Warranty	3,595	1,456
	3,595	1,456
	Warranty	Warranty
Opening Balance	1,456	1,456
Additional provisions recognised	4,713	143
Reductions arising from payments	(2,574)	(143)
Closing Balance	3,595	1,456

(19) CURRENT TAX LIABILITIES (ASSETS) (NET)

Particulars	As at 31/03/2024	As at 31/03/2023
Tax liabilities		
Provision for income tax	8,658	5,986
Total	8,658	5,986
Tax assets		
Advance income tax	3,949	4,146
Total	3,949	4,146
Net	4,709	1,840

IMPCO, S. de R. L. de C. V.**Notes forming part of the Financial Statements**

(In '000 MXP)

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

Particulars	Year Ended 31/03/2024	Year Ended 31/03/2023
Revenue as per contracted price	435,321	317,613
Adjustments		
Allowances	(38,790)	(18,769)
Sales return	(16,619)	(8,030)
Discount	(939)	(945)
	<u>378,973</u>	<u>289,869</u>
Sale of products comprises of:		
Air Coolers	334,305	263,920
Others	44,668	25,949
	<u>378,973</u>	<u>289,869</u>

(21) OTHER INCOME

Particulars	Year Ended 31/03/2024	Year Ended 31/03/2023
Interest Income	1,574	963
Gain on disposal of property, plant and equipment	158	43
Foreign Exchange Fluctuation	-	1,175
Other Non Operating Income	765	848
	<u>2,497</u>	<u>3,029</u>

(22) COST OF MATERIAL CONSUMED

Particulars	Year Ended 31/03/2024	Year Ended 31/03/2023
Opening Stock of Raw Materials	53,529	48,331
Add: Purchases	41,598	137,598
Less: Closing Stock of Raw Materials	45,227	53,529
	<u>49,900</u>	<u>132,400</u>

Cost of material comprises of Moulded Parts & components of Air Cooler

(23) PURCHASE OF STOCK-IN-TRADE

Particulars	Year Ended 31/03/2024	Year Ended 31/03/2023
Air Coolers	193,443	60,506
Others	12,007	4,354
	<u>205,450</u>	<u>64,860</u>

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

Particulars	Year Ended 31/03/2024	Year Ended 31/03/2023
Opening Stock		
Work-in-Progress	-	-
Finished Goods	63,938	40,274
Stock-In-Trade	16,008	30,606
Less:		
Closing Stock		
Work-in-Progress	-	-
Finished Goods	56,092	63,938
Stock-In-Trade	62,567	16,008
	<u>(38,713)</u>	<u>(9,066)</u>

(25) EMPLOYEE BENEFIT EXPENSES		
Particulars	Year Ended 31/03/2024	Year Ended 31/03/2023
Salaries, Wages and Bonus	16,796	16,932
Contribution to Provident Fund and Other Funds	<u>16,758</u>	<u>11,434</u>
	33,554	28,366
(26) FINANCE COSTS		
Particulars	Year Ended 31/03/2024	Year Ended 31/03/2023
Interest Expense	<u>2,748</u>	<u>3,412</u>
	2,748	3,412

IMPCO, S. de R. L. de C. V.**Notes forming part of the Financial Statements****(In '000 MXP)**

Particulars	Year Ended 31/03/2024	Three Months Ended 31/03/2024	Year Ended 31/03/2023
(27) Advertisement and Sales Promotion	4,589	1,365	2,900
	4,589	1,365	2,900

(27a) OTHER EXPENSES

Particulars	Year Ended 31/03/2024	Three Months Ended 31/03/2024	Year Ended 31/03/2023
Stores, Spareparts and Packing Material consumed	1,577	564	1,024
Assembly and Labour Charges	13,312	3,383	9,835
Power and Fuel	108	75	385
Repairs & Maintenance			
Building	269	12	519
Machinery	1,142	206	896
Rent	1,319	871	2,320
Travelling	1,753	309	910
Communication Expenses	900	259	999
Insurance	2,055	801	1,627
Printing and stationery charges	79	26	136
Legal & Professional Charges	1,708	276	1,750
Payment to Auditors	453	253	655
Vehicle Expenses	1,864	126	2,107
General Expenses	9,454	6,273	8,133
Bank Charges	357	133	244
Repairs Others	29	-	202
Loss on disposal of property, plant and equipment	53	-	-
Foreign Exchange Fluctuation	2,144	1,809	376
Freight & Forwarding Charges	23,822	2,459	15,334
Warranty Expense	4,713	942	2,232
Sales Commission	2,249	190	638
	69,360	18,967	50,322

27b) EXCEPTIONAL ITEMS

Particulars	Year Ended 31/03/2023	Three Months Ended 31/03/2023	Year Ended 31/03/2023
Allowance for doubtful accounts	5,440	-	-
	5,440	-	-

IMPCO, S. de R. L. de C. V.**Notes forming part of the Financial Statements****(In '000 MXP)****(28) Segment Reporting**

(a) Secondary Segment: Geographical segment

	Year Ended 31/03/2024	Year Ended 31/03/2023
(1) Segment Revenue		
Mexico	353,880	280,211
Rest of the world	25,093	9,658
Net Revenue from Sale of Products	<u>378,973</u>	<u>289,869</u>
(2) Segment Profit before Interest and Taxes (PBIT)		
Mexico	33,269	9,164
Rest of the world	3,200	1,694
Total	<u>36,469</u>	<u>10,858</u>
Less: Finance Costs	2,748	3,412
Less: Taxes	9,990	2,412
Total Profit After Tax	<u>23,731</u>	<u>5,034</u>

IMPCO, S. de R. L. de C. V.

Notes forming part of the Financial Statements

(In '000 MXP)

(29) Related Party Disclosures

Sr no	Name of the Related Parties	Nature of relationship with company	Nature of transaction	Apr 2023 - Mar 2024		Apr 2022 - Mar 2023	
				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	118	-	124	-
			Salary Expenses	1,675	-	-	-
			Purchase of fixed asset	-	-	10,629	-
			Bank commissions	-	-	-	-
			Sale of Fixed Assets	3,411	-	-	-
			Accounting charges	2,206	-	-	-
			Inspection Expenses	79	-	-	-
			Purchase of Goods	64,210	43,707	19,124	24,351
2	Symphony Limited	The parent company	Loan taken	-	-	-	-
			Loan repaid	-	-	-	-
			Loan interest	-	-	-	-
3	Guangdong Symphony Keruilai Air Coolers Co., Ltd	Subsidiary of Symphony Limited	Sale of Goods	-	-	-	-
			Purchase of Goods	17,205	5,760	5,977	2,179
4	Climate Tech	Subsidiary of Symphony Limited	Sale of Goods	149	149	-	-
			Purchase of Goods	38	-	56	-
5	Bonaire USA LLC	Subsidiary of Symphony Limited	Sale of Goods	19,812	3,376	6,437	1,490
			Purchase of Goods	26,140	933	303	281

(30) Auditors' Remuneration

	Mar-24	Mar-23
a) As Auditor	390	592
b) In other capacity, in respect of		
i) Social Security Audit	63	63
ii) Certification	-	-
iii) Taxation Matters	-	-
	<u>453</u>	<u>655</u>

(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-24	Mar-23
Minimum Lease Payments	1,319	2,320
Contingent Rentals	-	-
Sub-Lease payment received	-	-
Total	<u>1,319</u>	<u>2,320</u>

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

31.3 : Non-cancellable operating lease commitments

	Mar-24	Mar-23
Not later than 1 year	10,884	10,330
Later than 1 year and not later than 5 years	11,903	21,551
Later than 5 years	-	-
	<u>22,787</u>	<u>31,881</u>

(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
-	-	-	-
-	-	-	-

IMPCO, S. de R. L. de C. V.

Notes forming part of the Financial Statements

(In '000 MXP)

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

Particulars	Mar-24			Mar-23		
	Currency	In '000 Foreign Currency	In '000 MXP	Currency	In '000 Foreign Currency	In '000 MXP
Trade Payables	US\$	4,187	69,835	US\$	1,478	27,052
Advance for Import purchases	US\$	901	15,027	US\$	1,101	20,154
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

<u>Particulars</u>	<u>Mar-24</u>	<u>Mar-23</u>
Capital Expenditure	-	-
Revenue Expenditure		
Material Cost	-	-
Other Expenses (general expenses)	570	678
Total	<u>570</u>	<u>678</u>

IMPCO, S. de R. L. de C. V., Mexico and Subsidiary

Notes forming part of the Financial Statements

(In '000 MXP)

(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.

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

Particulars	As at March 31, 2024		As at March 31, 2023	
	Seniority Premium	Pension Plan	Seniority Premium	Pension Plan
Expected return on plan assets	-	-	-	-
Discount rate	9.75%	9.50%	9.50%	9.50%
Rate of salary increase	4.50%	4.50%	4.50%	4.50%
Rate of employee turnover				

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

	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Seniority Premium	Pension Plan	Seniority Premium	Pension Plan
Current service cost	86	331	84	339
Net interest expense	71	644	61	549
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	157	975	145	888
Actuarial (gains)/losses on obligation for the period	(10)	(2,677)	51	934
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	(10)	(2,677)	51	934
Total	147	(1,702)	196	1,822

III 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, 2024		As at March 31, 2023	
	Seniority Premium	Pension Plan	Seniority Premium	Pension Plan
Present value of defined benefit obligation	(837)	(5,226)	(779)	(6,928)
Fair value of plan assets	-	-	-	-
Deficit or Surplus	(837)	(5,226)	(779)	(6,928)
Net liability arising from defined benefit obligation	(837)	(5,226)	(779)	(6,928)

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

	As at March 31, 2024		As at March 31, 2023	
	Seniority Premium	Pension Plan	Seniority Premium	Pension Plan
Opening defined c	779	6,928	749	6,798
Current service cost	86	331	84	339
Interest cost	71	644	61	549
Benefits paid	(89)	-	(166)	(1,692)
Actuarial (gains)/losses arising from changes in financial assumptions	(27)	-	(65)	(736)
Actuarial (gains)/losses arising from experience adjustments	17	(2,677)	116	1,670
Closing defined benefit obligation	837	5,226	779	6,928