**CFS DE CHILE SpA**
**Balance Sheet as at March 31, 2022**

**CLP Actuals**

| Particulars | Note | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-Current Assets** | | | |
| Property, Plant and Equipment | 2 | 1,89,14,085 | 1,84,50,840 |
| **Total Non-current Assets** | | **1,89,14,085** | **1,84,50,840** |
| | | | |
| **Current Assets** | | | |
| Inventories | 3 | 32,99,62,440 | 16,57,67,837 |
| Financial assets | | | |
| Trade receivables | 4 | 43,99,26,628 | 44,20,74,786 |
| Cash and cash equivalents | 5 | 13,31,33,322 | 5,61,25,893 |
| Other current assets | 6 | 14,92,53,663 | 2,96,86,603 |
| **Total Current Assets** | | **1,05,22,76,053** | **69,36,55,119** |
| **TOTAL ASSETS** | | **1,07,11,90,138** | **71,21,05,959** |
| | | | |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity Share Capital | 7 | 4,73,66,686 | 4,73,66,686 |
| Other Equity | 8 | 20,43,78,530 | 15,07,75,244 |
| **Total Equity** | | **25,17,45,216** | **19,81,41,930** |
| | | | |
| **LIABILITIES** | | | |
| **Current Liabilities** | | | |
| **Financial Liabilities** | | | |
| Trade Payables | 9 | 81,64,44,921 | 50,94,90,587 |
| Other current liabilities | 10 | 30,00,000 | 44,73,442 |
| **Total Current Liabilities** | | **81,94,44,921** | **51,39,64,029** |
| **TOTAL EQUITY AND LIABILITIES** | | **1,07,11,90,138** | **71,21,05,958** |
| **Significant Accounting Policies** | 1 | | |

The accompanying notes 1 to 15 form an integral part of the Financial Statements.

For and on behalf of CFS DE Chile SpA

Santosh Parab
Authorised Signatory
Mumbai, May 10, 2022

**CFS DE CHILE SpA**
**Statement of Profit and Loss for the year ended March 31, 2022**

**CLP Actuals**

| Particulars | Note | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|---|
| **INCOME** | | | |
| Revenue from operations | 11 | 1,45,36,11,681 | 86,93,57,957 |
| Other income | 12 | - | 6,84,96,349 |
| **Total income** | | **1,45,36,11,681** | **93,78,54,307** |
| **EXPENSES** | | | |
| Purchases of stock-in-trade | | 1,36,64,86,456 | 57,02,14,648 |
| Changes in inventories of finished goods,stock-in-trade and work in progress | 13 | (16,41,94,603) | 13,42,18,338 |
| Employee benefits expense | 14 | 4,09,35,048 | 2,59,41,711 |
| Depreciation and amortization expense | | 17,29,703 | 11,41,572 |
| Other expenses | 15 | 15,47,62,952 | 5,78,00,613 |
| **Total Expenses** | | **1,39,97,19,556** | **78,93,16,882** |
| **Profit Before Tax** | | **5,38,92,125** | **14,85,37,425** |
| **Tax expense** | | | |
| Current tax | | 2,88,838 | 57,58,962 |
| Deferred tax | | - | - |
| | | **2,88,838** | **57,58,962** |
| **Profit for the Year** | | **5,36,03,287** | **14,27,78,463** |
| **Significant Accounting Policies** | 1 | | |

The accompanying notes 1 to 15 form an integral part of the Financial Statements.

For and on behalf of CFS DE Chile SpA

Santosh Parab
Authorised Signatory
Mumbai, May 10, 2022

**CFS DE CHILE SpA**
**Statement of Cash Flows for the year ended March 31, 2022**

**CLP Actuals**

| **Particulars** | **For the year ended March 31, 2022** | **For the year ended March 31, 2021** |
|---|---|---|
| **Cash Flow from Operating Activities** | | |
| Profit before Tax | 5,38,92,125 | 14,85,37,425 |
| **Adjustment for:** | | |
| Depreciation and Amortization Expense | 17,29,703 | 11,41,572 |
| **Operating Profit before working capital changes** | **5,56,21,828** | **14,96,78,997** |
| **Adjustment for:** | | |
| Increase/(Decrease) in Non Financial Liabilities | (14,73,442) | 40,11,738 |
| Increase/(Decrease) in Financial Liabilities | 30,69,54,334 | (10,33,03,624) |
| (Increase)/Decrease in Non Financial Assets | (28,37,61,663) | 13,56,79,502 |
| (Increase)/Decrease in Financial Assets | 21,48,158 | (24,91,14,147) |
| **Cash generated from operations** | **7,94,89,215** | **(6,30,47,534)** |
| Taxes Paid (Net) | (2,88,838) | (57,58,962) |
| **Net Cash Flow from/(used in) Operating activities** | **7,92,00,377** | **(6,88,06,496)** |
| | | |
| **Cash Flow from Investing Activities** | | |
| Purchase of Property, Plant & Equipment and Intangible Assets | (21,92,948) | (82,82,158) |
| Sale of Property, Plant & Equipment and Intangible Assets | - | - |
| Purchase of Investments | - | - |
| Interest Received | - | - |
| Dividend Received | - | - |
| **Net Cash Flow from/(used in) Investing Activities** | **(21,92,948)** | **(82,82,158)** |
| | | |
| **Cash Flow from Financing Activities** | | |
| Proceeds from Issue of Equity Share Capital | - | - |
| Proceeds from / (Repayment of) Long Term Borrowings (net) | - | - |
| Proceeds from / (Repayment of) Short Term Borrowings (net) | - | - |
| Interest Paid | - | - |
| **Net Cash Flow from Financing Activities** | - | - |
| **Net Increase / (Decrease) in Cash & Cash Equivalents** | **7,70,07,429** | **(7,70,88,654)** |
| **Cash & Cash Equivalents -Opening Balance** | **5,61,25,893** | **13,32,14,547** |
| **Cash & Cash Equivalents -Closing Balance** | **13,31,33,322** | **5,61,25,893** |

**Note :**

(a) The above Statement of Cash Flows have been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.

(b) Cash & cash equivalents comprise of:

| **Particulars** | **As at March 31, 2022** | **As at March 31, 2021** |
|---|---|---|
| Balances with banks in current accounts | 13,31,33,322 | 5,61,25,893 |
| **Cash & cash equivalents in the Statement of Cash Flows** | **13,31,33,322** | **5,61,25,893** |

(c) The accompanying notes 1 to 15 form an integral part of the Financial Statements.

For and on behalf of CFS DE Chile SpA

Santosh Parab
Authorised Signatory
Mumbai, May 10, 2022

**CFS DE CHILE SpA**
**Statement of Changes in Equity for the period ended March 31, 2022**

## a) Equity Share Capital

**CLP Actuals**

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Balance at the beginning of the reporting year | 4,73,66,686 | 4,73,66,686 |
| Changes in equity share capital during the year | - | - |
| Balance at the end of the reporting year | **4,73,66,686** | **4,73,66,686** |

## b) Other Equity

**CLP Actuals**

| Particulars | Retained Earnings |
|---|---|
| **Balance as at March 31, 2020** | 79,96,781 |
| Profit for the year | 14,27,78,463 |
| **Balance as at March 31, 2021** | **15,07,75,244** |
| Profit for the year | 5,36,03,287 |
| **Balance as at March 31, 2022** | **20,43,78,530** |

The accompanying notes 1 to 15 form an integral part of the Financial Statements.

For and on behalf of CFS DE Chile SpA

Santosh Parab
Authorised Signatory
Mumbai, May 10, 2022

CFS DE CHILE SpA
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

1 **Significant Accounting Policies**

**A. Company Overview:**

CFS DE Chile SpA. ("the Company") is engaged in manufacturing and marketing of customised blends The Company is domiciled in Chile having its registered office at 1310, Comuna de Quinta Normal, Region Metropolinta De Santiago, Chile. The Company is a subsidiary of CFS Do Brasil Industria, Comercio, Importacao, E Exportacao De Aditivos Alimenticios, Ltda which in turn is a wholly owned subsidiary of Camlin Fine Sciences Limited ("Parent"), a listed company in India

**B. Basis of Preparation of Financial Statements**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 to be read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 The Company's Financial Statements for the year ended December 31, 2022 comprises of the Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows, Statement of Changes in Equity and Notes to Financial Statements These financial statements are prepared for the purpose of consolidation in the Parent Company's Consolidated Financial Statements

**Current versus non-current classification:**
All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non current

**Functional and Presentation Currency**
The financial statements are presented in Chilean Peso, which is the functional currency of the Company

a. **Basis of Measurement**
The Financial Statements have been prepared on a going concern basis using historical cost convention and on accrual method of accounting, except for certain financial assets and liabilities, including financial instruments which have been measured at fair value

b. **Key Accounting Estimates and Judgements:**

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses Actual results may differ from these estimates The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable Revisions to accounting estimates are recognised prospectively Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities, are included in the following notes:

(i) Determination of the estimated useful lives of property, plant and equipment.
(ii) Recognition and measurement of provisions and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.
(iii) Fair value of financial instruments and applicable discount rate.
(iv) Recognition of deferred tax assets.

c. **Measurement of fair values**
The Company's accounting policies and disclosures require the financial instruments to be measured at fair values

The Company has an established control framework with respect to measurement of fair values The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusions that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred

**C. Recent Accounting Developments**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time On March 23, 2022, MCA vide Companies (Indian Accounting Standards) Amendment Rules, 2022 amended Companies (Indian Accounting Standards) Rules as below

1 **Ind AS 16 - Property, Plant and Equipment**
The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of item of property, plant and equipment The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022 The Company has evaluated the amendment and there is no impact of the amendment on the financial statements

2 **Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets**
The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract' Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and the impact of the amendment is not expected to be material.

**D. Significant Accounting Policies**

**a. Property, Plant & Equipment**

**(i) Recognition and Measurement**
Property, plant and equipment is initially measured at cost net of tax credit availed less accumulated depreciation and accumulated impairment losses, if any The cost of an item of property, plant and equipment comprises.

- its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably

When significant parts of Property, Plant and Equipment are required to be replaced, the Company derecognises the replaced part and recognises the new part with its own associated useful life and it is depreciated accordingly

**(ii) Depreciation**
Depreciable amount for property, plant and equipment is the cost of property, plant and equipment less its estimated residual value

Depreciation is provided on Straight Line Method over the estimated useful lives of the property, plant and equipment on pro rata basis.

The estimated useful lives, residual values and depreciation methods are reviewed by the management at each reporting date and adjusted if appropriate.

**(iii) Disposal or Retirement**
Property, plant and equipment are derecognised either on disposal or when no economic benefits are expected from its use The gain or loss arising from disposal of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and recognised in the Statement of Profit and Loss in the year of occurrence

**b. Capital Work In Progress**
Capital work in progress includes the acquisition/commissioning cost of assets under expansion/acquisition and pending commissioning. Expenditure of revenue nature related to such acquisition/expansion is also treated as capital work in progress and capitalized along with the asset

**c. Impairment of non-financial assets**
At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that the assets have suffered an impairment loss If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss (if any)

If the recoverable amount of asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expenses in the Statement of Profit and Loss

When an impairment loss subsequently reverses, the carrying amount of an asset is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss

**d. Financial Instruments**
A financial instrument is any contract that gives rise to financial asset of one entity and financial liability or equity instrument of another entity

**I. Financial Assets**
Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument

**(i) Initial recognition and measurement**
All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition

**(ii) Subsequent measurement and classification**

For the purpose of subsequent measurement, the financial assets are classified into three categories:

- Financial assets at amortised cost
- Financial assets at fair value through Other Comprehensive Income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

on the basis of its business model for managing the financial assets

**(iii) Financial assets at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold assets for collecting contractual cash flows and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment, if any. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

**(iv) Financial asset at Fair Value through other comprehensive income (FVTOCI)**

A financial asset is measured at fair value through other comprehensive income (FVTOCI) if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

**(v) Financial Asset at Fair Value through profit or loss (FVPTL)**

A financial asset which are not classified in any of the above categories are measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

**(vi) Financial Assets as Equity Investments**

All equity instruments other than investment in subsidiaries and associate are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. A fair value change on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

**(vii) Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e. removed from the Company's balance sheet) when

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**(viii) Impairment of Financial Assets**

The Company applies 'Simplified Approach' for measurement and recognition of impairment loss on the following financial assets and credit exposure:

- Financial assets that are debt instruments and are measured at amortised cost e.g. loans, deposits and bank balance
- Trade receivables

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

**II. Financial Liabilities**

**(i) Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost

**(ii) Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs

**(iii) Loans and Borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and transactions costs. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised.

**(iv) Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

**III. Offsetting of Financial Instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

**IV.** Incremental costs directly attributable to the issue of ordinary equity shares, are recognised as a deduction from equity.

**e. Inventories**

Inventories are valued at lower of cost and net realizable value. Costs are computed on weighted average basis and are net of GST credits.

**Raw materials, packing materials and stores:** Cost includes cost of purchase and other costs incurred in bringing the inventories to the present location and condition.

**Finished Goods and Work in Progress:** In case of manufactured inventories and work in progress, cost includes all costs of purchase, an appropriate share of production overheads based on the normal operating capacity and other costs incurred in bringing the inventories to the present location and condition.

**Net Realizable Value:** Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

**f. Cash and Cash Equivalents**

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

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

**g. Provisions, Contingent Liabilities and Contingent Assets**

**(i) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of time value of money is material, provisions are discounted using a current pre tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**(ii) Contingent Liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

**(iii) Contingent Assets**

Contingent Assets are not recognised in the financial statements. Contingent Assets if any are disclosed in the notes to the financial statements.

**h. Revenue Recognition**

**(i) Sale of Goods**

- Revenue from the domestic sales are recognised net of returns and allowances, trade discounts and volume rebates upon delivery which is when the control of the goods passes to the Customer and performance obligation is met at a point in time.
- Revenue from the export sales are recognised net of returns and allowances, trade discounts and volume rebates upon delivery, usually on the basis of dates of bill of lading which is when the control of the goods passes to the Customer and performance obligation is met at a point in time.

**(ii) Sale of services**

Revenue is recognised from rendering of services when the performance obligation is satisfied and the services are rendered in accordance with the terms of customer contracts.

**i. Employee Benefits**

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

**j. Foreign Currency Transactions / Translations**

Transactions in foreign currencies are initially recorded at the functional currency spot rate of exchange prevailing on the date of transaction.

Monetary assets and liabilities denominated in foreign currencies and remaining unsettled at the reporting date are translated into the functional currency at the exchange rate prevailing on the reporting date

Non- monetary items that are measured based on historical cost in a foreign currency are not translated

Exchange differences arising on settlement of transactions or translation of monetary assets and liabilities at rates different from those at which they were translated on initial recognition during the period or in the previous financial statements are recognised in the Statement of Profit and Loss in the year.

**k. Income Tax**

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income, in which case, the tax is also recognized directly in equity or other comprehensive income, respectively

**(i) Current Tax**

Current tax is determined as the amount of tax payable or recoverable in respect of taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates that are enacted or substantively enacted at the reporting date

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously

**(ii) Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amounts used for taxation purposes

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are amounts of income taxes in future periods in respect of deductible temporary differences, unused tax losses, and unused tax credits to the extent it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset to be utilised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be recovered

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities

Deferred tax assets and liabilities are offset only if

a) The Company has a legally enforceable right to set off current tax assets against current tax liabilities, and

b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

CFS DE CHILE SpA
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

## 2 PROPERTY, PLANT AND EQUIPMENT

CLP Actuals

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2021 | Additions | Deletions / Disposals | As at March 31, 2022 | Upto April 1, 2021 | Depreciation for the year | Deletions / disposals | Upto March 31, 2022 | As at March 31, 2022 | As at March 31, 2021 |
| Freehold Land | - | - | - | - | - | - | - | - | - | - |
| Leasehold Land | - | - | - | - | - | - | - | - | - | - |
| Lease Hold Improvement | - | - | - | - | - | - | - | - | - | - |
| Factory & Other Building | - | - | - | - | - | - | - | - | - | - |
| Site Development | - | - | - | - | - | - | - | - | - | - |
| Plant, Equipment & Machinery | 1,84,50,840 | 21,92,948 | - | 2,06,43,788 | - | 17,29,703 | - | 17,29,703 | 1,89,14,085 | 1,84,50,840 |
| Furniture & Fixtures | - | - | - | - | | | | - | - | - |
| Vehicles | - | - | - | - | - | - | - | - | - | - |
| ERP Hardware Cost | - | - | - | - | - | - | - | - | - | - |
| **R&D Assets** | | | | | | | | | | - |
| Equipment & Furniture | - | - | - | - | - | - | - | - | - | - |
| Building | - | - | - | - | - | - | - | - | - | - |
| **Total Property, Plant and Equipment** | **1,84,50,840** | **21,92,948** | - | **2,06,43,788** | - | **17,29,703** | - | **17,29,703** | **1,89,14,085** | **1,84,50,840** |

CLP Actuals

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|---|
| | As at April 1, 2020 | Additions | Deletions / Disposals | As at March 31, 2021 | Upto April 1, 2020 | Depreciation for the year | Deletions / disposals | Upto March 31, 2021 | As at March 31, 2021 | As at March 31, 2020 |
| Freehold Land | - | - | - | - | - | - | - | - | - | - |
| Leasehold Land | - | - | - | - | - | - | - | - | - | - |
| Lease Hold Improvement | - | - | - | - | - | - | - | - | - | - |
| Factory & Other Building | - | - | - | - | - | - | - | - | - | - |
| Site Development | - | - | - | - | - | - | - | - | - | - |
| Plant, Equipment & Machinery | 1,23,98,700 | 82,82,158 | - | 2,06,80,858 | 10,88,446 | 11,41,572 | - | 22,30,018 | 1,84,50,840 | 1,13,10,254 |
| Furniture & Fixtures | - | - | - | - | | | | - | - | - |
| Vehicles | - | - | - | - | - | - | - | - | - | - |
| ERP Hardware Cost | - | - | - | - | - | - | - | - | - | - |
| **R&D Assets** | | | | | | | | | | - |
| Equipment & Furniture | - | - | - | - | - | - | - | - | - | - |
| Building | - | - | - | - | - | - | - | - | - | - |
| **Total Property, Plant and Equipment** | **1,23,98,700** | **82,82,158** | - | **2,06,80,858** | **10,88,446** | **11,41,572** | - | **22,30,018** | **1,84,50,840** | **1,13,10,254** |

CFS DE CHILE SpA
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

### 3 Inventories

CLP Actuals

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Stock in trade | 32,99,62,440 | 16,57,67,837 |
| | **32,99,62,440** | **16,57,67,837** |

### 4 Trade receivables

CLP Actuals

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Unsecured, considered good | 43,99,26,628 | 44,20,74,786 |
| Less: Allowance for bad and doubtful debts | - | - |
| | **43,99,26,628** | **44,20,74,786** |

### 5 Cash and cash equivalents

CLP Actuals

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Balances with banks** | | |
| in current accounts | 13,31,33,322 | 5,61,25,893 |
| | **13,31,33,322** | **5,61,25,893** |

### 6 Other current assets

CLP Actuals

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Balance with statutory / government authorities | 14,92,53,663 | 2,96,86,603 |
| | **14,92,53,663** | **2,96,86,603** |

7 Equity share capital

CLP Actuals

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Issued, subscribed and paid up share capital | 4,73,66,686 | 4,73,66,686 |
| | **4,73,66,686** | **4,73,66,686** |

8 Other Equity

CLP Actuals

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| **Balance in Statement of Profit and Loss** | | |
| Opening Balance | 15,07,75,244 | 79,96,781 |
| Profit for the year | 5,36,03,287 | 14,27,78,463 |
| | **20,43,78,530** | **15,07,75,244** |

9 Trade payables

CLP Actuals

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Trade payables | 81,64,44,921 | 50,94,90,587 |
| | **81,64,44,921** | **50,94,90,587** |

10 Other current liabilities

CLP Actuals

| Particulars | As at March 31, 2022 | As at March 31, 2021 |
|---|---|---|
| Tax payable | 30,00,000 | 44,73,442 |
| | **30,00,000** | **44,73,442** |

CFS DE CHILE SpA
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

## 11 Revenue from operations

CLP Actuals

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| **Sale of products** | | |
| Finished goods | - | - |
| Traded goods | 1,45,36,11,681 | 86,93,57,957 |
| | **1,45,36,11,681** | **86,93,57,957** |

## 12 Revenue from operations

CLP Actuals

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Gain on foreign currency transactions and translation (net) | - | 6,84,96,349 |
| | - | **6,84,96,349** |

## 13 Changes in inventories of finished goods, stock-in-trade and work in progress

CLP Actuals

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| **Opening Inventory** | | |
| Finished goods | - | - |
| Stock-in-trade | 16,57,67,837 | 29,99,86,175 |
| Work in progress | - | - |
| | **16,57,67,837** | **29,99,86,175** |
| **Closing Inventory** | | |
| Finished goods | - | - |
| Stock-in-trade | 32,99,62,440 | 16,57,67,837 |
| Work in progress | - | - |
| | **32,99,62,440** | **16,57,67,837** |
| | **(16,41,94,603)** | **13,42,18,338** |

## 14 Employee benefit expense

CLP Actuals

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Salaries and Wages | 4,09,35,048 | 2,59,41,711 |
| | **4,09,35,048** | **2,59,41,711** |

## 15 Other expenses

CLP Actuals

| Particulars | For the year ended March 31, 2022 | For the year ended March 31, 2021 |
|---|---|---|
| Rates and Taxes | 49,98,325 | - |
| Repairs to others | 29,27,415 | - |
| Transport and forwarding charges | 3,92,33,929 | 2,66,28,345 |
| Travelling and conveyance | 50,80,539 | 20,02,269 |
| Legal & professional fees | 43,74,696 | 61,28,022 |
| Loss on foreign currency transactions and translation (net) | 6,58,85,454 | - |
| Miscellaneous expenses | 3,22,62,594 | 2,30,41,977 |
| | 15,47,62,952 | 5,78,00,613 |