

Tata Technologies (Thailand) Limited

Financial statements for the year ended
31 March 2024
and
Independent Auditor's Report

Independent Auditor's Report

To the shareholders of Tata Technologies (Thailand) Limited

Opinion

I have audited the financial statements of Tata Technologies (Thailand) Limited (the "Company"), which comprise the statement of financial position as at 31 March 2024, the statements of income and changes in equity for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2024 and its financial performance for the year then ended in accordance with the Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS for NPAEs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

(Veerachai Ratanajaratkul)
Certified Public Accountant
Registration No. 4323

KPMG Phoomchai Audit Ltd.
Bangkok
20 April 2024

Tata Technologies (Thailand) Limited
Statement of financial position

Assets	<i>Note</i>	31 March	
		2024	2023
		<i>(in Baht)</i>	
<i>Current assets</i>			
Cash and cash equivalents	4	1,547,937	7,978,757
Trade and other current receivables	5	29,613,772	29,245,126
Other current assets		1,244,912	3,558,508
Total current assets		32,406,621	40,782,391
<i>Non-current assets</i>			
Leasehold improvement and equipment	6	18,575	322,874
Intangible assets	7	-	10,083
Other non-current assets		4,230,603	3,242,725
Total non-current assets		4,249,178	3,575,682
Total assets		36,655,799	44,358,073

The accompanying notes are an integral part of these financial statements.

Tata Technologies (Thailand) Limited
Statement of financial position

		31 March	
Liabilities and shareholders' equity	<i>Note</i>	2024	2023
		<i>(in Baht)</i>	
<i>Current liabilities</i>			
Trade and other current payables	8	80,062,786	64,357,677
Other current liabilities		<u>3,250,189</u>	<u>7,382,376</u>
Total current liabilities		<u>83,312,975</u>	<u>71,740,053</u>
<i>Non-current liabilities</i>			
Provision for retirement benefits	9	<u>2,845,642</u>	<u>2,996,646</u>
Total non-current liabilities		<u>2,845,642</u>	<u>2,996,646</u>
Total liabilities		<u>86,158,617</u>	<u>74,736,699</u>
<i>Equity</i>			
Share capital			
Authorised share capital (705,341 ordinary shares, par value at Baht 50 per share)		<u>35,267,050</u>	<u>35,267,050</u>
Issued and paid-up share capital (705,341 ordinary shares, par value at Baht 50 per share)		35,267,050	35,267,050
Retained earnings (deficit)			
Appropriated			
Legal reserve	10	2,093,081	2,093,081
Deficit		<u>(86,862,949)</u>	<u>(67,738,757)</u>
Total equity/(capital deficiency)		<u>(49,502,818)</u>	<u>(30,378,626)</u>
Total liabilities and equity		<u>36,655,799</u>	<u>44,358,073</u>

The accompanying notes are an integral part of these financial statements.

Tata Technologies (Thailand) Limited
Statement of income

	For the year ended	
	31 March	
<i>Note</i>	2024	2023
	<i>(in Baht)</i>	
<i>Revenue</i>		
Revenue from rendering of services	22,317,138	22,123,283
Other income	105,687	4
Total revenue	<u>22,422,825</u>	<u>22,123,287</u>
<i>Expenses</i>		
Cost of rendering of services	29,952,008	36,912,295
General and administrative expenses	11,565,032	5,664,861
Net foreign exchange loss	29,977	90,935
Total expenses	<u>41,547,017</u>	<u>42,668,091</u>
Loss before income tax expense	(19,124,192)	(20,544,804)
Income tax expense	-	-
Loss for the year	<u>(19,124,192)</u>	<u>(20,544,804)</u>

The accompanying notes are an integral part of these financial statements.

Tata Technologies (Thailand) Limited**Statement of changes in equity**

	Issued and paid-up share capital	Retained earnings (deficit)		Total equity/ (capital deficiency)
		Legal reserve	Deficit	
		<i>(in Baht)</i>		
<i>Year ended 31 March 2023</i>				
Balance at 1 April 2022	35,267,050	2,093,081	(47,193,953)	(9,833,822)
Loss for the year	-	-	(20,544,804)	(20,544,804)
Balance at 31 March 2023	35,267,050	2,093,081	(67,738,757)	(30,378,626)
<i>Year ended 31 March 2024</i>				
Balance at 1 April 2023	35,267,050	2,093,081	(67,738,757)	(30,378,626)
Loss for the year	-	-	(19,124,192)	(19,124,192)
Balance at 31 March 2024	35,267,050	2,093,081	(86,862,949)	(49,502,818)

The accompanying notes are an integral part of these financial statements.

Tata Technologies (Thailand) Limited
Notes to the financial statements
For the year ended 31 March 2024

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the Director on 20 April 2024.

1 General information

Tata Technologies (Thailand) Limited (the “Company”) is incorporated in Thailand and has its registered office at Thai CC Tower Unit 108-9, 10th Floor, 43 South Sathorn Rd., Yannawa, Sathorn, Bangkok.

The parent company during the financial year was Tata Technologies Pte Limited (99.99% shareholding) which was incorporated in Singapore.

The principal businesses of the Company are to engage in certain services providing for research and development in the automobile industry, and the development of enterprise computer software for which including consultation and training in design and development processes.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standard for Non-publicly Accountable Entities (Revised B.E. 2565), which promulgated by the Federation of Accounting Professions (TFAC) in 2022. The adoption of the Thai Financial Reporting Standard for Non-Publicly Accountable Entities (Revised B.E. 2565) (‘TFRS for NPAEs’) does not impact materially the financial statements.

The financial statements are prepared and presented in Thai Baht. Accounting policies disclosed in Note 3 are applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS for NPAEs requires management to make judgements, estimates and assumptions that affect the application of the Company’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Use of going concern basis of accounting

For the year ended 31 March 2024, the Company incurred a net loss of Baht 19.12 million (2023: Baht 20.54 million) and, as of that date, the Company’s current liabilities exceeded its current assets by Baht 50.91 million (2023: Baht 30.96 million), and the Company had capital deficiency of Baht 49.50 million (2023: Baht 30.38 million). Such circumstances include the existence of an uncertainty which may cast doubt about the Company’s ability to continue as a going concern.

However, the financial statements have been prepared assuming the Company will continue on a going concern basis because the immediate parent company has provided a formal undertaking to provide financial support to enable the Company to continue its operations and to meet its liabilities as they fall due for at least one year from the reporting date. Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or the classification of the recorded liabilities amounts that might be necessary should the Company be unable to continue its operations as a going concern.

Tata Technologies (Thailand) Limited
Notes to the financial statements
For the year ended 31 March 2024

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Foreign currency

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to Thai Baht at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies, are translated at the exchange rate at the reporting date.

Foreign currency differences are recognised in the statement of income.

(b) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, demand deposits and highly liquid short-term investments.

(c) Trade and other current receivables

Trade and other current receivables measured at invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories. Bad debts are written off when incurred. Bad debts recovered are recognised in other income in the statement of income.

(d) Leasehold improvement and equipment

Leasehold improvement and equipment are recorded at cost less accumulated depreciation.

Cost includes expenditure that is directly attributable to the acquisition of the asset and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in the statement of income.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of each component of an asset and recognised in the statement of income. No depreciation is provided on freehold land and assets under construction. The estimated useful lives are as follows:

Leasehold improvement	Period of lease agreement
Office equipment	5 years
Computer	3 years

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(e) Intangible assets

Intangible assets are measured at cost less accumulated amortisation and loss on decline in value.

Amortisation is calculated on a straight-line basis over the estimate useful lives of intangible assets and recognised in the statement of income. The estimated useful lives are as follows:

Software license	5 years
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(f) Losses on decline in value

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of a permanent decline in value. If any such indication exists, the assets' recoverable amounts are estimated. A loss on decline in value is recognised if the carrying amount of an asset exceeds its recoverable amount. The loss on decline in value is recognised in the statement of income unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

(g) Trade and other current payables

Trade and other current payables are stated at cost.

(h) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate method.

Provision for retirement benefits

Provision for retired benefits are recognised using the best estimate method at the reporting date. The Company derecognises the provision when actual payment is made.

(i) Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Rendering of services

Revenue from rendering of services is recognized in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed based on surveys of work performed.

Income recognised but not yet billed is presented as "Unbilled Receivables" under trade and other receivables heading in the statement of financial position.

The proceeds received from customers before recognition of revenues are presented as "Amount due to customer" under other current liabilities heading in the statement of financial position.

Interest and other income

Interest are recognized using the effective interest method and other income are recognised as they accrue.

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For the year ended 31 March 2024

(j) Operating leases

Payments made under operating leases are recognised on a straight line basis over the term of the lease.

(k) Income tax expense

Income tax is calculated on the taxable income or loss for the year, using tax rates enacted at the reporting date.

4 Cash and cash equivalents

	2024	2023
	<i>(in Baht)</i>	
Cash on hand	20,000	20,000
Cash at bank - current accounts	1,526,759	7,957,583
Cash at bank - saving accounts	1,178	1,174
Total	<u>1,547,937</u>	<u>7,978,757</u>

5 Trade and other current receivables

	2024	2023
	<i>(in Baht)</i>	
Trade receivables - related parties	-	5,844,375
Trade receivables - third parties	24,044,361	10,082,161
Less allowance for doubtful accounts	<u>(3,460,364)</u>	<u>(163,205)</u>
Net	20,583,997	15,763,331
Unbilled receivables - third parties	8,906,300	13,152,315
Prepaid expenses	123,475	329,480
Total	<u>29,613,772</u>	<u>29,245,126</u>

6 Leasehold improvement and equipment

	Leasehold improvement	Office Equipment <i>(in Baht)</i>	Total
Cost			
At 1 April 2022	5,328,126	13,190,520	18,518,646
At 31 March 2023 and 1 April 2023	<u>5,328,126</u>	<u>13,190,520</u>	<u>18,518,646</u>
At 31 March 2024	<u>5,328,126</u>	<u>13,190,520</u>	<u>18,518,646</u>
Depreciation			
At 1 April 2022	5,328,126	12,514,094	17,842,220
Depreciation charge for the year	-	353,552	353,552
At 31 March 2023 and 1 April 2023	<u>5,328,126</u>	<u>12,867,646</u>	<u>18,195,772</u>
Depreciation charge for the year	-	304,299	304,299
At 31 March 2024	<u>5,328,126</u>	<u>13,171,945</u>	<u>18,500,071</u>
Net book value			
At 31 March 2023	<u>-</u>	<u>322,874</u>	<u>322,874</u>
At 31 March 2024	<u>-</u>	<u>18,575</u>	<u>18,575</u>

Tata Technologies (Thailand) Limited
Notes to the financial statements
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7 Intangible assets

	Computer Software (in Baht)
<i>Cost</i>	
At 1 April 2022	9,918,757
At 31 March 2023 and 1 April 2023	9,918,757
At 31 March 2024	9,918,757
<i>Amortisation</i>	
At 1 April 2022	9,897,673
Amortisation charge for the year	11,000
At 31 March 2023 and 1 April 2023	9,908,673
Amortisation charge for the year	10,084
At 31 March 2024	9,918,757
<i>Net book value</i>	
At 31 March 2023	10,083
At 31 March 2024	-

8 Trade and other current payables

	2043	2023
	(in Baht)	
Trade payables - related parties	77,997,903	61,034,635
Trade payables - other parties	46,722	635,760
Accrued expenses	2,018,161	2,687,282
Total	80,062,786	64,357,677

9 Provision for retirement benefits

	Retirement benefits (in Baht)
At 1 April 2022	2,569,350
Additions	427,296
At 31 March 2023 and 1 April 2023	2,996,646
Paid	(151,004)
At 31 March 2024	2,845,642

10 Legal reserve

Legal reserve is set up under the provision of the Civil and Commercial Code, which requires that a company shall allocate not less than 5% of its net profit to a reserve account (“legal reserve”) upon each dividend distribution, until the balance reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

Tata Technologies (Thailand) Limited
Notes to the financial statements
For the year ended 31 March 2024

11 Commitments

The Company has entered into lease agreements in respect of the lease of office building space and office equipment. Future minimum rentals payable under these leases as at March 31 consist of the following:

	2024	2023
	<i>(in Baht)</i>	
<i>Non-cancellable operating lease commitments</i>		
Within 1 year	1,622,085	1,584,510
After 1 year but within 5 years	-	16,800
Total	<u>1,622,085</u>	<u>1,601,310</u>