

# **Tata Technologies (Thailand) Limited**

Financial statements for the year ended  
31 March 2023  
and  
Independent Auditor's Report



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## 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 2023, 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 2023 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 2023

# Tata Technologies (Thailand) Limited

## Statement of financial position

Assets	Note	31 March	
		2023	2022
		<i>(in Baht)</i>	
<b><i>Current assets</i></b>			
Cash and cash equivalents	4	7,978,757	7,980,333
Trade and other receivables	5	29,245,126	35,168,690
Other current assets		3,558,508	2,852,424
<b>Total current assets</b>		<b>40,782,391</b>	<b>46,001,447</b>
<b><i>Non-current assets</i></b>			
Leasehold improvement and equipment	6	322,874	676,426
Intangible assets	7	10,083	21,083
Other non-current assets		3,242,725	5,227,165
<b>Total non-current assets</b>		<b>3,575,682</b>	<b>5,924,674</b>
<b>Total assets</b>		<b>44,358,073</b>	<b>51,926,121</b>

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

# Tata Technologies (Thailand) Limited

## Statement of financial position

Liabilities and shareholders' equity	Note	31 March	
		2023	2022
		<i>(in Baht)</i>	
<b>Current liabilities</b>			
Trade and other payables	8	64,357,677	41,264,602
Other current liabilities		<u>7,382,376</u>	<u>17,925,991</u>
<b>Total current liabilities</b>		<u><b>71,740,053</b></u>	<u><b>59,190,593</b></u>
<b>Non-current liabilities</b>			
Provision for retirement benefits	9	<u>2,996,646</u>	<u>2,569,350</u>
<b>Total non-current liabilities</b>		<u><b>2,996,646</b></u>	<u><b>2,569,350</b></u>
<b>Total liabilities</b>		<u><b>74,736,699</b></u>	<u><b>61,759,943</b></u>
<b>Equity</b>			
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>(67,738,757)</u>	<u>(47,193,953)</u>
<b>Total equity/(capital deficiency)</b>		<u><b>(30,378,626)</b></u>	<u><b>(9,833,822)</b></u>
<b>Total liabilities and equity</b>		<u><b>44,358,073</b></u>	<u><b>51,926,121</b></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>	2023	2022
		<i>(in Baht)</i>	
<b>Revenue</b>			
Revenue from rendering of services	<i>11</i>	22,123,283	63,289,507
Net foreign exchange gain		-	32,157
Other income		4	125,746
<b>Total revenue</b>		<b>22,123,287</b>	<b>63,447,410</b>
<b>Expenses</b>			
Cost of rendering of services		36,912,295	59,460,642
General and administrative expenses		5,664,861	10,382,231
Net foreign exchange loss		90,935	-
<b>Total expenses</b>		<b>42,668,091</b>	<b>69,842,873</b>
<b>Loss before income tax expense</b>		<b>(20,544,804)</b>	<b>(6,395,463)</b>
Income tax expense		-	-
<b>Loss for the year</b>		<b>(20,544,804)</b>	<b>(6,395,463)</b>

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	
	(in Baht)			
<i>Year ended 31 March 2022</i>				
Balance at 1 April 2021	35,267,050	2,093,081	(40,798,490)	(3,438,359)
Loss for the year	-	-	(6,395,463)	(6,395,463)
Balance at 31 March 2022	35,267,050	2,093,081	(47,193,953)	(9,833,822)
<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)

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 2023**

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**Tata Technologies (Thailand) Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

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 Board of Directors on 20 April 2023.

**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 service 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 (TFRS for NPAEs) and guidelines promulgated by the Federation of Accounting Professions (TFAC).

The financial statements are prepared and presented in Thai Baht. They are prepared on the historical cost basis except as stated in the accounting policies.

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 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 2023, the Company incurred a net loss of Baht 20.54 million (2022: Baht 6.40 million) and, as of that date, the Company’s current liabilities exceeded its current assets by Baht 30.96 million (2022: Baht 13.19 million), and the Company had capital deficiency of Baht 30.38 million (2022: Baht 9.83 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**  
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**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**

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the exchange rates at that date. Gains or losses arising on translation are recognised in the statement of income.

Non-monetary assets and liabilities arising from foreign currency transactions that are measured at cost are translated to Thai Baht at the exchange rates at the dates of the transactions.

**(b) Cash and cash equivalents**

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

**(c) Trade and other receivables**

Trade and other receivables are stated at their 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. Cost is measured by the cash or cash equivalent price of obtaining the asset that brings it to the location and condition necessary for its intended use. Leasehold improvement and equipment are presented in the statement of financial position at cost less accumulated depreciation and allowance for impairment, if any.

Depreciation is calculated using the straight-line method over the estimated useful lives of assets as follows:

Leasehold improvement	Period of lease agreement
Office equipment	5 years

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**(e) Intangible assets**

Intangible assets that are acquired by the Company are measured at cost less accumulated amortisation and losses on decline in value.

Amortisation is calculated based on the cost of the asset less its residual value. Amortisation is charged to the statement of income on a straight-line basis over the estimated useful lives, which 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 payables**

Trade and other 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*

The Company recognises revenue from rendering of services 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 and other income are recognised as they accrue.

**Tata Technologies (Thailand) Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**(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**

Cash and cash equivalents as at 31 March consist of the follows:

	2023	2022
	<i>(in Baht)</i>	
Cash on hand	20,000	20,000
Cash at bank - current accounts	7,957,583	7,957,663
Cash at bank - saving accounts	1,174	2,670
<b>Total</b>	<b>7,978,757</b>	<b>7,980,333</b>

**5 Trade and other receivables**

Trade and other receivables as at 31 March consist of the follows:

	2023	2022
	<i>(in Baht)</i>	
Trade receivables - related parties	5,844,375	192,600
Trade receivables - third parties	10,082,161	6,120,212
<i>Less</i> allowance for doubtful accounts	<i>(163,205)</i>	<i>(2,172,100)</i>
Net	15,763,331	4,140,712
Unbilled receivables - third parties	13,152,315	30,803,210
Prepaid expenses	329,480	224,768
<b>Total</b>	<b>29,245,126</b>	<b>35,168,690</b>

**Tata Technologies (Thailand) Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**6 Leasehold improvement and equipment**

	Leasehold improvement	Office Equipment (in Baht)	Total
<b>Cost</b>			
At 1 April 2021	6,359,700	13,812,354	20,172,054
Disposals	(1,031,574)	(621,834)	(1,653,408)
<b>At 31 March 2022 and 1 April 2022</b>	<b>5,328,126</b>	<b>13,190,520</b>	<b>18,518,646</b>
<b>At 31 March 2023</b>	<b>5,328,126</b>	<b>13,190,520</b>	<b>18,518,646</b>
<b>Depreciation</b>			
At 1 April 2021	6,359,700	12,689,594	19,049,294
Depreciation charge for the year	-	446,334	446,334
Disposals	(1,031,574)	(621,834)	(1,653,408)
<b>At 31 March 2022 and 1 April 2022</b>	<b>5,328,126</b>	<b>12,514,094</b>	<b>17,842,220</b>
Depreciation charge for the year	-	353,552	353,552
<b>At 31 March 2023</b>	<b>5,328,126</b>	<b>12,867,646</b>	<b>18,195,772</b>
<b>Net book value</b>			
<b>At 31 March 2022</b>	<b>-</b>	<b>676,426</b>	<b>676,426</b>
<b>At 31 March 2023</b>	<b>-</b>	<b>322,874</b>	<b>322,874</b>

**7 Intangible assets**

	Computer Software (in Baht)
<b>Cost</b>	
At 1 April 2021	9,918,757
<b>At 31 March 2022 and 1 April 2022</b>	<b>9,918,757</b>
<b>At 31 March 2023</b>	<b>9,918,757</b>
<b>Amortisation</b>	
At 1 April 2021	9,873,630
Amortisation charge for the year	24,044
<b>At 31 March 2022 and 1 April 2022</b>	<b>9,897,674</b>
Amortisation charge for the year	11,000
<b>At 31 March 2023</b>	<b>9,908,674</b>
<b>Net book value</b>	
<b>At 31 March 2022</b>	<b>21,083</b>
<b>At 31 March 2023</b>	<b>10,083</b>

**Tata Technologies (Thailand) Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2023**

**8 Trade and other payables**

Trade and other payables as at 31 March consist of the follows:

	2023	2022
	(in Baht)	
Trade payables - related parties	61,034,635	38,174,129
Trade payables - other parties	635,760	515,082
Accrued expenses	2,687,282	2,575,391
<b>Total</b>	<b>64,357,677</b>	<b>41,264,602</b>

**9 Provision for retirement benefits**

	Retirement benefits (in Baht)
At 1 April 2021	2,938,274
Reversal	(368,924)
<b>At 31 March 2022 and 1 April 2022</b>	<b>2,569,350</b>
Additions	427,296
<b>At 31 March 2023</b>	<b>2,996,646</b>

**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.

**11 Promotional privileges**

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, the Company has been granted privileges by the Board of Investment relating to support research and development business, Regional Operating Headquarters and International Headquarters, which have been replaced by International Business Center (IBC) since 11 September 2019. The privileges granted include:

- (a) exemption from payment of import duty on machinery as approved by the Board of Investment;
- (b) exemption from payment of income tax on the net profit derived from the promoted activity for a period of fifteen years from the dates on which the income is first derived from such operations;
- (c) utilize the losses occurs during the income tax exemption period as a deduction against net earnings for the losses for up to five years after the expiration of tax exemption period;
- (d) exemption from income tax for dividend paid from the profit of the promoted operations, which are in turn exempted from the inclusion in the determination of income tax;

The Company has generated income from the International Headquarters (IHQ) since 30 May 2016. IHQ has been replaced by International Business Center (IBC) since 11 September 2019.

**Tata Technologies (Thailand) Limited**  
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Since 22 September 2020, the Company has been granted privileges by the Board of Investment relating to be a Promoted Person engaged in the business of International Business Center under category 7.7: A Trade and Investment Support Office (TISO), which include:

- (a) permission to bring into the Kingdom of Thailand foreign nationals who are (1) skilled workers (2) experts, (3) spouses and dependents of personas in (1) and (2) in such numbers and for such periods of time as the Board of Investment may deem appropriate.
- (b) Permission for foreign nationals who are permitted to stay in the Kingdom of Thailand as stated in (a), to be granted a work permit for a specific position approved by the Board of Investment for the period of permitted stay in the Kingdom of Thailand.
- (c) permission to own land to such an extent as the Board of Investment deems appropriate.
- (d) permission to take out or remit abroad money in foreign currency.

As promoted company, the Company must comply with certain terms and conditions prescribed in the promotional certificates.

Summary of revenue from promoted and non-promoted businesses:

	Promoted business	2023 Non- promoted business (in Baht)	Total
Local sales	1,200,000	16,590,456	17,790,456
Export sales	-	4,332,827	4,332,827
<b>Total</b>	<b>1,200,000</b>	<b>20,923,283</b>	<b>22,123,283</b>

  

	Promoted business	2022 Non- promoted business (in Baht)	Total
Local sales	2,070,000	51,295,726	53,365,726
Export sales	-	9,923,781	9,923,781
<b>Total</b>	<b>2,070,000</b>	<b>61,219,507</b>	<b>63,289,507</b>

## 12 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:

	2023	2022
	(in Baht)	
<b>Non-cancellable operating lease commitments</b>		
Within 1 year	1,584,510	2,649,922
After 1 year but within 5 years	16,800	1,583,610
<b>Total</b>	<b>1,601,310</b>	<b>4,233,532</b>