

Independent Auditor's Report

To the Shareholders of Bajaj Auto (Thailand) Ltd.

Opinion

I have audited the accompanying financial statements of Bajaj Auto (Thailand) Ltd. (“the Company”), which comprise the statement of financial position as at 31 December 2019, and the related statements of income and changes in shareholders’ equity for the period as from 20 December 2019 (date of incorporation) to 31 December 2019, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bajaj Auto (Thailand) Ltd. as at 31 December 2019 and its financial performance for the period as from 20 December 2019 to 31 December 2019 in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. 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 as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. 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 Thai Financial Reporting Standards for Non-Publicly Accountable Entities, 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 Thai Standards on Auditing 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 Thai Standards on Auditing, I exercise professional judgement 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 the 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.

I am responsible for the audit resulting in this independent auditor's report.



Vilailak Laohasrisakul

Certified Public Accountant (Thailand) No. 6140

EY Office Limited

Bangkok: 6 March 2020

Bajaj Auto (Thailand) Ltd.**Statement of financial position****As at 31 December 2019**

	(Unit: Baht)	(Unit: INR)
	31 December 2019	31 December 2019
Assets		
Current assets		
Amount due from a parent company	45,000,000	104,218,095
Prepaid expense	13,871	32,125
Total current assets	<u>45,013,871</u>	<u>104,250,220</u>
Total assets	<u>45,013,871</u>	<u>104,250,220</u>
Liabilities and shareholders' equity		
Current liabilities		
Other payables	235,000	544,250
Total current liabilities	<u>235,000</u>	<u>544,250</u>
Total liabilities	<u>235,000</u>	<u>544,250</u>
Shareholders' equity		
Share capital		
Registered		
450,000 ordinary shares of Baht 100 each	45,000,000	104,218,095
Issued and fully paid-up		
450,000 ordinary shares of Baht 100 each	45,000,000	104,218,095
Deficit	(221,129)	(514,135)
Foreign Currency Translation Reserve		2,010
Total shareholders' equity	<u>44,778,871</u>	<u>103,705,970</u>
Total liabilities and shareholders' equity	<u>45,013,871</u>	<u>104,250,220</u>

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Bajaj Auto (Thailand) Ltd.

Income statement

For the period as from 20 December 2019 to 31 December 2019

	(Unit: Baht)	(Unit: INR)
	For the period as from 20 December 2019 to 31 December 2019	20 December 2019 to 31 December 2019
Revenue		
Other income	20,188	46,938
Total revenue	20,188	46,938
Expenses		
Administrative expenses	241,317	561,073
Total expenses	241,317	561,073
Net loss for the period	(221,129)	(514,135)

Bajaj Auto (Thailand) Ltd.

Statement of changes in shareholders' equity

For the period as from 20 December 2019 to 31 December 2019

(Unit: Baht)

	Issued and fully paid-up share capital	Deficit	Total
Balance as at 20 December 2019	-	-	-
Share capital issued and called-up during the period (Note 5)	45,000,000	-	45,000,000
Net loss for the period	-	(221,129)	(221,129)
Balance as at 31 December 2019	<u>45,000,000</u>	<u>(221,129)</u>	<u>44,778,871</u>

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

Bajaj Auto (Thailand) Ltd.

Notes to financial statements

For the period as from 20 December 2019 to 31 December 2019

1. General information

Bajaj Auto (Thailand) Ltd. (“the Company”) is a limited company incorporated on 20 December 2019 and domiciled in Thailand. Its parent company and the parent company of the Group is Bajaj Auto Ltd., which was incorporated in India. The Company is principally engaged in International Business Centre, trade and investment support offices, scientific laboratory and product design. The registered office of the Company is at No. 1687/1 Phahon19 Building, 2nd Floor, Phahonyothin Road, Lat Yao Sub-District, Chatuchak District, Bangkok.

2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities as issued by the Federation of Accounting Professions and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

3. Significant accounting policies

Expense recognition

Expense is recognised on an accrual basis.

4. Amount due from a parent company

As at 31 December 2019, amount due from a parent company represented amount of share capital payment awaiting to be deposited into the Company’s bank account, which was fully deposited on 16 January 2020.

5. Share capital

On 28 October 2019, a meeting of shareholders was held to establish the Company and passed a resolution approving registration of the Company's establishment and the issue of 450,000 ordinary shares with a par value of Baht 100 per share, or a total capital of Baht 45,000,000. The Company registered the establishment with the Ministry of Commerce on 20 December 2019 and fully called-up.

6. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised director on 6 March 2020.