Special Purpose Financial Statements and Independent Auditors' Report
TCL Inc
31 March 2023

Walker Chandiok & Co LLP

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Independent Auditor's Report on Special Purpose Financial Statements of the Company for the year ended 31 March 2023

To the Board of Directors of Thirumalai Chemicals Limited

Opinion

1. We have audited the accompanying Special Purpose Financial Statements of TCL Inc ('the Company'), which comprise the Special Purpose Balance Sheet as at 31 March 2023, the Special Purpose Statement of Profit and Loss, the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flow for the year then ended and notes to the Special Purpose Financial Statements, including a summary of the significant accounting policies and other selected explanatory information (hereinafter referred to as 'Special Purpose Financial Statements'), which have been prepared by the management of the Company in accordance with the basis of preparation specified in note 2.1 to the Special Purpose Financial Statements.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements are prepared, in all material respects, in accordance with the basis of preparation specified in note 2.1 to the Special Purpose Financial Statements.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of preparation and restriction on distribution or use

4. Without modifying our opinion, we draw attention to note 2.1 to the accompanying Special Purpose Financial Statements, which describes the basis of preparation used by the management for the preparation of accompanying Special Purpose Financial Statements. These Special Purpose Financial Statements have been prepared by the Company's management solely for the purpose of enabling the management of Thirumalai Chemicals Limited ("the Holding Company") to prepare its consolidated financial statements for the year ended 31 March 2023 and therefore it may not be suitable for any other purpose. This audit report is issued solely for the aforesaid purpose, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

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Responsibilities of Management and Those Charged With Governance for the Special Purpose Financial Statements

5. The Company's Board of Directors are responsible for the preparation of these Special Purpose Financial Statements in accordance with the basis of preparation specified in note 2.1 to the Special Purpose Financial Statements. This responsibility includes design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Financial Statements that, in all material respects, in accordance with the basis of preparation specified in aforementioned note 2.1 and are free from material misstatements, whether due to fraud or error.

6. In preparing the Special Purpose Financial Statements, the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the Special Purpose Financial Statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 Special Purpose Financial Statements.

9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

   - Identify and assess the risks of material misstatements 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 our 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 controls;

   - Obtain an understanding of internal controls 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 whether the Company has in place adequate internal financial controls system with reference to financial statements and the operating effectiveness of such controls;

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

   - Conclude on the appropriateness of the Board of Directors' 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 we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

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Other Matter

11. The financial statements of the Company for the year ended 31 March 2022 have been certified by the management and has not been subjected to either audit or review. Our opinion is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No.: 206931
UDIN: 23206931BGUDNN7845

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Place: Chennai
Date: 16 May 2023

TCL Inc

Special Purpose Balance Sheet as at 31 March 2023

(All amounts are in United State Dollars(USD), unless otherwise stated)

	Note	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Financial assets			
Investments	3	24,980,000	19,230,000
		24,980,000	**19,230,000**
Current assets			
Financial assets			
i) Cash and cash equivalents	4	5,808	14,936
ii) Loans	5	25,000,000	-
Total current assets		**25,005,808**	**14,936**
Total Assets		**49,985,808**	**19,244,936**
Equity and liabilities			
Equity			
Equity share capital	6	1,000	1,000
Other equity	7	24,980,235	19,237,107
Total equity		**24,981,235**	**19,238,107**
Current liabilities			
Financial liabilities			
i) Borrowings	8	25,000,000	-
ii) Trade payables	9	4,573	6,829
Total Current liabilities		**25,004,573**	**6,829**
Total equity and liabilities		**49,985,808**	**19,244,936**

Notes 1 to 13 form an integral part of these special purpose financial statements

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No: 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

Place : Chennai
Date : 16 May 2023

WALKER CHANDIOK & CO. LLP CHARTERED ACCOUNTANTS CHENNAI

For and on behalf of the Board of Directors of
TCL Inc

Gayathri Pravin

Gayathri Pravin
Director

Place : United States
Date : 16 May 2023

TCL Inc

Special Purpose Statement of Profit and Loss for the year ended 31 March 2023

(All amounts are in United State Dollars(USD), unless otherwise stated)

	Note	Year ended 31 March 2023	Year ended 31 March 2022
Income			
Other income	10	677,793	-
Total Income		**677,793**	**-**
Expenses			
Finance costs	11	677,793	-
Other expenses	12	6,872	12,893
Total Expenses		**684,665**	**12,893**
Loss before tax		**(6,872)**	**(12,893)**
Tax Expense			
- Current tax		-	-
- Deferred tax		-	-
Total tax expense		-	-
Loss for the year		**(6,872)**	**(12,893)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(6,872)**	**(12,893)**

Notes 1 to 13 form an integral part of these special purpose financial statements

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

Place : Chennai
Date : 16 May 2023

WALKER CHANDIOK & CO. LLP CHARTERED ACCOUNTANTS CHENNAI

For and on behalf of the Board of Directors of
TCL Inc

Gayathri Pravin
Director

Place : United States
Date : 16 May 2023

TCL Inc
Special Purpose Statement of Changes in Equity for the year ended 31 March 2023
(All amounts are in United State Dollars(USD), unless otherwise stated)

A. Equity Share Capital

As at 31 March, 2023

Balance at the beginning of the year	Changes in equity share capital during the current year	Balance at the end of the year
1,000	-	1,000

As at 31 March 2022

Balance at the beginning of the year	Changes in equity share capital during the current year	Balance at the end of the year
1,000	-	1,000

B. Other Equity

Particulars	Securities premium	Retained earnings	Total
Balances at 31 March 2021	**750,000**	**-**	**750,000**
Profit for the year	-	(12,893)	(12,893)
Additional share premium	18,500,000	-	18,500,000
Balances at 31 March 2022	**19,250,000**	**(12,893)**	**19,237,107**
Profit for the year	-	(6,872)	(6,872)
Additional share premium	5,750,000	-	5,750,000
Balances at 31 March 2023	**25,000,000**	**(19,765)**	**24,980,235**

Notes 1 to 13 form an integral part of these special purpose financial statements

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

Place : Chennai
Date : 16 May 2023

WALKER CHANDIOK & CO. LLP CHENNAI CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors
of **TCL Inc**

Gayathri Pravin
Director

Place : United States
Date : 16 May 2023

TCL Inc

Special Purpose Cash Flow Statement for the year ended 31 March 2023

(All amounts are in United State Dollars(USD), unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
A. Cash flows from operating activities		
Loss before tax	(6,872)	(12,893)
Adjustments for		
Interest income	(677,793)	-
Finance costs	677,793	-
Operating loss before working capital changes	**(6,872)**	**(12,893)**
Movements in working capital:		
Increase/ (decrease) in trade payables	(2,256)	10,682
Cash (used in)/generated from operations	**(9,128)**	**(2,211)**
Income taxes paid (net)	-	-
Net cash used in operating activities	**(9,128)**	**(2,211)**
B. Cash flows from investing activities		
Investment in subsidiaries	(5,750,000)	(18,486,566)
Loans granted to subsidiaries	(25,000,000)	-
Interest received	677,793	-
Net cash used in investing activities	**(30,072,207)**	**(18,486,566)**
C. Cash flows from financing activities		
Additional share premium received from Holding Company	5,750,000	18,500,000
Loan received from Holding Company	25,000,000	-
Interest paid	(677,793)	-
Net cash generated from financing activities	**30,072,207**	**18,500,000**
D. Net cash inflows during the year	**(9,128)**	**11,223**
E. Cash and cash equivalents at the beginning of the year	14,936	3,713
F. Cash and cash equivalents at the end of the year	**5,808**	**14,936**
Cash and cash equivalents comprise of:		
Balances with banks - in current accounts	5,808	14,936
Cash and cash equivalents	**5,808**	**14,936**

Notes 1 to 13 form an integral part of these special purpose financial statements

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

WALKER CHANDIOK & CO. LLP ★ CHARTERED ACCOUNTANTS ★ CHENNAI

Place : Chennai
Date : 16 May 2023

For and on behalf of the Board of Directors of
TCL Inc

Gayathri Pravin
Director

Place : United States
Date : 16 May 2023

1 General Information

TCL Inc ("The Company") is a wholly owned subsidiary of TCL Global B.V incorporated in united states incorporated on 10 October 2018. The Company's principal activity is to form a limited liability Company and commence the process of manufacturing and selling chemicals. TCL Global B.V is a wholly owned subsidiary of Thirumalai Chemicals Limited a public limited Company in India whose shares are listed on stock exchanges in India.

These financial statements were authorized for issue by the Company's Board of Directors on 16 May 2023.

2 Summary of significant accounting policies

2.1 Basis of preparation of financial statements

The Special Purpose Financial Statements of the Company for the year ended 31 March 2023 comprises of Special Purpose Balance Sheet as at 31 March 2023, the Special Purpose Statement of Profit and Loss,the Special Purpose Statement of Changes in Equity, the Special Purpose Statement of Cash Flow for the year then ended, and notes to the Special Purpose Financial Statements, including a summary of the significant accounting policies and other selected explanatory information (hereinafter referred to as 'Special Purpose Financial Statements'), have been prepared by the Company's management solely for the purpose of enabling the management of Thirumalai Chemicals Limited ("the Holding Company") to prepare its consolidated financial statements for the year ended 31 March 2023.

These Special Purpose Financial Statements have been prepared in accordance with recognition and measurement principles of Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India as applicable to the Holding Company. Further, disclosures as required under Ind AS have not been included in these Special Purpose Financial Statements, since these are prepared for the limited purposes as specified above. Since, these financial statements do not contain all disclosures required by Ind AS, such financial statements may not be suitable for any other purpose.

The Special Purpose Financial Statements have been prepared on an accrual basis under the historical cost convention.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle up to twelve months for the purpose of current – non-current classification of assets and liabilities.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Certain comparative figures have been reclassified, wherever necessary, to conform to the presentation adopted in the financial statements. These reclassifications were not significant and have no impact on the total assets, total liabilities, total equity and profit of the Company.

2.2 Functional and presentation currency

The financial statements are presented in USD ($) which is also the Company's functional currency.

2.3 Critical accounting estimates, assumptions and judgements

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates, assumptions and judgements that affect the reported amounts of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods reported.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

(i) Provisions and contingencies

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being subject to uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount can be reasonably estimated. Significant judgement is required when evaluating the provision including, the probability of an unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances. Contingent liabilities are disclosed in the notes forming part of the financial statements. Contingent assets are not disclosed in the financial statements unless an inflow of economic benefits is probable.

2.4 Recognition of Dividend Income, Interest income or expense

Dividend income is recognised when the unconditional right to receive the income is established. Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

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2.5 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets other than equity instruments are classified into categories: financial assets at fair value through profit or loss and at amortised cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss or amortised cost.

Financial instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Initially, a financial instrument is recognised at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

Classification and subsequent measurement of financial assets

For the purpose of subsequent measurement financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

a. Amortised cost
b. Fair value through other comprehensive-income (FVOCI) or
c. Fair value through profit and loss (FVTPL)

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

(a) Financial asset at amortised cost

Includes assets that are held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms gives rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are measured subsequently at amortised cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition.

(b) Financial asset at fair value through other comprehensive income (FVOCI)

Includes assets that are held within a business model where the objective is both collecting contractual cash flows and selling financial assets along with the contractual terms giving rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, the Company, based on its assessment, makes an irrevocable election to present in other comprehensive income the changes in the fair value of an investment in an equity instrument that is not held for trading. These selections are made on an instrument-by-instrument (i.e., share-by-share) basis. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognised in other comprehensive income. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. The dividends from such instruments are recognised in statement of profit and loss.
The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognised in other comprehensive income and shall not reduce the carrying amount of the financial asset in the balance sheet.

(c) Financial asset at fair value through profit and loss (FVTPL)

Financial assets at FVTPL include financial assets that are designated at FVTPL upon initial recognition and financial assets that are not measured at amortised cost or at fair value through other comprehensive income. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply. Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair value of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure. The Company shall also measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. The loss allowance shall be recognised in profit and loss.

2.6 Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

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2.7 Income tax

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to a business combination, or items directly recognized in equity or in other comprehensive income.

(i) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period. While determining the tax provisions, the Company assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending the nature and circumstances of each uncertain tax position.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

(ii) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences that is expected to reverse within the tax holiday period.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The Company offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

2.8 Contingent liabilities and provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities if the outflow of resources is remote.

The Company does not recognise contingent assets unless the realization of the income is virtually certain, however these are assessed continually to ensure that the developments are appropriately disclosed in the financial statements.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 3 months from the date of acquisition that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

2.10 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents includes cash in hand, cheques on hand, balances with banks in current accounts and other short- term highly liquid investments with original maturities of 3 months or less, as applicable.

		As at 31 March 2023	As at 31 March 2022
3	**Non-current investments**		
	Investments at cost		
	Investment in subsidiaries (unquoted)	24,980,000	19,230,000
	(Representing 100% ownership of TCL Specialties LLC)	**24,980,000**	**19,230,000**
4	**Cash and cash equivalents**		
	Balance with banks in current accounts	5,808	14,936
	Cash and cash equivalents as per statement of cash flows	**5,808**	**14,936**
5	**Loans**		
	Loans and advances to subsidiary companies*	25,000,000	-
		25,000,000	**-**

*Represents amount provided to TCL Specialties LLC for purpose of setting up a manufacturing plant. This loans carry's a interest rate of SOFR plus 3.25%p.a which is repayable within one year from the date of grant. i.e. within 30 November 2023.

		As at 31 March 2023		As at 31 March 2022	
6	**Equity share capital**	Number	USD	Number	USD
	Equity shares @ USD 0.01 each*	100,000	1,000	100,000	1,000
		100,000	**1,000**	**100,000**	**1,000**

*100% of the equity shares of the Company are held by TCL Global B.V.

		As at 31 March 2023	As at 31 March 2022
7	**Other equity**		
	I. Surplus		
	(a) Securities premium	25,000,000	19,250,000
	(b) Retained earnings	(19,765)	(12,893)
	Total Surplus and other equity	**24,980,235**	**19,237,107**
	a) Securities premium		
	Balance at the beginning of the year	19,250,000	750,000
	Add: Additions made during the year	5,750,000	18,500,000
	Balance at the end of the year	**25,000,000**	**19,250,000**
	b) Retained Earnings		
	Balance at the beginning of the year	(12,893)	-
	Add : Transfer from statement of profit and loss	(6,872)	(12,893)
	Balance at the end of the year	**(19,765)**	**(12,893)**
8	**Current borrowings**		
	Unsecured - measured at amortised cost		
	Loan from holding company*	25,000,000	-
	Total current borrowings	**25,000,000**	**-**

*Represents amount borrowed from TCL Global B.V. for purpose of onward lending to TCL Specialties LLC. This loan carry's a interest rate of SOFR plus 3.25%p.a which is repayable within one year from the date of grant. i.e. within 30 November 2023.

		As at 31 March 2023	As at 31 March 2022
9	**Trade payables**		
	Trade payables	4,573	6,829
		4,573	**6,829**

** Of the above, Nil pertains to payable to related parties (31 March 2022 $ 49)*

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CHENNAI
CHARTERED ACCOUNTANTS

TCL Inc

Summary of significant accounting policies and other explanatory information

(All amounts are in United State Dollars(USD), unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022
10 Other income		
Interest income	677,793	-
	677,793	**-**
11 Finance costs		
Interest expense	677,793	-
	677,793	**-**
12 Other expenses		
Legal and professional charges	4,623	8,760
Rates and taxes	554	999
Bank charges	1,695	3,109
Miscellaneous expenses	-	25
	6,872	**12,893**

13 Events after the reporting period

No adjusting or significant non-adjusting events have occurred between the reporting date (31 March 2023) and the date of approval of these financial statements (16 May 2023).

In terms of our report attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Sumesh E S
Partner
Membership No: 206931

Place : Chennai
Date : 16 May 2023

WALKER CHANDIOK & CO. LLP
CHENNAI
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
TCL Inc

Gayathri Pravin

Gayathri Pravin
Director

Place : United States
Date : 16 May 2023