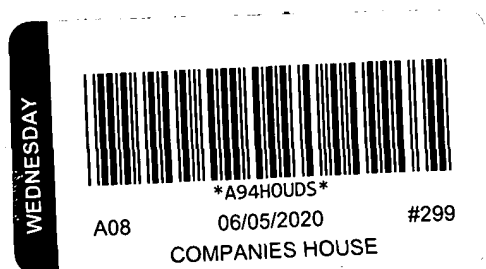


**REGISTERED NUMBER: 01201246 (England and Wales)**

**Report of the Directors and  
Consolidated Financial Statements  
for the Year Ended 31st March 2020  
for  
Thalest Limited**



**Thalest Limited (Registered number: 01201246)**

**Contents of the Consolidated Financial Statements  
for the Year Ended 31st March 2020**

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**Thalest Limited**

**Company Information  
for the Year Ended 31st March 2020**

**Directors:** S C Bhargava  
W Ross

**Registered office:** Endeavour House  
Holloway Road  
Heybridge  
Maldon  
Essex  
CM9 4ER

**Registered number:** 01201246 (England and Wales)

**Auditors:** Cooper Paul  
Statutory Auditors  
Beren Court  
Newney Green  
Chelmsford  
Essex  
CM1 3SQ

**Report of the Directors  
for the Year Ended 31st March 2020**

The directors present their report with the financial statements of the company and the group for the year ended 31st March 2020.

**Directors**

The directors shown below have held office during the whole of the period from 1st April 2019 to the date of this report.

S C Bhargava  
W Ross

**Statement of directors' responsibilities**

The directors are responsible for preparing the Report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement as to disclosure of information to auditors**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**Auditors**

The auditors, Cooper Paul, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**Thalest Limited (Registered number: 01201246)**

**Report of the Directors  
for the Year Ended 31st March 2020**

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**On behalf of the board:**

A handwritten signature in black ink, appearing to be 'W Ross', written over a horizontal line.

W Ross - Director

29th April 2020

## **Report of the Independent Auditors to the Members of Thalest Limited**

### **Opinion**

We have audited the financial statements of Thalest Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31st March 2020 which comprise the Consolidated income statement, Consolidated balance sheet, Company balance sheet and Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31st March 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the directors, but does not include the financial statements and our Report of the auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Report of the Independent Auditors to the Members of Thalest Limited**

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the directors has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Group strategic report or in preparing the Report of the directors.

### **Responsibilities of directors**

As explained more fully in the Statement of directors' responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are responsible for assessing the group's and the parent 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 directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

### **Auditors' responsibilities for the audit of the financial statements**

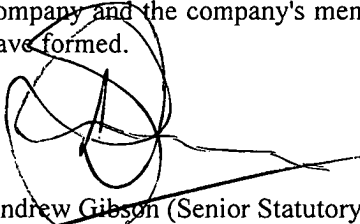
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the auditors.

**Report of the Independent Auditors to the Members of  
Thalest Limited**

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to be 'Andrew Gibson', written over a circular stamp or seal.

Andrew Gibson (Senior Statutory Auditor)  
for and on behalf of Cooper Paul  
Statutory Auditors  
Beren Court  
Newney Green  
Chelmsford  
Essex  
CM1 3SQ

29th April 2020

**Thalest Limited (Registered number: 01201246)**

**Consolidated Income Statement  
for the Year Ended 31st March 2020**

	Notes	2020 £	2019 £
<b>Turnover</b>		5,586,269	4,743,485
Cost of sales		<u>(2,639,414)</u>	<u>(2,636,366)</u>
<b>Gross profit</b>		2,946,855	2,107,119
Administrative expenses		<u>(2,239,123)</u>	<u>(2,771,437)</u>
<b>Operating profit/(loss)</b>	4	707,732	(664,318)
Interest payable and similar expenses		<u>(118,723)</u>	<u>(119,650)</u>
<b>Profit/(loss) before taxation</b>		589,009	(783,968)
Tax on profit/(loss)		<u>-</u>	<u>11,878</u>
<b>Profit/(loss) for the financial year</b>		<u><u>589,009</u></u>	<u><u>(772,090)</u></u>
Profit/(loss) attributable to: Owners of the parent		<u><u>589,009</u></u>	<u><u>(772,090)</u></u>

The notes form part of these financial statements

**Thalest Limited (Registered number: 01201246)**

**Consolidated Balance Sheet  
31st March 2020**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	6	1,483,722	1,655,657
Tangible assets	7	59,323	90,818
Investments	8	-	-
		<u>1,543,045</u>	<u>1,746,475</u>
<b>Current assets</b>			
Stocks		332,835	378,747
Debtors	9	612,806	1,089,670
Cash in hand		624	47
		<u>946,265</u>	<u>1,468,464</u>
<b>Creditors</b>			
Amounts falling due within one year	10	(3,814,745)	(5,129,383)
<b>Net current liabilities</b>		<u>(2,868,480)</u>	<u>(3,660,919)</u>
<b>Total assets less current liabilities</b>		<u>(1,325,435)</u>	<u>(1,914,444)</u>
<b>Capital and reserves</b>			
Called up share capital		133,656	133,656
Share premium		22,504	22,504
Capital redemption reserve		142,840	142,840
Retained earnings		(4,124,435)	(4,713,444)
<b>Shareholders' funds</b>		<u>(3,825,435)</u>	<u>(4,414,444)</u>
<b>Non-controlling interests</b>		<u>2,500,000</u>	<u>2,500,000</u>
<b>Total equity</b>		<u>(1,325,435)</u>	<u>(1,914,444)</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on 29th April 2020 and were signed on its behalf by:



W Ross - Director

The notes form part of these financial statements

**Thalest Limited (Registered number: 01201246)**

**Company Balance Sheet  
31st March 2020**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	6	-	-
Tangible assets	7	-	18,738
Investments	8	50,000	50,000
		<u>50,000</u>	<u>68,738</u>
<b>Current assets</b>			
Debtors	9	789,556	789,556
<b>Total assets less current liabilities</b>		<u>839,556</u>	<u>858,294</u>

The notes form part of these financial statements

**Thalest Limited (Registered number: 01201246)**

**Company Balance Sheet - continued  
31st March 2020**

<b>Notes</b>	<b>2020 £</b>	<b>2019 £</b>
<b>Capital and reserves</b>		
Called up share capital	133,656	133,656
Share premium	22,504	22,504
Capital redemption reserve	142,840	142,840
Retained earnings	540,556	559,294
<b>Shareholders' funds</b>	<u>839,556</u>	<u>858,294</u>
 Company's loss for the financial year	 <u>(18,738)</u>	 <u>(15,288)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 29th April 2020 and were signed on its behalf by:



W Ross - Director

The notes form part of these financial statements

**Thalest Limited (Registered number: 01201246)**

**Notes to the Consolidated Financial Statements  
for the Year Ended 31st March 2020**

**1. Statutory information**

Thalest Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

**2. Accounting policies**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Development costs are being amortised evenly over their estimated useful life of nil years.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc            -    20% on cost and at varying rates on cost

**Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31st March 2020

2. **Accounting policies - continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

**Going concern**

The company is a member of the Larsen & Toubro Group of companies. The working capital requirement is currently reliant upon an overdraft facility provided by the company's bankers which is guaranteed by the company's immediate parent company L&T International FZE. Based upon the group's current order book and profit forecasts the directors are satisfied that with the continued support of its holding company the group will continue to be profitable. The directors are therefore satisfied that the preparation of the accounts on a going concern basis remains appropriate.

3. **Employees and directors**

The average number of employees during the year was 34 (2019 - 34).

4. **Operating profit/(loss)**

The operating profit (2019 - operating loss) is stated after charging:

	2020	2019
	£	£
Depreciation - owned assets	50,148	66,134
Development costs amortisation	242,239	282,179

5. **Individual income statement**

As permitted by Section 408 of the Companies Act 2006, the Income statement of the parent company is not presented as part of these financial statements.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31st March 2020

6. Intangible fixed assets

Group

	Other intangible assets £
<b>Cost</b>	
At 1st April 2019	2,151,266
Additions	70,304
At 31st March 2020	2,221,570
<b>Amortisation</b>	
At 1st April 2019	495,609
Charge for year	242,239
At 31st March 2020	737,848
<b>Net book value</b>	
At 31st March 2020	1,483,722
At 31st March 2019	1,655,657

7. Tangible fixed assets

Group

	Land and buildings £	Plant and machinery etc £	Totals £
<b>Cost</b>			
At 1st April 2019	157,769	451,386	609,155
Additions	-	18,689	18,689
Disposals	(157,769)	(57,705)	(215,474)
At 31st March 2020	-	412,370	412,370
<b>Depreciation</b>			
At 1st April 2019	139,031	379,306	518,337
Charge for year	18,738	31,410	50,148
Eliminated on disposal	(157,769)	(57,669)	(215,438)
At 31st March 2020	-	353,047	353,047
<b>Net book value</b>			
At 31st March 2020	-	59,323	59,323
At 31st March 2019	18,738	72,080	90,818

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31st March 2020

7. **Tangible fixed assets - continued**

**Company**

	<b>Land and buildings £</b>
<b>Cost</b>	
At 1st April 2019	157,769
Disposals	(157,769)
	<hr/>
At 31st March 2020	-
	<hr/>
<b>Depreciation</b>	
At 1st April 2019	139,031
Charge for year	18,738
Eliminated on disposal	(157,769)
	<hr/>
At 31st March 2020	-
	<hr/>
<b>Net book value</b>	
At 31st March 2020	-
	<hr/> <hr/>
At 31st March 2019	18,738
	<hr/> <hr/>

8. **Fixed asset investments**

**Company**

	<b>Shares in group undertakings £</b>
<b>Cost</b>	
At 1st April 2019 and 31st March 2020	50,000
	<hr/>
<b>Net book value</b>	
At 31st March 2020	50,000
	<hr/> <hr/>
At 31st March 2019	50,000
	<hr/> <hr/>

**Thalest Limited (Registered number: 01201246)**

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31st March 2020**

**8. Fixed asset investments - continued**

The group or the company's investments at the Balance sheet date in the share capital of companies include the following:

**Subsidiary**

**Servowatch Systems Limited**

Registered office: Endeavour House, Holloway Road, Heybridge, Maldon, Essex

Nature of business: Marine instrumentation

	%
Class of shares:	holding
Ordinary shares	100.00

**9. Debtors: amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	545,028	962,552	-	-
Amounts owed by group undertakings	-	-	789,556	789,556
Other debtors	67,778	127,118	-	-
	<u>612,806</u>	<u>1,089,670</u>	<u>789,556</u>	<u>789,556</u>

**10. Creditors: amounts falling due within one year**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	2,135,953	2,072,753
Trade creditors	1,017,996	2,379,583
Taxation and social security	60,164	52,401
Other creditors	600,632	624,646
	<u>3,814,745</u>	<u>5,129,383</u>

**11. Secured debts**

The following secured debts are included within creditors:

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Bank overdrafts	<u>2,135,953</u>	<u>2,072,753</u>

The bank overdraft is secured by a corporate guarantee of the company's controlling party.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31st March 2020**

**12. Bank guarantees**

The group has given the following performance guarantees to its customers from its banker HSBC. These guarantees are backed by the group's parent.

**Beneficiary:**

Hyundai Heavy Industries Co. Limited	GBP 144,750
Hyundai Heavy Industries Co. Limited	GBP 144,750
CSBC Corporation Taiwan	GBP 480,500
CSBC Corporation Taiwan	GBP 2,402,500
Singapore Technologies Marine Limited	GBP 41,880
Hyundai Heavy Industries Co. Limited	GBP 365,309
Hyundai Heavy Industries Co. Limited	GBP 365,309
CSBC Corporation, Taiwan	USD 59,245

**Thalest Limited (Registered number: 01201246)**

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31st March 2020**

**13. Related party disclosures**

List of related parties who exercise control

Larsen & Toubro Limited	Ultimate Holding Company
Larsen & Toubros International FZE	Immediate Holding Company
Thalest Limited	Holding Company

Related parties with whom the company have transactions during the year

Larsen & Toubro Limited  
Tamco Switchgear (Malaysia) SDN BHD  
Thalest Limited  
L & T Technology Services Limited

Transactions and balances with related parties

Balances with related parties

Trade debtors

Tamco Switchgear (Malaysia) SDN BHD £48,486

Trade creditors

Larsen & Toubro Limited £682,335

Tamco Switchgear (Malaysia) SDN BHD £21,162

Other current assets

Servowatch Systems Limited £789,556

Other current liabilities

Tamco Switchgear (Malaysia) SDN BHD £350,000

Share capital

Investment by Larsen & Toubro International FZE £2,500,000 redeemable preference shares of £1 each

Investment by Thalest Limited £50,000 ordinary shares of £1 each

Transactions with related parties

Overheads and services charged by

Tamco Switchgear (Malaysia) SDN BHD £13,696

Larsen & Toubro Limited £371,413

L & T Technology Services (UK) £27,918

**14. Ultimate controlling party**

The Ultimate holding company is Larsen & Toubro Limited, a company incorporated in India. The company is a publicly owned company listed on the Indian Stock Exchange which does not have a single controlling party.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31st March 2020**

**15. Controlling party**

The company prepares consolidated group accounts, which are the only UK group accounts incorporating this company, which are filed at Companies House. The immediate parent company of Thalest Limited is L & T International FZE which consolidate their accounts and has its headquarters in Sharjah, UAE. The ultimate parent of L & T International FZE is Larsen & Toubro Limited, a company registered in India.