

**TATA STEEL MANUFACTURING (THAILAND)
PUBLIC COMPANY LIMITED (FORMERLY NAMED
“N.T.S. STEEL GROUP PUBLIC COMPANY LIMITED”)**

FINANCIAL STATEMENTS

31 MARCH 2021



Independent Auditor's Report

To the Shareholders of Tata Steel Manufacturing (Thailand) Public Company Limited
(Formerly named "N.T.S. Steel Group Public Company Limited")

My opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Tata Steel Manufacturing (Thailand) Public Company Limited (the Company) as at 31 March 2021, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 March 2021;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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 issued by the Federation of Accounting Professions that are relevant to my audit of the financial statements and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS, 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, the 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 the 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 judgement and maintain professional scepticism 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 the management.
- Conclude on the appropriateness of the 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.

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in blue ink, appearing to read 'Varaporn Vorathitikul', with a long horizontal flourish extending to the right.

Varaporn Vorathitikul
Certified Public Accountant (Thailand) No. 4474
Bangkok
20 April 2021

Tata Steel Manufacturing (Thailand) Public Company Limited
Statement of Financial Position
As at 31 March 2021

		31 March 2021	31 March 2020	1 April 2019
	Notes	Baht	Baht	Baht
Assets				
Current assets				
Cash and cash equivalents	11 a)	154,159,768	144,107,403	219,894,138
Trade and other receivables, net	12	1,119,686,806	646,869,824	663,688,764
Inventories, net	14	3,459,057,396	2,518,698,089	3,193,120,940
Other current assets	15	74,714,803	127,055,337	140,539,216
Total current assets		4,807,618,773	3,436,730,653	4,217,243,058
Non-current assets				
Available for sales investment		-	-	1,200,000
Financial assets measured at fair value through other comprehensive income	13	206,640,000	-	-
Other long-term investments		-	1,241	1,241
Property, plant and equipment, net	16	2,555,120,038	2,869,010,888	3,115,949,477
Idle assets held-for-sale, net	17	343,000,000	460,000,000	460,000,000
Right-of-use assets, net	18	640,643,226	-	-
Goodwill, net	19	3,456,014,092	3,456,014,092	3,456,014,092
Intangible assets, net	20	15,551,554	17,138,051	13,676,455
Deferred tax assets, net	21	-	25,315,087	9,545,792
Other non-current assets	22	38,621,671	41,362,747	42,019,893
Total non-current assets		7,255,590,581	6,868,842,106	7,098,406,950
Total assets		12,063,209,354	10,305,572,759	11,315,650,008

The accompanying notes on page 11 to 69 are an integral part of the financial statements.

Tata Steel Manufacturing (Thailand) Public Company Limited
Statement of Financial Position
As at 31 March 2021

		31 March 2021	31 March 2020	1 April 2019
	Notes	Baht	Baht	Baht
Liabilities and equity				
Current liabilities				
Short-term borrowings from financial institutions	23	441,392,535	461,726,989	1,720,436,027
Trade and other payables	24	1,550,055,905	841,800,005	1,065,790,814
Short-term borrowings from parent company	23, 30 c)	6,868,063,764	973,728,326	601,226,775
Current income tax payable		25,172,933	61,554,463	1,438,474
Current portion of lease liabilities, net	23	22,629,189	1,129,125	1,087,118
Other current liabilities		29,511,233	10,805,233	18,677,340
Total current liabilities		8,936,825,559	2,350,744,141	3,408,656,548
Non-current liabilities				
Lease liabilities, net	23	642,695,205	39,652,735	40,781,860
Deferred tax liabilities, net	21	1,917,214	-	-
Employee benefit obligations	25	247,616,486	258,871,488	163,531,786
Total non-current liabilities		892,228,905	298,524,223	204,313,646
Total liabilities		9,829,054,464	2,649,268,364	3,612,970,194

The accompanying notes on page 11 to 69 are an integral part of the financial statements.

Tata Steel Manufacturing (Thailand) Public Company Limited
Statement of Financial Position
As at 31 March 2021

		31 March 2021 Baht	31 March 2020 Baht	1 April 2019 Baht
	Notes			
Liabilities and equity (Cont'd)				
Equity				
Share capital				
Authorised share capital				
Ordinary shares, 3,856,637,797 shares at par value of Baht 1.20 each				
		4,627,965,356	4,627,965,356	4,627,965,356
Issued and paid-up share capital				
Ordinary shares, 3,856,637,797 shares paid-up of Baht 1.20 each				
		4,627,965,356	4,627,965,356	4,627,965,356
Surplus arising from business combination under common control				
	34	1,655,500,989	-	-
Deficits				
Unappropriated				
		(4,097,695,455)	(4,556,560,026)	(4,223,861,208)
Other components of equity				
		48,384,000	-	1,060,000
Equity attributable to owners of the Company				
		2,234,154,890	71,405,330	405,164,148
Non-controlling interests				
	34	-	7,584,899,065	7,297,515,666
Total Equity				
		2,234,154,890	7,656,304,395	7,702,679,814
Total liabilities and equity				
		12,063,209,354	10,305,572,759	11,315,650,008

The accompanying notes on page 11 to 69 are an integral part of the financial statements.

Tata Steel Manufacturing (Thailand) Public Company Limited
Statement of Comprehensive Income
For the year ended 31 March 2021

	Notes	2021 Baht	2020 Baht
Revenue from sales and related services		22,016,896,005	20,118,122,926
Cost of sales and related services		<u>(20,535,945,438)</u>	<u>(19,373,767,543)</u>
Gross profit		1,480,950,567	744,355,383
Other income	26	136,115,105	137,249,332
Selling expenses		(186,841,112)	(179,255,067)
Administrative expenses		(570,657,183)	(532,922,534)
Other expenses	17	(117,000,000)	-
Finance costs		<u>(103,998,206)</u>	<u>(124,640,174)</u>
Profit before income tax expense		638,569,171	44,786,940
Income tax expense	28	<u>(34,389,362)</u>	<u>(68,764,897)</u>
Profit (loss) for the period		<u>604,179,809</u>	<u>(23,977,957)</u>
Other comprehensive income (expense)			
Items that will not be reclassified subsequently to profit or loss			
Changes in fair value of equity investments at fair value through other comprehensive income		60,480,000	-
Remeasurements of post-employment benefit obligations		23,624,335	(24,359,081)
Income tax on items that will not be reclassified subsequently to profit or loss		<u>(16,101,013)</u>	<u>3,021,619</u>
Total items that will not be reclassified subsequently to profit or loss		<u>68,003,322</u>	<u>(21,337,462)</u>
Items that will be reclassified subsequently to profit or loss			
Change in value of available-for-sale financial assets		-	(1,200,000)
Income tax relating to items that will be reclassified subsequently to profit or loss		<u>-</u>	<u>140,000</u>
Total items that will be reclassified subsequently to profit or loss		<u>-</u>	<u>(1,060,000)</u>
Other comprehensive income (expense) for the year, net of tax		<u>68,003,322</u>	<u>(22,397,462)</u>
Total comprehensive expense for the year		<u><u>672,183,131</u></u>	<u><u>(46,375,419)</u></u>

The accompanying notes on page 11 to 69 are an integral part of the financial statements.

Tata Steel Manufacturing (Thailand) Public Company Limited
Statement of Comprehensive Income
For the year ended 31 March 2021

	Note	2021 Baht	2020 Baht
Profit (loss) attributable to:			
Owners of the Company		443,785,233	(323,447,832)
Non-controlling interests		160,394,576	299,469,875
		<u>604,179,809</u>	<u>(23,977,957)</u>
Total comprehensive income (expense)			
attributable to:			
Owners of the Company		507,248,571	(333,758,818)
Non-controlling interests		164,934,560	287,383,399
		<u>672,183,131</u>	<u>(46,375,419)</u>
Profit (loss) per share			
Profit (loss) per share (Baht)	29	0.12	(0.08)

The accompanying notes on page 11 to 69 are an integral part of the financial statements.

Tata Steel Manufacturing (Thailand) Public Company Limited

Statement of Changes in Equity

For the year ended 31 March 2021

	Notes	Deficits		Other component of equity						Total equity Baht		
		Issued and paid-up share capital Baht	Surplus arising from business combination under common control Baht	Appropriated - legal reserve Baht	Unappropriated Baht	Other comprehensive income - available-for-sale investments Baht	Other comprehensive income at fair value through other comprehensive income Baht	Measurement of equity investments Baht	Other owners' interest arising from business combination under common control Baht			
Opening balance as at 1 April 2019												
- previously reported		4,627,965,356	-	-	(4,223,861,208)	1,060,000	-	-	405,164,148	-	-	405,164,148
Impact of business combination under common control	34	-	-	-	-	-	-	-	-	7,297,515,666	-	7,297,515,666
Opening balance as at 1 April 2019 - restated		4,627,965,356	-	-	(4,223,861,208)	1,060,000	-	-	405,164,148	7,297,515,666	-	7,702,679,814
Changes in equity for the year												
Total comprehensive income (expense) for the year		-	-	-	(332,698,818)	(1,060,000)	-	-	(333,758,818)	287,383,399	-	(46,375,419)
Closing balance as at 31 March 2020		4,627,965,356	-	-	(4,556,560,026)	-	-	-	71,405,330	7,584,899,065	-	7,656,304,395
Opening balance as at 1 April 2020												
- previously reported		4,627,965,356	-	-	(4,556,560,026)	-	-	-	71,405,330	-	-	71,405,330
Retrospective adjustments from changes in accounting policy	5	-	-	-	-	-	-	-	-	116,927,007	-	116,927,007
Impact of business combination under common control	34	-	-	-	-	-	-	-	-	7,584,899,065	-	7,584,899,065
Opening balance as at 1 April 2020 - restated		4,627,965,356	-	-	(4,556,560,026)	-	-	-	71,405,330	7,701,826,072	-	7,773,231,402
Changes in equity for the year												
Total comprehensive income (expense) for the year		-	-	-	458,864,571	-	-	48,384,000	507,248,571	164,934,560	-	672,183,131
Business combination under common control	34	-	1,655,500,989	-	-	-	-	-	1,655,500,989	(7,866,760,632)	-	(6,211,259,643)
Closing balance as at 31 March 2021		4,627,965,356	1,655,500,989	-	(4,097,695,455)	-	-	48,384,000	2,234,154,890	-	-	2,234,154,890

The accompanying notes on page 11 to 69 are an integral part of the financial statements.

Tata Steel Manufacturing (Thailand) Public Company Limited
Statement of Cash Flows
For the year ended 31 March 2021

	Notes	2021 Baht	2020 Baht
Cash flows from operating activities			
Profit before income tax expense		638,569,171	44,786,940
Adjustments :			
Depreciation and amortisation charge		483,914,571	478,995,814
(Reversal of) net impairment losses on financial assets		(135,260)	8,240
Employee benefit obligations		31,025,928	82,996,776
Gain on foreign exchange rate		(11,542,241)	(2,632,155)
Other adjustments from non-cash items	11 b)	127,822,065	(507,421)
Interest income	26	(20,528,300)	(31,929,824)
Dividend income	26	(28,800,000)	(14,400,000)
Interest expense		103,998,206	124,640,174
		<u>1,324,324,140</u>	<u>681,958,544</u>
Changes in working capital			
Trade and other receivables		(464,507,582)	20,418,718
Inventories		(972,137,305)	637,862,091
Trade and other payables		673,121,573	(172,965,585)
Other cash received (paid) from operating activities	11 c)	39,881,729	(6,705,072)
Cash flows from operating activities			
Cash generated from operations		600,682,555	1,160,568,696
Adjustment of cash occurred from borrowings	11 d)	(104,367,453)	(127,535,161)
Income tax paid		(89,054,648)	(19,965,447)
		<u>407,260,454</u>	<u>1,013,068,088</u>
Net cash generated from operating activities			
Cash flows from investing activities			
Purchases of intangible assets	11 e)	(673,827)	(7,107,773)
Purchases of property, plant and equipment	11 e)	(88,958,691)	(238,340,055)
Proceeds from disposals of property, plant and equipment		31,850	377,494
Proceeds from sales of available for sales investment	11 b)	-	130,000
Dividend income	26	28,800,000	14,400,000
Interest income		20,528,300	31,606,228
		<u>(40,272,368)</u>	<u>(198,934,106)</u>
Net cash used in investing activities			

The accompanying notes on page 11 to 69 are an integral part of the financial statements.

Tata Steel Manufacturing (Thailand) Public Company Limited
Statement of Cash Flows
For the year ended 31 March 2021

	<u>Notes</u>	<u>2021 Baht</u>	<u>2020 Baht</u>
Cash flow from financing activities			
Net repayments on short-term borrowings from financial institutions		(20,334,454)	(1,258,709,038)
Net proceeds from (repayments on) short-term borrowings from parent company	11 e), 30 c)	(316,924,205)	372,501,550
Payments on lease liabilities		<u>(19,677,062)</u>	<u>(3,713,229)</u>
Net cash generated used in financing activities		<u>(356,935,721)</u>	<u>(889,920,717)</u>
Net increase (decrease) in cash and cash equivalents		10,052,365	(75,786,735)
Cash and cash equivalents at the beginning of the year		<u>144,107,403</u>	<u>219,894,138</u>
Cash and cash equivalents at the end of the year	11 a)	<u><u>154,159,768</u></u>	<u><u>144,107,403</u></u>

The accompanying notes on page 11 to 69 are an integral part of the financial statements.

1 General information

Tata Steel Manufacturing (Thailand) Public Company Limited ("the Company") is a public limited company which is incorporated and domiciled in Thailand. The address of the Company's registered office is as follows:

Head Office : Rasa Tower 2, 20th Floor, 555 Phaholyothin Road, Chatuchak Sub-district, Chatuchak District, Bangkok 10900.

Chonburi factory : 351 Moo 6, Hemaraj Chonburi Industrial Estate, Bowin, Sriracha, Chonburi 20230.

Saraburi factory : 49 Moo11, Pattanapong Road, Bang Khamot Subdistrict, Ban Moh District, Saraburi 18270.

Rayong factory : Plot 1 Map TA Phut Industrial Estate. Mueang Rayong District, Rayong 21150.

The Company engages in manufacturing, rendering manufacturing services, distributing and trading of steel bars, wire rods and small section products.

The major shareholder and the parent company is Tata Steel (Thailand) Public Company Limited which is a public company incorporated in Thailand and listed on the Stock Exchange of Thailand and holds 99.76% of the Company's shares. The Company is under Tata Steel Limited group, a listed company incorporated under the law of India.

The Annual General Meeting of the Company held on 30 July 2020 approved the change of its name from N.T.S. Steel Group Public Company Limited to Tata Steel Manufacturing (Thailand) Public Company Limited. The Company registered the change of the name with the Department of Business Development, the Ministry of Commerce, on 27 August 2020. In the same meeting, the Shareholders of the Company, approved the acquisition of entire businesses from The Siam Steel (2001) Company Limited and The Siam Construction Steel Company Limited, both being subsidiaries in the same Group.

Accordingly, on 19 November 2020, the Company entered into the Entire Business Transfer Agreement with The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited. The process has completed at the close of 31 December 2020 with the entire business transfer being effective on 1 January 2021 (Note 34).

As at 31 March 2021 and 2020, the Company has total current liabilities exceeding total current assets by Baht 4,129 million and Baht 2,439 million (before adjusting the impact of entire business transfer from related parties), respectively. However, the amount of current liabilities included short-term borrowings from the parent company of Baht 6,868 million and Baht 3,092 million (before adjusting the impact of entire business transfer from related parties), respectively. The parent company has confirmed it will continue its financial support to the Company to enable the Company to continue its operations satisfactorily at least for the next 12 months from the statement of financial position date and the Company's management has prepared the business plan including initiatives to improve operation and financial results of the Company. In addition, the Company's parent manages the liquidity based on a group basis.

The financial statements were authorised for issue by the Board of directors on 20 April 2021.

2 Significant events during the current period

Coronavirus Disease 2019 outbreak

The outbreak of Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2020, has not resulted in any significant adverse effects on the operating results for the year ended 31 March 2021. The Company continues to pay close attention to the development of the COVID-19 situation, evaluating its impact on the operation while strategizing effective solutions.

3 Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS").

The financial statements have been prepared under the historical cost convention except as disclosed in accounting policies for certain financial assets (including derivative instrument) as described in Note 6.6, certain financial liabilities as described in Notes 6.13 and non-current assets (or disposal groups) held-for-sale as described in Note 6.7.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 9.

The financial statements for the year ended 31 March 2021 and 2020 do not include investment in Siam Steel Mill Services Company Limited which is held by The Siam Construction Steel Company Limited, and transferred to the Company on 1 January 2021 due to a transfer of business under common control, at 24% of share capital on an equity method because the Company has no significant influence to govern the financial and operating policies of and does not have any authorised director to sign on behalf of Siam Steel Mill Services Company Limited. Therefore, before 1 April 2020, the Company recorded such investment as other long-term investment at cost of Baht 1,241 (Note 13).

An English version of the financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

4 New and amended financial reporting standards

4.1 The Company has applied the following standard and amendments for the first time for their annual reporting commencing 1 January 2020

a) Financial instruments

The new financial standards relate to financial instruments are:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

The new financial reporting standards related to financial instruments introduce new classification and measurement requirements for financial instruments as well as provide derecognition guidance on financial assets and financial liabilities. The new guidance also provides an option for the Company to apply hedge accounting to reduce accounting mismatch between a hedged item and a hedging instrument. In addition, the new rule provides detailed guidance on financial instruments issued by the Company whether it is a liability or an equity. Among other things, they require extensive disclosure on financial instruments and related risks.

The new classification requirements of financial assets require the Company to assess both i) business model for holding the financial assets; and ii) cash flow characteristics of the asset whether the contractual cash flows represent solely payments of principal and interest (SPPI). The classification affects the financial assets' measurement. The new guidance requires assessment of impairment of financial assets as well as contract assets and recognition of expected credit loss from initial recognition.

On 1 April 2020, the Company has adopted the financial reporting standards related to financial instruments in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

b) TFRS 16, Leases

Where the Company is a lessee, TFRS 16, Leases result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

On 1 April 2020, the Company has adopted the new lease standard in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

c) Amendment to TAS 12, Income tax clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to how the past transactions or events that generated distributable profits were recognised.

d) Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement) clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.

e) TFRIC 23, Uncertainty over income tax treatments provided for how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- that the Company should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, i.e. that detection risk should be ignored.
- that the Company should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

4.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2021 and have significant impacts to the Company

Certain amended financial reporting standards have been issued which are not mandatory for current reporting period and have not been early adopted by the Company.

a) Revised Conceptual Framework for Financial Reporting added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) Amendment to TFRS 3, Business combinations amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.

- c) **Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures** amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.
- d) **Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors** amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.
- e) **Amendment to TFRS 16, Leases** amended to provide a practical expedient where lessees are exempted from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. It applies to rent concessions that reduce lease payments due from 1 June 2020 to 30 June 2021. The amendment is effective for the annual accounting period beginning on or after 1 June 2020 where early application is permitted.

The Company has chosen not to early apply the amendments for the current reporting period.

4.3 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022 and have significant impacts to the Company

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Company.

- a) **Amendment to TFRS 16, Leases** amended to include a practical expedient for leases that are modified as a direct consequence of IBOR reform (e.g. replacement of THBFIX as a benchmark interest rate due to the cancellation of LIBOR) for lessee to remeasure the lease liability by discounting the revised lease payments using a discount rate that reflects the change in the interest rate. An early application of the amendment is permitted.

The Company has chosen not to early apply the amendments for the current reporting period.

5 Impacts from initial application of the new and revised financial reporting standards

This note explains the impact of the adoption of TAS 32 Financial Instruments: Presentation, TFRS 7 Financial Instruments : Disclosure, TFRS 9 Financial Instruments and TFRS 16 Leases on the Company's financial statements. The new accounting policies applied from 1 April 2020 were disclosed in Note 5.1 and Note 5.2.

The Company have adopted those accounting policies from 1 April 2020 by applying the modified retrospective approach. The comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies were therefore recognised in the statement of financial position as of 1 April 2020.

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The impact of first-time adoption of new financial reporting standards on the statements of financial position are as follows:

	Notes	31 March 2020 (As previously reported) Thousand Baht	TAS 32 and TFRS 9 Reclassifications and adjustments Thousand Baht	TFRS 16 Reclassifications and adjustments Thousand Baht	1 April 2020 (Restated) Thousand Baht
Assets					
Non-current assets					
Financial assets measured at fair value through other comprehensive income					
	a	-	146,160	-	146,160
Other long-term investment	a	1	(1)	-	-
Property, plant and equipment, net	b	2,869,011	-	(38,724)	2,830,287
Right-of-use assets, net	b	-	-	531,791	531,791
Deferred tax assets, net	a	25,315	(25,315)	-	-
Total		2,894,327	120,844	493,067	3,508,238
Liabilities and equity					
Current liabilities					
Current portion of lease liabilities, net					
	b	1,129	-	22,598	23,727
Total		1,129	-	22,598	23,727
Non-current liabilities					
Lease liabilities, net	b	39,653	-	470,469	510,122
Deferred tax liabilities, net	a	-	3,917	-	3,917
Total		39,653	3,917	470,469	514,039
Equity					
Other components of equity	a	-	116,927	-	116,927
Total		-	116,927	-	116,927

Note: a) The impact was from the classification and measurement of financial assets, refer to Note 5.1
b) Recognition of right of use assets and lease liabilities under TFRS 16, refer to Note 5.2

5.1 Financial instruments

The total impact on the Company's equity as of 1 April 2020 are as follows:

	Note	Equity Thousand Baht
Balance as of 31 March 2020 (as previously reported)		7,656,304
Reclassify general investments to FVOCI	a	146,159
Increase in deferred tax liabilities related to the above adjustments		(29,232)
Total impact		116,927
Opening balance as at 1 April 2020 - TFRS 9 adoption		7,773,231

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On 1 April 2020 (the date of initial application of TFRS 9), the Company's management has assessed which business models applied to the financial assets and liabilities held by the Company and has classified the financial assets and liabilities as below.

	FVPL Thousand Baht	FVOCI Thousand Baht	Amortised cost Thousand Baht	Total Thousand Baht
Financial assets				
Cash and cash equivalents	-	-	144,107	144,107
Trade and other receivable, net	-	-	636,291	636,291
Derivative assets (included in other current assets)	494	-	-	494
Other long-term investments	-	146,160	-	146,160
Deposits (included in other non-current assets)	-	-	2,060	2,060
	494	146,160	782,458	929,112

	FVPL Thousand Baht	Amortised cost Thousand Baht	Total Thousand Baht
Financial liabilities			
Short-term borrowings from financial institutions	-	461,727	461,727
Trade and other payables	-	841,800	841,800
Short-term borrowings from parent company	-	973,728	973,728
Derivatives liabilities (included in other current liabilities)	2,163	-	2,163
Lease liabilities, net	-	533,849	533,849
Other current liabilities	-	99	99
	2,163	2,811,203	2,813,366

- (a) General investments classified as FVOCI (Fair value through other comprehensive income)

As of 1 April 2020 the Company reclassified general investments in equity instruments that previously measured at cost of Baht 1,241 to FVOCI. The respective fair value gains of Baht 146.16 million was recognised in FVOCI reserve on 1 April 2020 as they are held as long-term strategic investments.

- (b) Reclassification of financial instruments on adoption of TFRS 9

On 1 April 2020, the date of initial application of TFRS 9, the measurement categories and carrying amounts of financial assets and financial liabilities were as follows;

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	Measurement categories		Carrying amounts		
	Previously reported (TAS 105 and other TAS)	New (TFRS 9)	31 March 2020 Previously reported Thousand Baht	1 April 2021 New Thousand Baht	Difference Thousand Baht
Current financial assets					
Cash and cash equivalents	Amortised cost	Amortised cost	144,107	144,107	-
Trade and other receivables	Amortised cost	Amortised cost	636,291	636,291	-
Derivative assets (included in other current assets)	FVPL	FVPL	494	494	-
Non-current financial assets					
Other long-term investments	Amortised cost	FVOCI	1	146,160	146,159
Deposits (included in other non-current assets)	Amortised cost	Amortised cost	2,060	2,060	-
Current financial liabilities					
Short-term borrowings from financial institutions	Amortised cost	Amortised cost	461,727	461,727	-
Trade and other payables	Amortised cost	Amortised cost	841,800	841,800	-
Short-term borrowings from parent company	Amortised cost	Amortised cost	973,728	973,728	-
Derivative liabilities (included in other current liabilities)	FVPL	FVPL	2,163	2,163	-
Current portion of lease liabilities, net	Amortised cost	Amortised cost	1,129	23,727	22,598*
Other current liabilities	Amortised cost	Amortised cost	99	99	-
Non-current financial liabilities					
Lease liabilities, net	Amortised cost	Amortised cost	39,653	510,122	470,469*

* Effect from implementation of TFRS 16

(c) Impairment of financial assets

The Company have following financial assets that are subject to the expected credit loss model:

- cash and cash equivalents
- trade and other receivables

The Company was required to revise its impairment methodology under TFRS 9. The impairment losses impact was immaterial.

While cash and cash equivalents is subject to the new impairment requirement, the identified impact was immaterial.

Trade receivables

The Company applies the simplified approach in measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the historical payment profiles of sales, the corresponding historical credit losses experienced as well as forward-looking information that may affect the ability of the customers to settle the receivables.

As of 1 April 2020, the Company did not recognise additional loss allowance of TFRS 9.

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The loss allowance for trade receivables were determined as follows:

As of 1 April 2020	Not yet due Thousand Baht	Overdue not exceeding 3 months Thousand Baht	Overdue 3 to 6 months Thousand Baht	Overdue 6 to 12 months Thousand Baht	Overdue more than 12 months Thousand Baht	Total Thousand Baht
Gross carrying amount						
- Trade receivables	567,019	58,238	5,359	-	93,306	723,922
Loss allowance	-	-	-	-	(93,306)	(93,306)

5.2 Leases

On adoption of TFRS 16, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of TAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2020. The weighted average lessee's incremental borrowing rate applied to the lease liabilities was 3.93%.

For leases previously classified as finance leases the Company recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of TFRS 16 are only applied after that date.

The following tables show differences between operating lease commitments disclosed applying IAS 17 as at 31 March 2020 and lease liabilities recognised in the statement of financial position as at 1 April 2020.

	Thousand Baht
Operating lease commitments disclosed as at 31 March 2020	691,560
<u>Less</u> discounted using the lessee's incremental borrowing rate of at the date of initial application	(194,282)
<u>Add</u> finance lease liabilities recognised as at 31 March 2020	40,782
<u>Less</u> short-term leases recognised on a straight-line basis as expense	(3,968)
<u>Less</u> contracts reassessed as service agreements / service portion included in leases	(266)
<u>Less</u> adjustments as a result of a different treatment of extension and termination options	(963)
<u>Add</u> adjustments relating to changes in the index or rate affecting variable payments	986
Lease liability recognised as at 1 April 2020	533,849
Current lease liabilities, net	23,727
Non-current lease liabilities, net	510,122

Practical expedients applied

In applying TFRS 16 for the first time, the Company has used the following practical expedients for leases agreement before 1 April 2020 as permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than or equal to 12 months as at 1 April 2020 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease, and
- elect not to reassess whether a contract is, or contains a lease as defined under TFRS 16 at the date of initial application but relied on its assessment made applying TAS 17 and TFRIC 4 Determining whether an Arrangement contains a Lease.

6 Accounting policies

6.1 Business combination under common control

The Company accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Company retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed of by transferred to retained earnings.

6.2 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the date of revaluation where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit or loss.

6.3 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date and bank overdrafts.

In the statements of financial position, bank overdrafts are shown in current liabilities.

6.4 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business. They are generally due for settlement within 10 days to 90 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, when they are recognised at its present value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 6.6 f).

6.5 Inventories

Inventories are stated at the lower of cost and net realisable value .

Cost is determined by the weighted average method for finished goods and work in process and by the moving average method for merchandise, raw materials, spare parts, supplies and others. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

6.6 Financial asset

For the year ended 31 March 2021

a) Classification

From 1 April 2020, the Company classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Company has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquisitions and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

d) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains/(losses). Impairment losses are presented as a separate line item in the statement of comprehensive income.
- Fair value through other comprehensive income (FVOCI): Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- Fair value through profit or loss (FVPL): Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

e) Equity instruments

The Company measures all equity investments at fair value. Where the Company has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

f) Impairment

From 1 April 2020, the Company applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, which applies lifetime expected credit loss, from initial recognition, for all trade receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 1 April 2020 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has not identified the relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

For other financial assets carried at amortised cost and FVOCI, the Company applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Company assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Company and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Company reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss and included in administrative expenses.

Classification and measurement of financial assets for the year ended 31 March 2020 is disclosed in Note 5.1 b).

For the year ended 31 March 2020

Investments in debt and equity securities

Investments other than investments in subsidiaries, associates and joint ventures are initially recognised at fair value of consideration paid plus direct transaction cost.

Trading and available-for-sale investments

Trading investments and available-for-sale investments are subsequently measured at fair value. The unrealised gains and losses of trading investments are recognised in profit or loss. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income and are subsequently reclassified to profit or loss when the investment is disposed.

Held-to-maturity investments

Held-to-maturity investments are carried at amortised cost using the effective interest method less impairment.

General investments

General investments are carried at cost less impairment.

Disposal of investments

On a disposal of an investment, the difference between the net disposal proceeds and the carrying amount (including cumulative changes in fair value recognised in equity) is recognised to the profit or loss. When the Company disposes an investment partially, the carrying amount of the disposed part is determined by the weighted average method.

6.7 Non-current assets (or disposal groups) held-for-sale

Non-current assets (or disposal groups) are classified as assets held-for-sale when their carrying amount will be recovered principally through a sale transaction and a sale is considered highly probable. They are measured at the lower of the carrying amount and fair value less costs to sell.

An impairment loss is recognised for write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised.

6.8 Property, plant and equipment

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Company. Capitalised where there is future economic benefits. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost and the revalued amount to their residual values over their estimated useful lives, as follows:

Land improvement, buildings and structures	5 - 30 years
Machinery and equipment	5 - 25 years
Furniture, fixtures and office equipment	3 - 25 years
Vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other gain or loss, net.

6.9 Goodwill

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being each factory.

6.10 Intangible assets

Acquired computer software

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives 3 years to 10 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

6.11 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

6.12 Leases

For the year ended 31 March 2021

Leases - where the Company is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture.

For the year ended 31 March 2020

Leases - where the Company is the lessee

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At the inception of finance lease, the lower of the fair value of the leased property and the present value of the minimum lease payments is capitalised. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations is presented net of finance charges. Finance cost is charged to profit or loss over the lease period.

6.13 Financial liabilities

For the year ended 31 March 2021

a) Classification

Financial instruments issued by the Company are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Company has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Company's own equity instruments.
- Where the Company has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Company assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

For the year ended 31 March 2020

Borrowings

Borrowings are recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it will be drawn down. The fee is deferred until the drawn down occurs and included in effective interest calculation. However, if it is probable that facility will not be drawn down, that portion of the fee paid is recognised as a prepayment and amortised over the period of related facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

6.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take 12 months to get ready for its intended use or sale) are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

6.15 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

6.16 Employee benefits

a) Short-term employee benefits

Liabilities for short-term employee benefits such as salaries, wages, bonuses, contributions to the social security fund and others, that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) Defined contribution plan

The Company pays contributions to a separate fund (under the Provident Fund Act B.E. 2530). The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

c) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are presented as a separate item in statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

d) Other long-term benefits

The Company gives gold rewards to employees when they have worked for the Company at every 5 years anniversary, for a maximum of 7 times.

These obligations are measured similar to defined benefit plans except remeasurement gains and losses that are charged to profit or loss.

e) Termination benefits

The Company recognises termination benefits at the earlier of (a) when the Company can no longer withdraw the offer of those benefits; and (b) when the Company recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

6.17 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

6.18 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

6.19 Revenue recognition

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Company's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Sale of goods

The Company manufactures and sells products. Sales are recognised when control of the products has transferred, being when the products are delivered, and there is no unfulfilled obligation that could affect the buyer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the buyer, and either the buyer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

The product is often sold with retrospective volume discounts based on aggregate sales over a 12 month period. Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A refund liability (included in trade and other payables) is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. No significant element of financing is deemed present as the sales are made with a credit term of 10 to 90 days, which is consistent with market practice.

The Company's obligation to repair or replace faulty products under the standard warranty terms is recognised as a provision and cost of sales.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Services

The Company recognised service contracts with a continuous service provision as revenue on a straight-line basis over the contract term, regardless of the payment pattern.

Payments to customers

Payments to customers or on behalf of customers to other parties, including credited or subsequent discounts, are recognised as a reduction in revenue unless the payment constitutes consideration of a distinct goods or service from the customer.

Financing components

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

Other income

Other revenue are recognised on the following bases:

- dividend income is recognised when the right to receive payment is established.
- interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity, when it is determined that such income will accrue to the Company.
- scrap income is recognised when the scrap is actually sold.

6.20 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

6.21 Derivatives and hedging activities

Derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in other gains/(losses).

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

7 Financial risk management

7.1 Financial risk factors

The Company exposes to a variety of financial risk: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Company Treasury Committee. The Company's policy includes areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for Treasury team.

7.1.1 Foreign exchange risk

The Company operates internationally and is exposed to foreign currency risk arising from US Dollar and Euro from trading transactions that are denominated in foreign currencies. The Company uses forward contracts, transacted with the financial institutions, to hedge their exposure to foreign currency risk of transactions in foreign currency. The hedge ratio maintained by the Company during the financial year was 79% (2020 : 70%).

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Exposure

The Company's exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

	As at 31 March 2021						
	US Dollar	Euro	Pound	Swedish Krona	Japanese Yen	Singapore Dollar	Yuan
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Financial assets							
Cash and cash equivalents	1,208	-	-	-	-	-	-
Trade and other receivables	261,643	-	-	-	-	5	-
Derivatives assets (included in other current assets)	11,185	15	-	-	-	-	-
Financial liabilities							
Trade and other payables	(52,953)	(18,314)	(22)	(179)	(320)	-	(28)
Derivatives liabilities (included in other current liabilities)	(6,315)	-	-	-	-	-	-
Total assets (liabilities), nets	214,768	(18,299)	(22)	(179)	(320)	5	(28)
	As at 31 March 2020						
	US Dollar	Euro	Pound	Swedish Krona	Japanese Yen	Singapore Dollar	Yuan
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Financial assets							
Cash and cash equivalents	1,731	-	-	-	-	-	-
Trade and other receivables	184,048	-	-	-	-	5	-
Derivatives assets (included in other current assets)	185	309	-	-	-	-	-
Financial liabilities							
Trade and other payables	(34,232)	(16,313)	(60)	(57)	(49)	-	(188)
Derivatives liabilities (included in other current liabilities)	(2,163)	-	-	-	-	-	-
Total assets (liabilities), nets	149,569	(16,004)	(60)	(57)	(49)	5	(188)

Sensitivity

As shown in the table above, the Company is primarily exposed to changes in Baht, US Dollar and EURO exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar and EURO.

	Impact to net profit
	2021 Thousand Baht
US Dollar to Baht exchange rate - increase 5%	10,738
EURO to Baht exchange rate - increase 6%	(1,098)
US Dollar to Baht exchange rate - decrease 5%	(10,738)
EURO to Baht exchange rate - decrease 6%	1,098

* Holding all other variables constant

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7.1.2 Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company is exposed to interest rate risk relates primarily to its deposits at financial institutions, short-term borrowings from financial institutions and short-term borrowings from a parent company. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The Company assesses that the interest rate risk is insignificant as the interests from financial assets and financial liabilities are not significantly different. However, the Company will use interest rate swap to management the risk when necessary.

Under the interest rate swaps arrangements, the Company agrees with the other parties to exchange, at specified interval, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Any differential to be paid or received on an interest rate swap agreement is recognised as a component of interest revenue or expense over the period of the agreement.

The Company does not apply hedge accounting.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below.

	Fixed interest rates			Floating interest rates			Non-Interest bearing Thousand Baht	Total Thousand Baht	Interest rate (% p.a.)
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht			
As at 31 March 2021									
Financial assets									
Cash and cash equivalents	67,927	-	-	-	-	-	86,233	154,160	0.01 - 0.15
	67,927	-	-	-	-	-	86,233	154,160	
Financial liabilities									
Short-term borrowings from financial institutions	-	-	-	441,393	-	-	-	441,393	BIBOR+2.1
Short-term borrowings from parent company	6,868,064	-	-	-	-	-	-	6,868,064	0.5 - 3.0
Lease liabilities	22,629	85,888	556,807	-	-	-	-	665,324	MLR-2
	6,890,693	85,888	556,807	441,393	-	-	-	7,974,781	
As at 31 March 2020									
Financial assets									
Cash and cash equivalents	52,827	-	-	-	-	-	91,280	144,107	0.01 - 0.55
	52,827	-	-	-	-	-	91,280	144,107	
Financial liabilities									
Short-term borrowings from financial institutions	108,507	-	-	353,220	-	-	-	461,727	3.97 and BIBOR+2.1
Short-term borrowings from parent company	973,728	-	-	-	-	-	-	973,728	3.0
Lease liabilities	1,129	5,024	34,629	-	-	-	-	40,782	MLR-2
	1,083,364	5,024	34,629	353,220	-	-	-	1,476,237	

7.1.3 Credit risk

Credit risk arises from cash and cash equivalents, derivative financial instruments as well as credit exposures to customers, including outstanding receivables.

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on tips and assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

The Company has no significant concentrations of credit risk. The Company has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history.

b) Security

For some trade receivables the Company may obtain security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

c) Impairment of financial assets

The Company has 2 types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Trade and other receivables

While cash and cash equivalents is also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Company applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Company write-off trade receivables when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments or cannot be contacted for a period greater than 180 days past due.

Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Previous accounting policy for impairment of trade receivables for comparative period

For the year ended 31 March 2020, the Company recognised impairment of trade receivables based on the incurred loss model such as uncollectible or past due for a period less than 180 days, which was not taken into account future losses. Therefore, loss allowance and allowance for doubtful accounts are not comparable.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost include cash and cash equivalents.

The Company have no loss allowances for other financial assets measured at amortised cost for the year ended 31 March 2021 and 2020.

7.1.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The Company is expected to readily generate cash inflows for managing liquidity risk amounting to Baht 154 million (2020 : Baht 144 million). Due to the dynamic nature of the underlying businesses, the Company Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Company's liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

a) Financing arrangement

The Company has access to the following undrawn credit facilities as at 31 March as follows:

	2021 Thousand Baht	2020 Thousand Baht
Floating rate		
Expiring within one year		
- Bank loans	429,652	703,203
Total	429,652	703,203

b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount (assets)/ liabilities Thousand Baht
Maturity of financial liabilities					
As at 31 March 2021					
Financial liabilities that is not derivatives					
Short-term borrowings from financial institutions	441,393	-	-	441,393	441,393
Trade and other payables	1,550,056	-	-	1,550,056	1,550,056
Short-term borrowings from parent company	6,868,064	-	-	6,868,064	6,868,064
Lease liabilities	44,942	167,204	701,418	913,564	665,324
Other current liabilities	184	-	-	184	184
Total financial liabilities that is not derivatives	8,904,639	167,204	701,418	9,773,261	9,525,021
Derivatives					
Foreign currency forward contracts	6,315	-	-	6,315	6,315
Total derivative liabilities	6,315	-	-	6,315	6,315
Total	8,910,954	167,204	701,418	9,779,576	9,531,336

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Maturity of financial liabilities	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount (assets)/ liabilities Thousand Baht
As at 31 March 2020					
Financial liabilities that is not derivatives					
Short-term borrowings from financial institutions	461,727	-	-	461,727	461,727
Trade and other payables	841,800	-	-	841,800	841,800
Short-term borrowings from parent company	973,728	-	-	973,728	973,728
Lease liabilities	3,685	14,484	51,382	69,551	40,782
Other current liabilities	99	-	-	99	99
Total financial liabilities that is not derivatives	2,281,039	14,484	51,382	2,346,905	2,318,136
Derivatives					
Foreign currency forward contracts	2,163	-	-	2,163	2,163
Total derivative liabilities	2,163	-	-	2,163	2,163
Total	2,283,202	14,484	51,382	2,349,068	2,320,299

7.2 Capital management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Company monitors capital based on gearing ratio which is determined by dividing net debt with equity.

8 Fair value

The different levels of financial instruments carried at fair value, by valuation method have been defined as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value measurements of financial assets and financial liabilities are in accordance with accounting policies which disclosed in Note 6.6 and Note 6.13.

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The following table shows fair values and carrying amounts of financial assets and liabilities by category, excluding those with the carrying amount approximates fair value.

	Level	As at 31 March 2021		As at 1 April 2020	
		Carrying amount Thousand	Fair value Thousand	Carrying amount Thousand	Fair value Thousand
Assets					
Financial assets measured at fair value through profit or loss (FVPL)					
Derivative assets- Foreign exchange contracts	2	11,200	11,200	494	494
Financial assets measured at fair value through other comprehensive income (FVOCI)					
Unquoted equity investments	3	1	206,640	1	146,160
Liabilities					
Financial liabilities measured at fair value through profit or loss (FVPL)					
Derivative liabilities - Foreign exchange contracts	2	6,315	6,315	2,163	2,163

Cash and cash equivalents and trade and other receivables - the carrying amounts of these financial assets approximate their fair values due to the relatively short-term maturity of these financial assets.

Short-term borrowings from financial institutions, trade and other payables and short-term borrowings from a parent company - the carrying amounts of these financial liabilities approximate their fair values due to the relatively short-term maturity of these financial liabilities.

There were no transfers between Levels 2 and 3 during the year.

There were no changes in valuation techniques during the year.

Valuation techniques used to measure fair value level 2

The fair value of derivative assets and liabilities are determined using the foreign exchange rate from the financial institution which categorized into hierarchy level 2 which is immaterial.

Valuation techniques used to measure fair value level 3

Changes in level 3 financial instruments for the year ended 31 March 2021 is as follows:

	Unquoted equity investments Thousand Baht
Opening balance as at 1 April 2020	146,160
Gains (losses) recognised in other comprehensive income	60,480
Closing balance as at 31 March 2021	206,640

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The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

	Fair value		Unobservable inputs	Range of inputs	
	31 March 2021	1 April 2020		2021	2020
	Thousand Baht	Thousand Baht			
Unlisted equity securities	206,640	146,160	Profit growth factors Risk-adjusted discount rate	2% 12%	2% 12%

Relationship of unobservable inputs to fair value are shown as follows:

	Unobservable inputs	Movement	Change in fair value	
			Increase in assumptions 2021	Decrease in assumptions 2021
Unlisted equity securities	Profit growth factors	0.50%	Decrease by 3.4%	Increase by 3.1%
	Risk-adjusted discount rate	1.00%	Increase by 7.5%	Decrease by 9.2%

The fair value of unquoted equity investments is determined using valuation techniques, discounted cash flow which assessed by independent valuer and are within level 3 of the fair value hierarchy.

9 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Fair value of certain financial assets and derivatives

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of key assumptions used are included in Note 8.

b) Impairment of financial assets

The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated in Note 19. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

c) Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note 25.

d) Deferred tax asset for carried forward tax losses

The Company has incurred the losses from operations in the past. The Company has concluded that the deferred tax assets arising from the carried-forward tax losses will be recoverable using the estimated future taxable income based on the approved business plans and budgets. It is expected that the losses carried forward will be utilised within 5 years.

e) Determination of lease terms

Critical judgement in determining the lease term, the Company considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Company considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Company.

f) Determination of discount rate applied to leases

The Company determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

g) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Company's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

10 Segment information

Operating segment information is reported in a manner consistent with the Company's internal reports that are regularly obtained and reviewed by the chief operating decision maker (Board of Directors) for the purpose of the allocation of resources to the segment and assess its performance.

The Company's operations involve the single business segment of the manufacture and distribution of long steel products, which is located in Thailand. Sales of the subsidiaries are mainly local sales whereas an export sales is not significant. As a result, all the revenues from sales of goods, cost of sales, gross margin, profit for the year and assets of segment are in accordance with the presentation of these financial statements.

For the year ended 31 March 2021, revenue from sales and related services has timing of revenue recognition as a point in time amounting to Baht 21,971 million (2020 : Baht 20,037 million) and over time amounting to Baht 46 million (2020 : Baht 81 million).

For the year ended 31 March 2021 and 2020, the Company has no revenue from which contributed equal or over 10.0% of the Company's total revenue.

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For the years ended 31 March	2021 Thousand Baht	2020 Thousand Baht
Segment revenue		
Local	20,692,800	18,281,510
Export	1,324,096	1,836,613
	<u>22,016,896</u>	<u>20,118,123</u>

11 Cash and cash equivalents

a) Cash and cash equivalents consist of:

	2021 Thousand Baht	2020 Thousand Baht
Cash on hand	1	1
Deposits at banks - current accounts	86,232	91,280
- savings accounts	97,927	52,826
	<u>154,160</u>	<u>144,107</u>

b) Other non-cash adjustment items for the years ended 31 March, consist of:

	2021 Thousand Baht	2020 Thousand Baht
Gain on disposal of plant and equipment	(4)	(377)
Reversal from diminution in value of inventories	(5,468)	-
Gain on sale available-for-sale investments	-	(130)
Loss on lease liabilities adjustment	6	-
Provision from additional surcharge	16,288	-
Loss from diminution in value of idle asset held for sale (Note 17)	117,000	-
	<u>127,822</u>	<u>(507)</u>

c) Other cash received (paid) from operating activities for the years ended 31 March, consists of:

	2021 Thousand Baht	2020 Thousand Baht
Decrease in other current assets and other non-current assets	55,264	12,850
Increase (decrease) in other current liabilities and other non-current liabilities	2,418	(7,872)
Employee benefit obligations paid	(17,800)	(11,683)
	<u>39,882</u>	<u>(6,705)</u>

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- d) Adjustment of cash occurred from borrowings for the years ended 31 March, consists of:

	2021 Thousand Baht	2020 Thousand Baht
Interest paid	(104,367)	(127,535)

- e) Non-cash transactions in the financial statements are as follows:

On 16 March 2021, the Company issued promissory notes to The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited for transfer price of the entire business transfer of Baht 2,554 million and Baht 3,657 million, respectively, totaling amount of Baht 6,211 million.

Non-cash items from purchase and increase of plant and equipment, intangible assets and right-of-use assets for the years ended 31 March, are as follows:

	2021 Thousand Baht	2020 Thousand Baht
Payables for plant and equipment and intangible assets brought forward	12,846	59,336
<u>Add</u> Purchases during the year	127,649	198,958
<u>Less</u> Payments during the year	(89,633)	(245,448)
Payables for plant and equipment and intangible assets carried forward	50,862	12,846
Acquisitions of right-of-use assets under lease contracts	2,402	-

12 Trade and other receivables, net

12.1 Trade and other receivables, net

	2021 Thousand Baht	2020 Thousand Baht
Trade receivables - other parties	906,407	497,726
- related parties (Note 30 b))	279,604	226,196
<u>Less</u> Loss allowance (2020 : Allowance for doubtful accounts under TAS 101)	(78,982)	(93,306)
Trade receivables, net	1,107,029	630,616
Other receivables - other parties	1,612	2,915
- related parties (Note 30 b))	31	2,760
Prepayments	11,015	10,579
	<u>1,119,687</u>	<u>646,870</u>

In 2008, the Company has entered into a "Receivable Purchase Agreement" to do account receivables factoring with a financial institution which all risks and rewards only for the amount accepted by the buyer have been transferred to the buyer.

For the years ended 31 March 2021 and 2020 the Company had sold receivables to the financial institution amounting to Baht 10,852 million and Baht 9,195 million, respectively.

Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to approximate their fair value.

12.2 Impairments of trade receivables

The loss allowance for trade receivables were determined as follows:

As 31 March 2021	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	More than 12 months Thousand Baht	Total Thousand Baht
Gross carrying amount - trade receivables	1,023,771	74,494	8,764	-	78,982	1,186,011
Loss allowance	-	-	-	-	(78,982)	(78,982)

The reconciliations of loss allowance for trade receivables for the year ended 31 March are as follow:

	Trade receivables	
	2021 Thousand Baht	2020 Thousand Baht
As at 31 March - calculated under TAS 101	93,306	93,298
Amounts restated through opening retained earnings	-	-
Opening loss allowance as at 1 April 2020 - calculated under TFRS 9 (2020 : TAS 101)	93,306	93,298
Increase in loss allowance recognised in profit or loss during the year	-	18
Receivable written off during the year as uncollectible	(14,190)	-
Unused amount reversed	(135)	(10)
As of 31 March - calculated under TFRS 9 (2020 : TAS 101)	78,982	93,306

13 Financial assets and financial liabilities

On 1 April 2020 (the date of initial application of new financial reporting standards), the Company's management has assessed which business models applied to the financial assets and liabilities held by the Company and has classified the financial assets and liabilities as below. The disclosure for balances as at 1 April 2020 has been disclosed in Note 5.

As at 31 March 2020, the Company did not include the investment in Siam Steel Mill services Company Limited which is held by The Siam Construction Steel Company Limited at 24% of share capital on an equity method. The Company has determined it has no significant influence to determine the financial and operating policies and does not have any authorised director to sign on behalf of Siam Steel Mill Service Company Limited. The Company, therefore, recorded such investment as other long-term investment in the statement of financial position at cost of Baht 1,241 in the statement of financial statements.

As at 31 March 2021, classification of the Company's financial assets and financial liabilities are as follows:

	FVPL Thousand Baht	FVOCI Thousand Baht	Amortised cost Thousand Baht	Total Thousand Baht
Financial assets				
Cash and cash equivalents	-	-	154,160	154,160
Trade and other receivable, net	-	-	1,108,672	1,108,672
Derivative assets (included in other current assets)	11,200	-	-	11,200
Investment in unquoted equity Deposits (included in other non-current assets)	-	206,640	-	206,640
	-	-	1,263	1,263
	11,200	206,640	1,264,095	1,481,935

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	FVPL Thousand Baht	Amortised cost Thousand Baht	Total Thousand Baht
Financial liabilities			
Short-term borrowings from financial institutions	-	441,393	441,393
Trade and other payables	-	1,550,056	1,550,056
Short-term borrowings from parent company	-	6,868,064	6,868,064
Derivatives liabilities (included in other current liabilities)	6,315	-	6,315
Lease liabilities, net	-	665,324	665,324
Other current liabilities	-	184	184
	6,315	9,525,021	9,531,336

a) Details of financial assets classified under TFRS 9 (2020 : Classified under TAS 105)

	As at 31 March 2021				As at 31 March 2020			
	FVPL Thousand Baht	FVOCI Thousand Baht	Amortised cost Thousand Baht	Total Thousand Baht	FVPL Thousand Baht	FVOCI Thousand Baht	Amortised cost Thousand Baht	Total Thousand Baht
Current assets								
Cash and cash equivalents	-	-	154,160	154,160	-	-	144,107	144,107
Trade and other receivable	-	-	1,187,654	1,187,654	-	-	729,597	729,597
<u>Less</u> Loss allowance (2020 : Allowance for doubtful accounts under TAS 101)	-	-	(78,982)	(78,982)	-	-	(93,306)	(93,306)
Derivatives assets	11,200	-	-	11,200	494	-	-	494
Non-current assets								
Fair value of unquoted equity investments (2020 : cost)	-	206,640	-	206,640	-	-	1	1
Deposits	-	-	1,263	1,263	-	-	2,060	2,060

b) Amount recognised in profit or loss and other comprehensive income

	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Profit or loss Thousand Baht	Other comprehensive income Thousand Baht	Profit or loss Thousand Baht	Other comprehensive income Thousand Baht
Fair value gain/(loss) on equity investments at FVOCI (2020 : relating to general investment)	-	60,480	-	-
Dividends from equity investments at FVOCI recognised in profit or loss in other income (Note 26)	28,800	-	14,400	-

14 Inventories, net

	2021 Thousand Baht	2020 Thousand Baht
Raw materials	866,381	697,718
Work in progress	265,966	225,981
Finished goods	1,391,037	786,780
Spare parts	395,232	477,047
Supplies and others	270,651	277,203
	<u>3,189,267</u>	<u>2,464,729</u>
<u>Less</u> Allowance for obsolete inventories		
- Spare parts	(44,011)	(49,997)
- Supplies and others	(18,710)	(18,192)
	<u>3,126,546</u>	<u>2,396,540</u>
<u>Add</u> Goods in transit	332,512	122,159
	<u>3,459,058</u>	<u>2,518,699</u>

During the years ended 31 March 2021 and 2020, amounts recognised as cost of sales in profit or loss are as follows:

	2021 Thousand Baht	2020 Thousand Baht
Cost of sales and cost of services	20,535,945	19,373,768
Amortisation of rolling mill	37,246	36,562
Write-down of inventories to net realisable value	2,486	27,545
Reversal of write-down inventories to net realisable value	(7,954)	(27,545)

The Company sold inventory that was previously provided for allowance. Therefore, the Company reversed the allowance for net realisable value during the year.

15 Other current assets

	2021 Thousand Baht	2020 Thousand Baht
Value added tax refundable	45,916	113,377
Other current assets	28,799	13,678
	<u>74,715</u>	<u>127,055</u>

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16 Property, plant and equipment, net

	Land Thousand Baht	Improvement, buildings and structures Thousand Baht	Machinery and equipment Thousand Baht	Fixtures, and equipment Thousand Baht	Vehicles Thousand Baht	Construction in progress Thousand Baht	Total Thousand Baht
As at 1 April 2019							
Cost	798,695	4,535,496	12,474,230	144,288	2,702	83,042	18,038,453
Less Accumulated depreciation	-	(2,887,764)	(10,065,168)	(105,622)	(2,538)	-	(13,061,092)
Allowance for decrease in value of asset	-	(1,124,556)	(736,849)	(7)	-	-	(1,861,412)
Net book amount	798,695	523,176	1,672,213	38,659	164	83,042	3,115,949
For the year ended 31 March 2020							
Opening net book amount	798,695	523,176	1,672,213	38,659	164	83,042	3,115,949
Additions	-	-	4,362	2,739	-	186,054	193,155
Transfers	-	713	228,677	14,847	45	(244,282)	-
Disposals - cost	-	(43)	(24,872)	(1,444)	-	-	(26,359)
- accumulated depreciation	-	43	24,872	1,444	-	-	26,359
Write-off - cost	-	-	(14,735)	-	-	-	(14,735)
- accumulated depreciation	-	-	14,735	-	-	-	14,735
Depreciation charge	-	(71,857)	(354,943)	(13,237)	(56)	-	(440,093)
Closing net book amount	798,695	452,032	1,550,309	43,008	153	24,814	2,869,011
As at 31 March 2020							
Cost	798,695	4,536,166	12,667,662	160,430	2,747	24,814	18,190,514
Less Accumulated depreciation	-	(2,959,578)	(10,380,504)	(117,415)	(2,594)	-	(13,460,091)
Allowance for decrease in value of asset	-	(1,124,556)	(736,849)	(7)	-	-	(1,861,412)
Net book amount	798,695	452,032	1,550,309	43,008	153	24,814	2,869,011

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	Land Improvement, buildings and structures Thousand Baht	Machinery and equipment Thousand Baht	Fixtures, and equipment Thousand Baht	Vehicles Thousand Baht	Construction in progress Thousand Baht	Total Thousand Baht
As at 1 April 2020						
Cost	798,695	12,667,662	160,430	2,747	24,814	18,190,514
Less Accumulated depreciation	(2,959,578)	(10,380,504)	(117,415)	(2,594)	-	(13,460,091)
Allowance for decrease in value of asset	(1,124,556)	(736,849)	(7)	-	-	(1,861,412)
Net book amount	798,695	1,550,309	43,008	153	24,814	2,869,011
For the year ended 31 March 2021						
Opening net book amount (as previous reported)	798,695	1,550,309	43,008	153	24,814	2,869,011
Adjustment from adoption of TFRS 16 on 1 April 2020	(38,725)	-	-	-	-	(38,725)
Opening net book amount (restated)	798,695	1,550,309	43,008	153	24,814	2,830,286
Additions	1,262	5,258	4,743	-	115,562	126,825
Transfers	3,611	70,860	5,634	-	(82,107)	-
Disposals - cost	-	-	(165)	-	-	(165)
- accumulated depreciation	-	-	137	-	-	137
Depreciation charge	(55,463)	(333,076)	(13,363)	(61)	-	(401,963)
Closing net book amount	802,306	1,293,351	39,994	92	58,269	2,555,120
As at 31 March 2021						
Cost	802,306	12,743,780	170,642	2,747	58,269	18,274,199
Less Accumulated depreciation	(3,010,791)	(10,713,580)	(130,641)	(2,655)	-	(13,857,667)
Allowance for decrease in value of asset	(1,124,556)	(736,849)	(7)	-	-	(1,861,412)
Net book amount	802,306	1,293,351	39,994	92	58,269	2,555,120

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For the year ended 31 March 2021, the Company presented right-of-use assets as a separate line item in the financial position as a results of changes in accounting policy in Note 5.2.

Lease assets included above as at 31 March 2020, where the Company is a leases under finance lease agreements, comprise factory equipment.

	<u>2020</u> <u>Thousand</u> <u>Baht</u>
Cost of assets under finance lease	42,975
<u>Less</u> Accumulated depreciation	<u>(4,250)</u>
Net book amount	<u>38,725</u>

17 Idle assets held-for-sale, net

Idle assets held-for-sale, net consist of:

	<u>2021</u> <u>Thousand</u> <u>Baht</u>	<u>2020</u> <u>Thousand</u> <u>Baht</u>
As at 31 March		
Cost	2,395,713	2,395,713
<u>Less</u> Accumulated depreciation	<u>(538,164)</u>	<u>(538,164)</u>
Allowance for decrease in value of asset	<u>(1,514,549)</u>	<u>(1,397,549)</u>
Net book amount	<u>343,000</u>	<u>460,000</u>

In August 2011, the Company's management had decided to cease production of the Mini Blast Furnace ("MBF") in view of the high volatility of MBF raw material prices and the prices being relatively higher than scrap prices, which adversely impacting the viability of costs of steel produced through the MBF route.

As at 31 March 2017, the Company's management decided to dispose MBF machinery, equipment and its spare parts and store supplies. The Company initiated active programme to locate buyers. Accordingly, MBF machinery, equipment and its spare part and store supplies are presented as non-current assets classified as held-for-sale.

The Company's management remains committed to the plan of disposal. However, the disposal is not expected to complete within one year. Accordingly, the Company's management classified these assets as idle assets held-for-sale, net, under non-current assets.

During the year ended 31 March 2021, the Company has recognised loss for decrease in value of assets - MBF amount Baht 117 million.

18 Right-of-use assets, net

	Land Thousand Baht	Building and structure Thousand Baht	Vehicles Thousand Baht	Total Thousand Baht
As at 1 April 2020	473,789	38,724	19,278	531,791
Additions	-	-	2,402	2,402
Lease modifications and reassessments	148,745	-	-	148,745
Depreciation	(32,947)	(2,149)	(7,199)	(42,295)
Balance as at 31 March 2021	589,587	36,575	14,481	640,643

The expense relating to leases that not included in the measurement of lease liabilities and right-of-use and cash outflows for leases is as follows:

	2021 Thousand Baht
Expense relating to short-term leases	3,968
Expense relating to leases of low-value assets	368
Total cash outflow for leases	4,336

19 Goodwill, net

	Thousand Baht
As at 1 April 2019	
Cost	4,608,859
Less Accumulated amortisation (up to 31 March 2008)	(1,152,845)
Net book amount	3,456,014
For the year ended 31 March 2020	
Opening net book amount	3,456,014
Impairment charge	-
Closing net book amount	3,456,014
As at 31 March 2020	
Cost	4,608,859
Less Accumulated amortisation (up to 31 March 2008)	(1,152,845)
Net book amount	3,456,014
For the year ended 31 March 2021	
Opening net book amount	3,456,014
Impairment charge	-
Closing net book amount	3,456,014
As at 31 March 2021	
Cost	4,608,859
Less Accumulated amortisation (up to 31 March 2008)	(1,152,845)
Net book amount	3,456,014

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Goodwill resulted from acquisition of The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited on 29 November 2002 by Tata Steel (Thailand) Public Company Limited.

Since 1 April 2008, the goodwill has been ceased for amortisation and has changed to test impairment of goodwill instead.

As disclosed in Note 34, the entire business transfer of The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited to the Company, resulted to the goodwill, arisen from acquisition of these two companies by Tata Steel (Thailand) Public Company Limited, were changed to recognise as goodwill of two acquired business units of the Company from entire business transfer.

As at 31 March 2021 and 2020 the Company has made an assessment of impairment loss on goodwill and resulted that the recoverable amount was not lower than the carrying amount, so no additional impairment was necessary.

Goodwill is allocated to the Company's cash-generating units (CGUs) identified according to each factory.

A segment-level summary of the goodwill allocation is presented below:

	2021		Total Million Baht
	Factory of The Siam Iron and Steel (2001) Million Baht	Factory of The Siam Construction Steel Million Baht	
Goodwill allocation	1,685	1,771	3,456

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a 5-year period. Cash flows beyond the 5-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the business in which the CGU operates.

The key assumptions used for value-in-use calculations are as follows:

	Goodwill from Factory of The Siam Iron and Steel (2001)	Goodwill from Factory of The Siam Construction Steel
Gross margin ¹	5.1%	7.8%
Growth rate ²	1.0%	1.0%
Discount rate ³	9.0%	9.0%

¹ Budgeted gross margin.

² Weighted average growth rate used to extrapolate cash flows beyond the budget period.

³ Pre-tax discount rate applied to the cash flow projections.

These assumptions have been used for the analysis of each CGU.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

Key assumptions, having significant influence to sensitivity of discounted cash flows, were growth rate and discount rate.

20 Intangible assets, net

	Computer software Thousand Baht	Software under installation Thousand Baht	Total Thousand Baht
As at 1 April 2019			
Cost	20,725	562	21,287
Less Accumulated amortisation	(7,610)	-	(7,610)
Net book amount	13,115	562	13,677
For the year ended 31 March 2020			
Opening net book amount	13,115	562	13,677
Additions	-	5,802	5,802
Transfers	6,364	(6,364)	-
Amortisation charge	(2,341)	-	(2,341)
Closing net book amount	17,138	-	17,138
As at 31 March 2020			
Cost	27,089	-	27,089
Less Accumulated amortisation	(9,951)	-	(9,951)
Net book amount	17,138	-	17,138
For the year ended 31 March 2021			
Opening net book amount	17,138	-	17,138
Additions	-	824	824
Transfers	824	(824)	-
Amortisation charge	(2,410)	-	(2,410)
Closing net book amount	15,552	-	15,552
As at 31 March 2021			
Cost	27,913	-	27,913
Less Accumulated amortisation	(12,361)	-	(12,361)
Net book amount	15,552	-	15,552

21 Deferred tax assets (liabilities), net

Deferred tax assets (liabilities), net as at 31 March 2021 and 2020 comprise the following:

	2021 Thousand Baht	2020 Thousand Baht
Deferred tax assets		
- To be recovered within 12 months	2,505	2,559
- To be recovered more than 12 months	49,524	37,239
	52,029	39,798
Deferred tax liabilities		
- To be recovered within 12 months	(6,213)	(4,104)
- To be recovered more than 12 months	(47,733)	(10,379)
	(53,946)	(14,483)
Deferred tax assets (liabilities), net	(1,917)	25,315

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The gross movements in the deferred tax assets (liabilities), net for the years ended 31 March 2021 and 2020 comprise the following:

	2021 Thousand Baht	2020 Thousand Baht
Opening balance for the year (as previous reported)	25,315	9,545
Adjustment from adoption of TFRS 9 on 1 April 2020 (Note 5)	(29,232)	-
Opening balance for the year (restated)	(3,917)	9,545
Increase to profit or loss	18,101	12,609
Increase (decrease) to other comprehensive income	(16,101)	3,161
Closing balance for the year	(1,917)	25,315

	1 April 2020 (As previous reported) Thousand Baht	Adjustment from adoption of TFRS 9 on 1 April 2020 Thousand Baht	1 April 2020 (Restated) Thousand Baht	Credited (charged) to profit or loss Thousand Baht	Credited (charged) to other comprehensive Income Thousand Baht	31 March 2021 Thousand Baht
Deferred tax assets						
Allowance for expected credit loss (2020 : Allowance for doubtful accounts)	736	-	736	(27)	-	709
Allowance for obsolete inventories	907	-	907	(884)	-	23
Employee benefit obligations	38,155	-	38,155	17,147	(4,005)	51,297
	39,798	-	39,798	16,236	(4,005)	52,029
Deferred tax liabilities						
Remeasurement of financial asset at fair value	-	(29,232)	(29,232)	-	(12,096)	(41,328)
Derivatives assets	(130)	-	(130)	(2,109)	-	(2,239)
Surplus of fair value of assets acquired in business combination	(14,353)	-	(14,353)	3,974	-	(10,379)
	(14,483)	(29,232)	(43,715)	1,865	(12,096)	(53,946)
Deferred tax assets (liabilities), net	25,315	(29,232)	(3,917)	18,101	(16,101)	(1,917)

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	1 April 2019 Thousand Baht	Credited (charged) to profit or loss Thousand Baht	Credited (charged) to other comprehensive Income Thousand Baht	31 March 2020 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	736	-	-	736
Allowance for obsolete inventories	907	-	-	907
Finance lease liabilities	8,374	(8,374)	-	-
Employee benefit obligations	26,229	8,905	3,021	38,155
	36,246	531	3,021	39,798
Deferred tax liabilities				
Available-for-sale investments	(140)	-	140	-
Derivatives assets	(59)	(71)	-	(130)
Asset under finance lease liabilities	(8,175)	8,175	-	-
Surplus of fair value of assets acquired in business combination	(18,327)	3,974	-	(14,353)
	(26,701)	(12,078)	140	(14,483)
Deferred tax assets, net	9,545	12,609	3,161	25,315

As at 31 March 2021, deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Company did not recognise deferred income tax assets of Baht 932 million (2020 : Baht 1,074 million) in respect of losses amounting to Baht 4,661 million (2020 : Baht 5,371 million) that can be carried forward against future taxable income. Such losses will be expired in 2021 to 2025.

22 Other non-current assets

	2021 Thousand Baht	2020 Thousand Baht
Corporate income tax refundable	35,488	35,305
Others	3,134	6,058
	38,622	41,363

23 Borrowings

	2021 Thousand Baht	2020 Thousand Baht
Current		
Short-term borrowings - from financial institutions	441,393	461,727
Current portion of long-term borrowings		
- Lease liabilities	22,629	1,129
Short term borrowings from parent company (Note 30 d))	6,868,064	973,728
Total current borrowings	7,332,086	1,436,584
Non-current		
Lease liabilities	642,695	39,653
Total non-current borrowings	642,695	39,653
Total borrowings	7,974,781	1,476,237

The fair values of current borrowings approximate their carrying amounts, as the impact of discounting is not material.

As at 31 March 2021 and 2020, liabilities under lease agreements - minimum lease payments:

	2021 Thousand Baht	2020 Thousand Baht
Not later than 1 year	44,942	3,685
Later than 1 year but not later than 5 years	167,204	14,484
Later than 5 years	701,418	51,382
<u>Less</u> Future finance charges on finance leases	<u>(248,240)</u>	<u>(28,769)</u>
Present value of lease liabilities	665,324	40,782
Representing lease liabilities:		
- Current	22,629	1,129
- Non-current	642,695	39,653
Present value of lease liabilities	665,324	40,782

The present value of lease liabilities is as follows:

	2021 Thousand Baht	2020 Thousand Baht
Not later than 1 year	22,629	1,129
Later than 1 year but not later than 5 years	85,888	5,024
Later than 5 years	556,807	34,629
	665,324	40,782

24 Trade and other payables

	2021 Thousand Baht	2020 Thousand Baht
Trade payables - other parties	715,592	435,793
- related parties (Note 30 b))	218,061	13,023
Other payables - other parties	50,864	12,847
- related parties (Note 30 b))	39,539	13,634
Advance received from customers	47,982	14,968
Accrued expenses	478,018	351,535
	1,550,056	841,800

25 Employee benefit obligations

	2021 Thousand Baht	2020 Thousand Baht
Statement of financial position:		
Retirement benefits	222,898	235,365
Other long-term benefits	24,718	23,506
Liability in the statement of financial position	247,616	258,871
Loss charge included in operating profit for:		
Retirement benefits	26,527	74,905
Other long-term benefits	3,642	7,728
	30,169	82,633
Remeasurement in other comprehensive (income) expense	(23,624)	24,359

Employee benefit obligations are final salary retirement plans, which provide benefits to employees in the form of a guaranteed level of pension payable. The level of benefits provided depends on employees' length of service and their salary in the final years leading up to retirement.

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The movements of employee benefit obligations for the years ended 31 March 2021 and 2020 comprise the following:

	Retirement benefits		Other long-term benefits	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Opening balance for the year	235,365	145,835	23,506	17,697
Past service cost from amendment bill to the Labour Protection Law	-	51,960	-	-
Current service cost	23,282	20,194	3,348	3,227
Interest cost	3,245	2,751	328	277
Remeasurements:				
(Gain)/loss from change in demographic assumptions	-	(1,075)	-	34
(Gain)/loss from change in financial assumptions	(22,167)	38,493	176	5,569
Experience (gain)/loss	(1,457)	(13,059)	(210)	(1,379)
Employee benefit paid	(15,370)	(9,734)	(2,430)	(1,919)
Closing balance for the year	222,898	235,365	24,718	23,506

The principal actuarial assumptions used were as follows:

	2021 %	2020 %
Discount rates	1.93	1.23 - 1.43
Salary growth rate	4.54 - 4.73	4.78 - 4.90
Staff turnover rate	0.00 - 7.00	0.00 - 12.00

Sensitivity analysis for each significant assumption as at 31 March 2021 and 2020 are as follows:

Change in assumption	Increase (decrease) to employee benefit obligations					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2021 %	2020 %	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Discount rate	1.00	1.00	(25,788)	(28,101)	30,231	33,125
Salary growth rate	1.00	1.00	27,532	30,078	(23,922)	(26,036)
Staff turnover rate	1.00	1.00	(26,997)	(29,205)	12,865	14,338

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised within the statement of financial position.

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The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The weighted average duration of employee benefit obligation is 12.69 years (2020 : 11.93 - 16.02 years).

Expected maturity analysis of undiscounted Retirement benefits and Other long-term benefits are as follows:

	Less than 1 year Thousand Baht	Between 1 - 2 years Thousand Baht	Between 2 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht
As at 31 March 2021					
Retirement benefits	2,942	6,565	26,314	789,991	825,812
Other long-term benefits	2,087	2,573	10,394	59,987	75,041
Total	5,029	9,138	36,708	849,978	900,853
As at 31 March 2020					
Retirement benefits	6,925	2,989	17,053	847,248	874,215
Other long-term benefits	2,152	2,031	9,191	60,891	74,265
Total	9,077	5,020	26,244	908,139	948,480

26 Other income

	2021 Thousand Baht	2020 Thousand Baht
Interest income	20,528	31,930
Dividend income	28,800	14,400
Compensation from insurance companies	50,000	68,410
Service income	6,528	5,230
Penalty income from delay payment of customers	8,273	8,595
Gain on exchange rate, net	20,422	3,515
Others	1,564	5,169
	136,115	137,249

27 Expenses by nature

	2021 Thousand Baht	2020 Thousand Baht
Change in finished goods and work in process	(861,106)	1,151,760
Raw materials and consumables used	15,871,385	12,667,399
Store and supplies used	711,202	982,698
Fuel	589,291	640,181
Depreciation and amortisation and amortisation of rolling mill expenses	483,909	478,995
Employee benefits expenses	671,259	707,500
Utilities expenses	2,255,069	1,906,385
Repair and maintenance expenses	635,183	609,765
Contractor fees	182,983	191,871
Delivery and selling expenses	186,841	179,256
Management fees	392,192	413,736
Bank charges	49,608	54,191
Others	125,628	102,208
Total	21,293,444	20,085,945

28 Income tax expense

Income tax expense for the years ended 31 March comprise of

	2021 Thousand Baht	2020 Thousand Baht
Current tax:		
Current tax on profits for the year	52,490	81,374
Total current tax	52,490	81,374
Increase in deferred tax assets (Note 21)	(16,236)	(531)
Decrease in deferred tax liabilities (Note 21)	(1,865)	(12,078)
Total deferred tax	(18,101)	(12,609)
Total income tax expense	34,389	68,765

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The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic weighted average tax rate applicable to profit of the home country of the Company as follow:

	2021 Thousand Baht	2020 Thousand Baht
Profit before income tax	638,569	44,787
Tax calculated at a tax rate of 20% (2020 : 20%)	127,714	8,957
Tax effects of:		
- Temporary differences and unused tax losses not accounted for as deferred tax assets	(25,660)	65,064
- Expenses not deductible for tax purpose	15,228	617
- Double tax expenses deductible	(1,488)	(1,425)
- Utilisation of tax loss carried forward which was not recognised as deferred tax asset	(66,116)	(4,448)
- Recognition of previously unrecognised deferred taxes	(15,289)	-
Tax charge	34,389	68,765

The Company's weighted average applicable tax rate was 5% (2020 : 154%).

The tax credit/(charge) relating to component of other comprehensive income is as follows:

	2021			2020		
	Before tax Thousand Baht	Tax credit/ (charge) Thousand Baht	After tax Thousand Baht	Before tax Thousand Baht	Tax credit/ (charge) Thousand Baht	After tax Thousand Baht
Remeasurement on retirement benefit obligations	23,624	(4,005)	19,619	(24,359)	3,021	(21,338)
Change in value of available-for-sale investment	-	-	-	(1,200)	140	(1,060)
Financial assets value at fair value through other comprehensive income	60,480	(12,096)	48,384	-	-	-
Other comprehensive income	84,104	(16,101)	68,003	(25,559)	3,161	(22,398)
Current tax		-			-	
Deferred tax (Note 21)		(16,101)			3,161	
		(16,101)			3,161	

29 Profit (loss) per share

Profit (loss) per share is calculated by dividing the profit (loss) for the year attributable to ordinary shareholders of the Company divided by the weighted average number of ordinary shares in issue during the year.

	2021	2020
For the years ended 31 March		
Net profit (loss) attributable to ordinary shareholders of the Company (Thousand Baht)	443,785	(323,448)
Weighted average number of ordinary shares outstanding (Share)	3,856,637,797	3,856,637,797
Basic profit (loss) per share (Baht per share)	0.12	(0.08)

30 Related party transactions

Individuals and entities that directly or indirectly through one or more intermediaries, control or are controlled by or are under common control with the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Relationship between company and related parties:

Name	Type of Business	Relationship
Tata Steel Limited	Manufacture steel	Ultimate parent company
T S Global Holdings Pte. Ltd.	Investing	Major shareholder
Tata Steel (Thailand) Public Company Limited	Investing	Major shareholder
The Siam Iron and Steel (2001) Co., Ltd.	Manufacture wire rods and small section products	Common shareholders and management
The Siam Construction Steel Co., Ltd.	Manufacture steel bars	Common shareholders and managements
The Siam Industrial Wire Co., Ltd.	Manufacture steel wire	Same group of shareholders
NatSteel Trade International Pte. Ltd.	Trading	Same group of shareholders
NatSteel Recycling Pte. Ltd.	Trading	Same group of shareholders
Tata International Metals Asia Ltd.	Trading	Same group of shareholders
T S Asia (Hong Kong) Ltd.	Trading	Same group of shareholders
Tata Refractories Ltd.	Manufacture refractory	Same group of shareholders
NatSteel Holdings Pte. Ltd.	Manufacture steel	Same group of shareholders
Tata Steel UK Ltd.	Manufacture steel	Same group of shareholders
Tata International Singapore Pte. Ltd.	Trading	Same group of shareholders
Tata Steel IJmuiden BV	Manufacture steel	Same group of shareholders
Tata Consultancy Services (Thailand) Ltd.	Software services	Same group of shareholders
Tata Consultancy Services Ltd.	Software services	Same group of shareholders
Tata Services Limited	Training services	Same group of shareholders
Tata Sons Private Limited	Investment holdings and consultancy services	Same group of shareholders
Tata Steel Resources Australia Pte. Ltd.	Procurement	Same group of shareholders
Tata NYK Shipping Pte. Ltd.	Shipping	Same group of shareholders
Mjunction Services Limited	Trading and procurement	Same group of shareholders
T S Global Procurement Co. Pte. Ltd.	Trading	Same group of shareholders
Tata Steel International (UK) Ltd.	Shipping	Same group of shareholders
Tata Steel Nederland Services B.V.	Manufacture steel	Same group of shareholders
Tata South East Asia Limited	Manufacture steel	Same group of shareholders
TSN Wires Co., Ltd.	Manufacture galvanized steel wire	Same group of shareholders
Tata International Limited	Trading	Same group of shareholders
Tata Steel Processing and Distribution Limited	Processing and distribution steel	Same group of shareholders
Tata Projects Limited	Infrastructure projects	Same group of shareholders
Tata South East Asia (Cambodia) Ltd.	Trading	Same group of shareholders
Natsteel (Xiamen) Ltd.	Manufacture steel	Same group of shareholders
Tata Technologies (Thailand) Co., Ltd.	IT Services	Same group of shareholders
Tata Technologies Pte. Ltd.	IT Services	Same group of shareholders
Tata Motors (Thailand) Limited	Manufacturing automotive	Same group of shareholders
Tata Communications (Thailand) Co., Ltd	Telecommunications service	Same group of shareholders
Tata International West Asia DMCC	Trading	Same group of shareholders
Tata AIG General Insurance Co., Ltd.	Insurance	Same group of shareholders
Tata Power Co., Ltd.	Generate, transmit and distribute electricity	Same group of shareholders

Tata Steel Manufacturing (Thailand) Public Company Limited
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The following transactions were carried out with related parties:

- a) Related party transactions for the years ended 31 March 2021 and 2020

For the years ended 31 March	2021	2020
	Thousand	Thousand
	Baht	Baht
Revenues		
Sales		
Tata Steel Limited	395,669	762,299
The Siam Industrial Wire Co., Ltd.	898,270	452,053
NatSteel Holdings Pte. Ltd.	3,246	3,774
TSN Wires Co., Ltd.	265,682	282,700
Tata Projects Limited	-	179
Total	1,562,867	1,501,005
Interest income		
Tata Steel (Thailand) Public Company Limited	20,374	31,356
Total	20,374	31,356
Expenses		
Purchases		
Tata Steel Limited	2,252,154	-
Tata International Metals Asia Ltd.	493,858	1,137,852
Tata International Limited	-	18,518
Tata International West Asia DMCC	19,582	21,680
Total	2,765,594	1,178,050
Management fees		
Tata Steel (Thailand) Public Company Limited	392,192	405,736
Total	392,192	405,736
Interest expenses		
Tata Steel (Thailand) Public Company Limited	68,259	85,446
Total	68,259	85,446
Other expenses		
The Siam Industrial Wire Co., Ltd.	15	-
Total	15	-

The Company has made the service agreement with parent company which charges at the rate specified in the agreement and calculated by cost plus method.

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- b) Outstanding balance arising from sale/purchases of goods, services and others as at 31 March 2021 and 2020 are as follows:

	2021 Thousand Baht	2020 Thousand Baht
Trade receivable - related parties		
Tata Steel Limited	227,860	171,989
The Siam Industrial Wire Co., Ltd.	15,438	543
TSN Wires Co., Ltd.	36,306	53,664
Total	279,604	226,196
Other receivables - related parties		
Tata Steel (Thailand) Public Company Limited	31	2,760
Total	31	2,760
Trade payable - related parties		
Tata Steel Limited	2,251	2,347
Tata Steel (Thailand) Public Company Limited	32,981	10,676
TATA International Metals Asia Ltd.	182,829	-
Total	218,061	13,023
Other payables - related parties		
Tata Steel (Thailand) Public Company Limited	39,539	13,634
Total	39,539	13,634

- c) Short-term borrowings from parent company

The movements of short-term borrowings from parent company during the years ended 31 March 2021 and 2020 comprise the following:

	2021 Thousand Baht	2020 Thousand Baht
Opening balance for the year	973,728	601,227
Net additions of borrowings during the year	5,894,336	372,501
Closing balance for the year	6,868,064	973,728

As at 31 March 2021, short-term borrowings from parent company in amount of Baht 6,868 million (2020 : Baht 974 million) bear interest rate at 0.5% and 3.0% per annum (2020 : 3.0% per annum). The short-term borrowings from parent company are non-collateralised borrowings and not specified maturity date.

31 Contingent liabilities

For fiscal year ended 31 March 2014, The Siam Construction Steel Company Limited, a transferor, received notifications from the Revenue Department informing the Company of assessments of additional surcharge of Baht 16 million in respect of the half-year corporate income tax filing for the year ended 31 March 2008 which The Siam Construction Steel Company Limited under-estimated the net profit for that year by an amount exceeding 25 percent of the actual net profit. The Siam Construction Steel Company Limited has lodged an appeal with the Revenue Department. On 15 August 2018, the Board of Appeal denied the subsidiary's appeal. However, the subsidiary has made an appeal to the Central Tax Court.

On 5 August 2019, the Central Tax Court judged in favour of The Siam Construction Steel Company Limited. On 11 November 2019, the Revenue Department, therefore, also appealed to the Court of Appeal for Specialized Cases.

On 14 September 2020, the Court of Appeal for Specialized Cases reversed the judgement of the Central Tax Court. Consequently, The Siam Construction Steel Company Limited accrued for the provision for surcharge amount of Baht 16 million in the financial statements. Accordingly, the contingent liability as at 31 March 2021 is nil.

On 9 December 2020, The Siam Construction Steel Company Limited has filed an appeal to the Supreme Court.

32 Commitments

32.1 Letter of guarantee

Letters of guarantee issued by the financial institutions to the Revenue Department, Electricity Generating Authority of Thailand, Provincial Electricity Authority Industrial, Estate Authority of Thailand and Bureau of Indian Standards as at 31 March 2021 and 2020 are amounting to Baht 267 million and Baht 283 million, respectively, in the normal courses of business.

32.2 Capital commitments

Capital expenditure contracted for at the statement of financial position date but not recognised in the financial statements is as follows:

	2021 Thousand Baht	2020 Thousand Baht
Building and equipment	34,527	23,562

32.3 Operating lease commitments - where the Company is the lessee

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

The Company leases various land, office building, vehicles and office equipment. The minimum lease payments under these non-cancellable operating lease agreements are as follows:

	2021 Thousand Baht	2020 Thousand Baht
Not later than 1 year	460	45,303
Later than 1 year but not later than 5 years	491	146,172
Later than 5 years	-	500,085
	951	691,560

32.4 Commitments from letter of credit

Letters of credit opened but are not qualified as liabilities as at 31 March 2021 and 2020 are as follows:

	2021 Thousand	2020 Thousand
Currency		
US Dollars	12,016	1,266
EURO	187	275

33 Promotional privileges

The Company received the promotional privileges from the Board of Investment for 2 projects no. 2084(8)/2550 and 9018(2)/2557 on 18 July 2007 and 29 September 2014, respectively; for manufacturing of steel sections, hot metal, pig iron, and steel billet wire rods. Subject to certain imposed conditions, the privileges include the following conditions:

- a) Exemption from import duty on machinery as approved by the board.
- b) Exemption from corporate income tax earned from promoted business for the period of 3 years counting from the date the company first derived revenue from the respective business activities.

Revenues in the statements of comprehensive income classified by BOI and Non BOI businesses are as follows:

	2021 (Unaudited)		
	BOI promoted activities which are subject to corporate income tax Thousand Baht	Non BOI promoted activities Thousand Baht	Total Thousand Baht
Revenue from export sales	-	20,692,800	20,692,800
Revenue from local sales	-	1,324,096	1,324,096
Total revenue	-	22,016,896	22,016,896

	2020 (Unaudited)		
	BOI promoted activities which are subject to corporate income tax Thousand Baht	Non BOI promoted activities Thousand Baht	Total Thousand Baht
Revenue from export sales	-	18,281,510	18,281,510
Revenue from local sales	-	1,836,613	1,836,613
Total revenue	-	20,118,123	20,118,123

34 Entire Business Transfer under Common Control

Entire Business Transfer under Common Control

The Annual General Meeting of the Shareholders held on 30 July 2020 of the Company, approved the acquisition of entire businesses from The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited, subsidiaries of the same parent company as well. The Board of Directors held on 18 November 2020 of The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited, approved the entire business transfer to the Company.

The significant terms and conditions of Entire Business Transfer are as follows:

(a) Transfer of assets and liabilities

On 19 November 2020, the Company has entered into the Entire Business Transfer Agreement ("the Agreement") with The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited. The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited ("the Transferors") agreed to transfer its entire businesses and the Company ("the Transferee") agreed to acquire the entire businesses including assets, liabilities, employees and commitments under the terms and conditions of the Agreement at 23.59 pm on 31 December 2020.

The Transferors transferred the entire businesses to the Transferee by using the net book value of assets and liabilities, list of current employees, and the outstanding commitments at the close of 31 December 2020 which the entire business transfer is effective on 1 January 2021.

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The received assets and liabilities at book value are shown below:

	The Siam Iron and Steel (2001) Company Limited	The Siam Construction Steel Company Limited
	Thousand Baht	Thousand Baht
Assets		
Cash and cash equivalents	4,656	3,937
Trade and other receivables	5,149	177,019
Short-term borrowings to parent company	400,699	2,068,633
Inventories, net	893,502	713,572
Other current assets	8,081	33,190
Other long-term investments	-	146,160
Property, plant and equipment, net	295,278	305,863
Intangible assets, net	5,134	8,591
Right-for-use asset	4,582	679,263
Deferred tax assets, net	15,224	18,287
Other non-current assets	10,392	6,914
Total assets	1,642,697	4,161,429
Liabilities		
Trade and other payables	206,470	304,056
Current income tax payable	11,826	13,347
Current portion of finance lease liabilities, net	1,819	18,631
Other current liabilities	2,455	16,900
Deferred tax liabilities, net	-	29,232
Lease liabilities, net	2,837	671,985
Employee benefit obligations	70,438	88,872
Total liabilities	295,845	1,143,023
Net received assets	1,346,852	3,018,406

Since the transfer of the business is a business combination under common control. The assets and liabilities of the transferors are included by the carrying amounts of the transferor at the predecessor values shown in the parent company's consolidated financial statements.

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Assets recorded in the parent company's consolidated financial statements are as follows:

	The Siam Iron and Steel (2001) Company Limited	The Siam Construction Steel Company Limited
	Thousand Baht	Thousand Baht
Assets		
Goodwill, net	1,684,988	1,771,028
Property, plant and equipment (net revaluation amount)	584	56,277
Total assets	1,685,572	1,827,305
Liabilities		
Deferred tax liabilities, net	119	11,255
Total liabilities	119	11,255
Net received assets that are recorded in the consolidated financial statements of the parent company	1,685,453	1,816,050
Total net received asset from business transfer	3,032,305	4,834,456
Considerations transferred	2,554,386	3,656,874
Surplus arising from business combination under common control	477,919	1,177,582

(b) Transfer price

The Entire Business Transfer being within the Group, the transfer prices are same as the book value of the investments of the parent company in The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited as at 31 December 2020.

	The Siam Iron and Steel (2001) Company Limited	The Siam Construction Steel Company Limited
	Thousand Baht	Thousand Baht
Transfer price	2,554,386	3,656,874

The Company retrospectively adjusted the consolidated financial statements as if the subsidiaries under common control were acquired before 1 April 2019.

Tata Steel Manufacturing (Thailand) Public Company Limited
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The impact to the statements of financial position and comprehensive income is as follows:

	As previously Reported Thousand Baht	Adjustments Thousand Baht	As restated Thousand Baht
Statement of financial position as of 1 April 2019			
Current assets			
Cash and cash equivalents	167,446	52,448	219,894
Trade and other receivables, net	878,927	(215,238)	663,689
Inventories, net	1,473,606	1,719,515	3,193,121
Other current assets	46,096	94,443	140,539
Total current assets	2,566,075	1,651,168	4,217,243
Non-current assets			
Available-for-sale investments	1,200	-	1,200
Other long-term investments	-	1	1
Property, plant and equipment, net	2,356,603	759,346	3,115,949
Idle assets held-for-sale, net	460,000	-	460,000
Goodwill, net	-	3,456,014	3,456,014
Intangible assets, net	2,501	11,175	13,676
Deferred tax assets, net	6,277	3,269	9,546
Other non-current assets	22,784	19,236	42,020
Total non-current assets	2,849,365	4,249,041	7,098,406
Total assets	5,415,440	5,900,209	11,315,649
Liabilities			
Current liabilities			
Short-term borrowings from financial institutions	1,096,572	623,864	1,720,436
Trade and other payables	1,400,398	(334,607)	1,065,791
Short-term borrowings from parent company	2,441,051	(1,839,824)	601,227
Current income tax payable	-	1,438	1,438
Current portion of lease liabilities, net	-	1,087	1,087
Other current liabilities	3,425	15,251	18,676
Total current liabilities	4,941,446	(1,532,791)	3,408,655
Non-current liabilities			
Lease liabilities, net	-	40,782	40,782
Employee benefit obligations	68,830	94,702	163,532
Total non-current liabilities	68,830	135,484	204,314
Total liabilities	5,010,276	(1,397,307)	3,612,969
Share capital			
Equity attributable to owners of the company	405,164	-	405,164
Non-controlling interests:			
- Other owners' interest arising from business combination under common control	-	7,297,516	7,297,516
Total equity	405,164	7,297,516	7,702,680
Total liabilities and equity	5,415,440	5,900,209	11,315,649

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	As previously reported Thousand Baht	Adjustments Thousand Baht	As restated Thousand Baht
Statement of financial position as of 31 March 2020			
Current assets			
Cash and cash equivalents	129,455	14,652	144,107
Trade and other receivables, net	764,827	(117,957)	646,870
Inventories, net	922,251	1,596,447	2,518,698
Other current assets	35,248	91,807	127,055
Total current assets	1,851,781	1,584,949	3,436,730
Non-current assets			
Other long-term investments	-	1	1
Property, plant and equipment, net	2,123,955	745,056	2,869,011
Idle assets held-for-sale, net	460,000	-	460,000
Goodwill, net	-	3,456,014	3,456,014
Intangible assets, net	1,981	15,157	17,138
Deferred tax assets, net	6,403	18,912	25,315
Other non-current assets	22,633	18,730	41,363
Total non-current assets	2,614,972	4,253,870	6,868,842
Total assets	4,466,753	5,838,819	10,305,572
Liabilities			
Current liabilities			
Short-term borrowings from financial institutions	206,043	255,684	461,727
Trade and other payables	988,520	(146,720)	841,800
Short-term borrowings from parent company	3,092,084	(2,118,356)	973,728
Current income tax payable	-	61,554	61,554
Current portion of lease liabilities, net	-	1,129	1,129
Other current liabilities	3,940	6,866	10,806
Total current liabilities	4,290,587	(1,939,843)	2,350,744
Non-current liabilities			
Lease liabilities, net	-	39,653	39,653
Employee benefit obligations	104,761	154,110	258,871
Total non-current liabilities	104,761	193,763	298,524
Total liabilities	4,395,348	(1,746,080)	2,649,268
Share capital			
Equity attributable to owners of the company	71,405	-	71,405
Non-controlling interests:			
- Other owners' interest arising from business combination under common control	-	7,584,899	7,584,899
Total equity	71,405	7,584,899	7,656,304
Total liabilities and equity	4,466,753	5,838,819	10,305,572

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	As previously reported Thousand Baht	Adjustments Thousand Baht	As restated Thousand Baht
Statement of comprehensive income for the year ended 31 March 2020			
Revenue from sales and related services	20,092,853	25,270	20,118,123
Cost of sales and related services	(19,906,050)	532,283	(19,373,767)
Gross profit	186,803	557,553	744,356
Other income	17,092	120,157	137,249
Selling expenses	(176,313)	(2,942)	(179,255)
Administrative expenses	(247,449)	(285,474)	(532,923)
Finance costs	(103,566)	(21,074)	(124,640)
Profit (loss) before income tax expense	(323,433)	368,220	44,787
Income tax income (expense)	(15)	(68,750)	(68,765)
Loss for the year	(323,448)	299,470	(23,978)
Other comprehensive income (expense)	(10,311)	(12,086)	(22,397)
Other comprehensive income (expense) for the year	(333,759)	287,384	(46,375)
Profit (loss) attributable to:			
Owners of the company	(323,448)	-	(323,448)
Other owners' interest from business combination under common control	-	299,470	299,470
Total comprehensive income (expense) attributable to:			
Owners of the company	(333,759)	-	(333,759)
Other owners' interest from business combination under common control	-	287,384	287,384

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The items included in the statement of cash flows for the year ended 31 March 2020, which are effected by the business combination under common control, are as follows:

	As previously reported Thousand Baht	Adjustments Thousand Baht	As restated Thousand Baht
Cash flows from operating activities:			
Profit (loss) before income tax	(323,433)	368,220	44,787
Adjustments for:			
Depreciation and amortization	346,846	132,150	478,996
Reversal of net impairment losses on financial assets	8	-	8
Employee benefit expense	33,318	49,679	82,997
Gain from exchange rate	(471)	(2,161)	(2,632)
Other non-cash adjustments	(473)	(34)	(507)
Interest Income	(941)	(30,989)	(31,930)
Dividend Income	-	(14,400)	(14,400)
Interest expense	103,566	21,074	124,640
Changes in operating assets and liabilities:			
Trade and other receivables	114,299	(93,880)	20,419
Inventory	535,616	102,246	637,862
Trade and other payables	(407,909)	234,943	(172,966)
Other cash received (paid) from operating activities	5,137	(11,842)	(6,705)
Adjustments of cash occurred from borrowings	(107,120)	(20,415)	(127,535)
Income tax paid	(147)	(19,818)	(19,965)
Cash flows from investing activities:			
Purchase of intangible assets	-	(7,108)	(7,108)
Purchase of property, plant and equipment	(98,206)	(140,134)	(238,340)
Proceeds from disposals of property, plant and equipment	343	34	377
Proceeds from sales of available for sales investment	130	-	130
Dividend income	-	14,400	14,400
Interest income	941	30,665	31,606
Cash flows from financing activities:			
Net repayments from short-term borrowings from financial institutions	(890,529)	(368,181)	(1,258,710)
Net proceeds from short-term borrowings from parent company	651,033	(278,531)	372,502
Payments on lease liabilities	-	(3,713)	(3,713)
Net decrease in cash and cash equivalents	(37,992)	(37,795)	(75,787)
Cash and cash equivalents at the beginning of the year	167,446	52,448	219,894
Cash and cash equivalents at the end of the year	129,454	14,653	144,107