

TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 MARCH 2021

Independent Auditor's Report

To the shareholders and the Board of Directors of Tata Steel (Thailand) Public Company Limited

My opinion

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

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 March 2021;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate 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 consolidated and separate financial statements section of my report. I am independent of the Group and 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 consolidated and separate 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.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the key audit matter
<p>Assessment of impairment of investments in a subsidiary and goodwill</p> <p>Refer to Note No. 9 to the consolidated financial statements related to critical accounting estimates and judgements related to the assessment of impairment of investments in a subsidiary and goodwill, Note 16 investments in a subsidiary and Note 20 goodwill.</p> <p>As at 31 March 2021, investments in a subsidiary, net, in the amount of Baht 5,802 million was presented in the separate financial statements and goodwill, net, in the amount of Baht 3,456 million was presented in the consolidated financial statements.</p> <p>For the year ended 31 March 2021, the management performed an impairment assessment over the investments in a subsidiary and the goodwill balances by:</p> <ol style="list-style-type: none"> 1. Calculating the discounted cash flow using a discounted cash flow model for 5 years, with constant terminal growth rate applied from the 5th year onwards. These cash flows were then discounted to net present value using the weighted average cost of capital; and 2. Comparing the discounted cash flow to their respective book values of each cash generating unit. The discounted cash flow of each cash generating unit was used to assess for allowance for impairment of investments in a subsidiary and goodwill of each cash generating unit. <p>Based on the annual impairment test, the management identified no allowance for impairment of the investments in a subsidiary and goodwill was required. The key assumptions were disclosed in Note 20 to the consolidated financial statements.</p> <p>I focused on this area because the balances were material to the consolidated financial statements. Moreover, the assessment of the recognition of loss from impairment in the investments in a subsidiary and goodwill were complex based on judgements and assumptions that were affected by expectation of future market and economic conditions, particularly those related to the cash flows forecasts.</p>	<p>I obtained an understanding of and evaluated the key controls over the impairment assessment, and tested recoverable amount of investment in a subsidiary and goodwill prepared by management in conducting the impairment assessment which included:</p> <ul style="list-style-type: none"> - I obtained, understood, evaluated and challenged the composition of management's cash flow forecasts and the process by which they were developed, including test the mathematical accuracy of the underlying calculations. - I compared the cash flow forecast to the approved budgets and business plans and other evidence of future intentions. - I compared current year actual results with the figures included in the prior year forecast to consider whether the forecasts included assumptions had been reasonable. - I assessed management's key assumptions, especially gross margin and growth rate by comparing them to historical results and economic and industry outlook. - I tested the parameters used to determine the discount rate applied and re-performed the calculations. - I involved my valuation expert to independently check the expectations, in particular, discount rates, and comparing the independent expectations to those used by management. <p>Based on my procedures above, I considered management's key assumptions used in assessing of investments in a subsidiary and goodwill for impairment were reasonable based on available evidence.</p>

Key audit matter	How my audit addressed the key audit matter
<p>Fair value measurement of an investment in an equity instrument</p> <p>Refer to Note No. 13 to the consolidated financial statements related to financial assets measured at fair value through other comprehensive income. As at 31 March 2021, the Group had an investment in an equity instrument of a non-listed company of Baht 207 million, which represents 2% of the total consolidated assets. The investee engages the business of steel slag processing. The Group determined that this investment is an investment in an equity instrument under the scope of TAS 32 “Financial Instruments: Presentation” and requires subsequent measurement to fair value under the scope of TFRS 9 “Financial Instruments”. The Group irrevocably elected to account for the equity investment at fair value through other comprehensive income (FVOCI).</p> <p>The management engaged an external valuer to appraise the fair value of an investment in an equity instrument. Fair value measurements involved significant judgements made by management in respect to the future operating results, projected cash flows and the appropriate discount rate to be applied to the projected cash flows. The key assumptions applied in determining the fair value include, projected revenue, capital expenditure, operating expenditure, capital structure and discount rate applied to the projected cash flows. The result of external valuer measurement indicated that the fair value was higher than the carrying value under the cost method. Therefore, the Group recognised a gain through other component of equity in consolidated financial statements as of 1 April 2020 amounting to Baht 146 million and other comprehensive income amounting to Baht 61 million in the year ended 31 March 2021 consolidated financial statements.</p> <p>I focused on the fair value measurement of an investment in an equity instrument because the external valuer applied discounted cash flows and the model where involves significant estimations and judgement to assess the projected cash flows and discount rate applied for the projected cash flows.</p>	<p>I carried out the following procedures to obtain evidence for the management’s fair value measurement of an investment in an equity instrument:</p> <ul style="list-style-type: none"> - I assessed the management’s assessment that the classification of the investment should be accounted as a financial asset measured at fair value through other comprehensive income. - I evaluated the competency, qualifications, experience and objectivity of management’s experts. - I tested the calculation of fair values of investment in an equity instrument and also challenged management’s significant assumptions applied in the future cash flows estimation (e.g. projected revenue, capital expenditure, operating expenditure and discount rate) by comparing those assumptions to historical results and external sources. - I assessed the reasonableness of the business plan by comparing the year ended 31 December 2020 plan with actual results. - I involved my valuation expert to assess the discount rate taking into account independently obtained data from available public information of companies in the industry to check whether the discount rate used by the management was within an acceptable range. <p>As a result of the procedures performed, I determined that the method and assumptions applied in fair value measurement of an investment in an equity instrument were reasonable and in line with the accounting for the fair value.</p>

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and 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 directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 consolidated and separate 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 consolidated and separate 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 Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and 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 consolidated and separate 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 Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.



I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	11 a)	950,537,340	576,994,729	796,377,572	432,887,326
Trade and other receivables, net	12	1,129,158,891	650,277,524	82,022,895	30,477,863
Short-term loans to a subsidiary	33 c)	-	-	6,868,063,764	3,092,083,518
Inventories, net	14	3,459,057,396	2,515,332,808	-	-
Other current assets	15	75,191,395	127,583,259	477,192	528,522
Total current assets		5,613,945,022	3,870,188,320	7,746,941,423	3,555,977,229
Non-current assets					
Investments in subsidiaries	16	-	-	5,801,787,632	12,013,047,275
Financial assets measured at fair value through other comprehensive income	13	206,640,000	-	-	-
Other long-term investments		-	1,241	-	-
Property, plant and equipment, net	17	2,566,395,653	2,891,957,847	11,310,934	22,947,175
Idle assets held-for-sale, net	18	343,000,000	460,000,000	-	-
Right-of-use assets, net	19	670,012,904	-	29,369,678	-
Goodwill, net	20	3,456,014,092	3,456,014,092	-	-
Intangible assets, net	21	27,350,208	29,582,875	11,798,654	12,444,824
Deferred tax assets, net	22	17,694,773	43,286,352	17,694,773	17,971,265
Other non-current assets	23	99,432,220	112,570,221	60,810,547	71,207,473
Total non-current assets		7,386,539,850	6,993,412,628	5,932,772,218	12,137,618,012
Total assets		13,000,484,872	10,863,600,948	13,679,713,641	15,693,595,241

The accompanying notes on page 16 to 102 are an integral part of these consolidated and separate financial statements.

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

	Notes	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings from financial institutions	24	441,392,535	461,726,989	-	-
Trade and other payables	25	1,590,830,373	883,134,309	113,325,278	68,404,467
Short-term borrowings from subsidiaries	34 d)	-	-	-	2,118,355,192
Current income tax payable		25,172,933	61,554,463	-	-
Current portion of lease liabilities, net	24	38,567,524	1,129,125	15,938,335	-
Other current liabilities		36,266,429	15,771,636	6,755,197	4,966,401
Total current liabilities		2,132,229,794	1,423,316,522	136,018,810	2,191,726,060
Non-current liabilities					
Lease liabilities, net	24	656,313,871	39,652,735	13,618,666	-
Deferred tax liabilities, net	22	1,917,214	-	-	-
Employee benefit obligations	26	329,092,385	340,671,708	81,475,899	81,800,220
Provision for decommissioning costs	27	410,250	1,068,360	410,250	1,068,360
Total non-current liabilities		987,733,720	381,392,803	95,504,815	82,868,580
Total liabilities		3,119,963,514	1,804,709,325	231,523,625	2,274,594,640

The accompanying notes on page 16 to 102 are an integral part of these consolidated and separate financial statements.

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

	Note	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Liabilities and equity (continued)					
Equity					
Share capital					
Authorised share capital					
Ordinary shares, 8,421,540,848 shares at par value of Baht 1 each					
		8,421,540,848	8,421,540,848	8,421,540,848	8,421,540,848
Issued and paid-up share capital					
Ordinary shares, 8,421,540,848 shares paid-up of Baht 1 each					
		8,421,540,848	8,421,540,848	8,421,540,848	8,421,540,848
Share premium					
Ordinary shares					
		3,258,624,766	3,258,624,766	3,258,624,766	3,258,624,766
Expired warrants					
		130,201,936	130,201,936	130,201,936	130,201,936
Retained earnings (deficits)					
Appropriated - legal reserve					
	28	373,780,813	372,575,416	373,780,813	372,575,416
Unappropriated					
		(2,454,956,461)	(3,108,992,278)	1,264,041,653	1,236,057,635
Other components of equity					
		165,311,007	-	-	-
Equity attributable to owners					
 of the parent					
		9,894,502,909	9,073,950,688	13,448,190,016	13,419,000,601
Non-controlling interests					
		(13,981,551)	(15,059,065)	-	-
Total equity					
		9,880,521,358	9,058,891,623	13,448,190,016	13,419,000,601
Total liabilities and equity					
		13,000,484,872	10,863,600,948	13,679,713,641	15,693,595,241

The accompanying notes on page 16 to 102 are an integral part of these consolidated and separate financial statements.

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

	Notes	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Revenue from sales and related services		22,016,896,005	20,124,731,346	-	-
Revenue from rendering services		-	-	392,192,000	405,736,000
Cost of sales and related services		(20,532,574,600)	(19,378,925,298)	-	-
Cost of rendering services		-	-	(369,645,366)	(386,356,535)
Gross profit		1,484,321,405	745,806,048	22,546,634	19,379,465
Other income	29	119,041,252	108,809,516	71,642,101	89,875,896
Selling expenses		(190,616,336)	(185,000,524)	-	-
Administrative expenses		(564,361,873)	(506,798,364)	(26,008,524)	(13,502,826)
Other expenses	18	(117,000,000)	-	(41,794)	-
Finance costs		(43,038,442)	(52,227,340)	(21,691,763)	(31,356,021)
Profit before income tax expense		688,346,006	110,589,336	46,446,654	64,396,514
Income tax income (expense)	31	(56,728,075)	(63,488,637)	(22,338,713)	5,276,260
Profit for the year		631,617,931	47,100,699	24,107,941	69,672,774
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					
		29,976,178	(26,043,472)	6,351,843	(1,684,391)
Income tax relating to items that will not be reclassified subsequently to profit or loss					
		(17,371,381)	3,358,497	(1,270,369)	336,878
Total items that will not be reclassified subsequently to profit or loss					
		73,084,797	(22,684,975)	5,081,474	(1,347,513)
Items that will be reclassified subsequently to profit or loss					
Change in value of available-for-sale investment					
		-	(1,200,000)	-	-
Income tax relating to items that will be reclassified subsequently to profit or loss					
		-	140,000	-	-
Total items that will be reclassified subsequently to profit or loss					
		-	(1,060,000)	-	-
Other comprehensive income (expense) for the year, net of tax					
		73,084,797	(23,744,975)	5,081,474	(1,347,513)
Total comprehensive income (expense) for the year					
		704,702,728	23,355,724	29,189,415	68,325,261

The accompanying notes on page 16 to 102 are an integral part of these consolidated and separate financial statements.

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

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Profit attributable to:					
Owners of the Company		630,549,055	47,877,669	24,107,941	69,672,774
Non-controlling interests		1,068,876	(776,970)	-	-
		<u>631,617,931</u>	<u>47,100,699</u>	<u>24,107,941</u>	<u>69,672,774</u>
Total comprehensive income (expense)					
attributable to:					
Owners of the Company		703,625,214	24,157,441	29,189,415	68,325,261
Non-controlling interests		1,077,514	(801,717)	-	-
		<u>704,702,728</u>	<u>23,355,724</u>	<u>29,189,415</u>	<u>68,325,261</u>
Earnings per share					
Basic earnings per share (Baht)	32	0.07	0.01	0.00	0.01

The accompanying notes on page 16 to 102 are an integral part of these consolidated and separate financial statements.

Tata Steel (Thailand) Public Company Limited
Statement of Changes in Equity
For the year ended 31 March 2021

Consolidated financial statements											
Attributable to owners of the Company											
	Capital contributed			Retained earnings (Deficits)		Other component of equity			Total owners of the Company	Non-controlling interests	Total equity
	Issued and paid-up share capital	Premium on ordinary shares	Expired warrants	Appropriated - legal reserve	Unappropriated	Other comprehensive income - Available-for-sale investments	Measurement of equity investments at fair value through other comprehensive income	Total owners of the Company			
Notes	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance as at 1 April 2019	8,421,540,848	3,258,624,766	130,201,936	369,091,777	(3,130,723,535)	1,057,455	-	9,049,793,247	(14,257,348)	9,035,535,899	
Changes in transactions with owners for the year											
Legal reserve	28	-	-	3,483,639	(3,483,639)	-	-	-	-	-	-
Total comprehensive income (expense) for the year		-	-	-	25,214,896	(1,057,455)	-	24,157,441	(801,717)	23,355,724	
Closing balance as at 31 March 2020	8,421,540,848	3,258,624,766	130,201,936	372,575,416	(3,108,992,278)	-	-	9,073,950,688	(15,059,065)	9,058,891,623	
Opening balance as at 1 April 2020 - previously reported	8,421,540,848	3,258,624,766	130,201,936	372,575,416	(3,108,992,278)	-	-	9,073,950,688	(15,059,065)	9,058,891,623	
Retrospective adjustments from changes in accounting policy	5	-	-	-	-	-	116,927,007	116,927,007	-	116,927,007	
Opening balance as at 1 April 2020 - restated	8,421,540,848	3,258,624,766	130,201,936	372,575,416	(3,108,992,278)	-	116,927,007	9,190,877,695	(15,059,065)	9,175,818,630	
Changes in transactions with owners for the year											
Legal reserve	28	-	-	1,205,397	(1,205,397)	-	-	-	-	-	-
Total comprehensive income (expense) for the year		-	-	-	655,241,214	-	48,384,000	703,625,214	1,077,514	704,702,728	
Closing balance as at 31 March 2021	8,421,540,848	3,258,624,766	130,201,936	373,780,813	(2,454,956,461)	-	165,311,007	9,894,502,909	(13,981,551)	9,880,521,358	

The accompanying notes on page 16 to 102 are an integral part of these consolidated and separate financial statements.

Tata Steel (Thailand) Public Company Limited
Statement of Changes in Equity
For the year ended 31 March 2021

	Note	Separate financial statements					Total equity Baht
		Capital contributed			Retained earnings		
		Issued and paid-up share capital Baht	Premium on ordinary shares Baht	Expired warrants Baht	Appropriated - legal reserve Baht	Unappropriated Baht	
Opening balance as at 1 April 2019		8,421,540,848	3,258,624,766	130,201,936	369,091,777	1,171,216,013	13,350,675,340
Changes in transactions with owners for the year							
Legal reserve	28	-	-	-	3,483,639	(3,483,639)	-
Total comprehensive income for the year		-	-	-	-	68,325,261	68,325,261
Closing balance as at 31 March 2020		<u>8,421,540,848</u>	<u>3,258,624,766</u>	<u>130,201,936</u>	<u>372,575,416</u>	<u>1,236,057,635</u>	<u>13,419,000,601</u>
Opening balance as at 1 April 2020		8,421,540,848	3,258,624,766	130,201,936	372,575,416	1,236,057,635	13,419,000,601
Changes in transactions with owners for the year							
Legal reserve	28	-	-	-	1,205,397	(1,205,397)	-
Total comprehensive income for the year		-	-	-	-	29,189,415	29,189,415
Closing balance as at 31 March 2021		<u>8,421,540,848</u>	<u>3,258,624,766</u>	<u>130,201,936</u>	<u>373,780,813</u>	<u>1,264,041,653</u>	<u>13,448,190,016</u>

The accompanying notes on page 16 to 102 are an integral part of these consolidated and separate financial statements.

Tata Steel (Thailand) Public Company Limited

Statement of Cash Flows

For the year ended 31 March 2021

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax expense		688,346,006	110,589,336	46,446,654	64,396,514
Adjustments :					
Depreciation and amortisation charge		511,819,470	492,086,394	27,910,240	13,090,715
(Reversal of) net impairment losses on financial assets		(135,260)	8,241	-	-
Employee benefit obligations		43,466,501	109,821,080	12,440,572	26,855,234
Gain on foreign exchange rate		(11,571,694)	(1,126,545)	(29,453)	(41,657)
Other adjustments from non-cash items	11 b)	128,963,948	1,403,067	1,141,885	1,910,489
Interest income	29	(2,961,897)	(4,261,089)	(71,067,096)	(89,133,187)
Dividend income	29	(28,800,000)	(14,400,000)	-	-
Interest expense		43,038,442	52,227,340	21,691,763	31,356,021
		1,372,165,516	746,347,824	38,534,565	48,434,129
Changes in working capital					
Trade and other receivables		(470,742,648)	28,189,118	(56,282,460)	1,019,437
Inventories		(975,502,585)	636,456,344	-	-
Trade and other payables		674,384,099	(178,667,186)	49,458,231	6,338,027
Other cash received (paid) from operating activities	11 c)	45,910,856	(5,186,832)	(5,096,899)	89,021
Cash flows from operating activities					
Cash generated from operations		646,215,238	1,227,139,268	26,613,437	55,880,614
Adjustment of cash occurred from borrowings	11 d)	(45,792,495)	(53,653,828)	(26,791,626)	(28,647,619)
Income tax paid		(113,116,092)	(34,940,765)	(12,935,664)	(13,577,027)
Net cash generated from used in operating activities					
		487,306,651	1,138,544,675	(13,113,853)	13,655,968

The accompanying notes on page 16 to 102 are an integral part of these consolidated and separate financial statements.

Tata Steel (Thailand) Public Company Limited

Statement of Cash Flows

For the year ended 31 March 2021

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Purchases of intangible assets	11 e)	(1,059,827)	(10,658,400)	(386,000)	(3,550,627)
Purchases of property, plant and equipment	11 e)	(89,318,860)	(234,835,209)	(925,995)	(236,550)
Proceeds from disposals of property, plant and equipment		34,710	401,395	528,026	23,900
Proceeds from sales of available for sales investmentst		-	130,000	-	-
Net cash proceeds (payments) from short-term loans to a subsidiary	11 e), 33 c)	-	-	2,435,279,397	(651,032,661)
Dividend income	29	28,800,000	14,400,000	-	-
Interest income		3,131,097	4,667,992	75,803,043	88,623,782
Net cash generated from used in investing activities		(58,412,880)	(225,894,222)	2,510,298,471	(566,172,156)
Cash flow from financing activities					
Net repayments on short-term borrowings from financial institutions		(20,334,454)	(1,258,709,038)	-	-
Net proceeds (repayments) on short-term borrowings from subsidiaries	33 d)	-	-	(2,118,355,192)	278,531,110
Payments on lease liabilities		(35,016,706)	(3,713,229)	(15,339,180)	-
Net cash generated from (used in) financing activities		(55,351,160)	(1,262,422,267)	(2,133,694,372)	278,531,110
Net increase (decrease) in cash and cash equivalents		373,542,611	(349,771,814)	363,490,246	(273,985,078)
Cash and cash equivalents at the beginning of the year		576,994,729	926,766,543	432,887,326	706,872,404
Cash and cash equivalents at the end of the year	11 a)	950,537,340	576,994,729	796,377,572	432,887,326

The accompanying notes on page 16 to 102 are an integral part of these consolidated and separate financial statements.

1 General information

Tata Steel (Thailand) Public Company Limited (“the Company”) is a public limited company which is incorporated and domiciled in Thailand and is listed on the Stock Exchange of Thailand since November 2002 with the objective to invest in other companies and provide management services. The address of the Company’s registered office is as follows:

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

For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The principal business operation of the Group is manufacturing, rendering manufacturing services, distributing and trading of steel bars, wire rods and small section products.

The major shareholder is T S Global Holdings Pte. Ltd. (“TSGH”), which is incorporated in Singapore and holds 67.90% of the Company’s shares, and is an affiliate of Tata Steel Limited, a listed company incorporated under the law of India.

TSGH, the major shareholder of the Company, informed the Company that it is continuing its engagement with potential investors in continuation of its strategy to find a partner for the Group’s business.

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

Accordingly, on 19 November 2020, Tata Steel Manufacturing (Thailand) Public Company Limited 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 37).

As at 31 March 2021 and 2020, Tata Steel Manufacturing (Thailand) Public Company Limited (“Tata Steel Manufacturing”), a subsidiary has total current liabilities exceeding total current assets by Baht 4,129 million and Baht 2,439 million, 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, respectively. The parent company has confirmed it will continue its financial support to Tata Steel Manufacturing to enable Tata Steel Manufacturing to continue its operations satisfactorily at least for the next 12 months from the statement of financial position date and the Group’s management has prepared the business plan including initiatives to improve operation and financial results of Tata Steel Manufacturing. In addition, the Company manages the liquidity based on a group basis.

These consolidated and separate financial statements were authorized 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 Group 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 consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements under the Securities and Exchange Act.

The consolidated and separate 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 6.7, certain financial liabilities as described in Notes 6.14 and non-current assets (or disposal groups) held-for-sale as described in Note 6.8.

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 Group’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 consolidated financial statements for the year ended 31 March 2021 and 2020 do not include an investment in Siam Steel Mill Services Company Limited which is held by The Siam Construction Steel Company Limited, and transferred to Tata Steel Manufacturing (Thailand) Public Company Limited 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 Group and the subsidiary recorded such investment as other long-term investment at cost of Baht 1,241 (Note 13).

An English version of the consolidated and separate 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 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group

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 Group 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 Group 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 Group to assess both i) the 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 Group 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 Group 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 Group 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 Group 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 Group 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 Group

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

- 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 Group and 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 Group**

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

- 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 Group and the Company has chosen not to early apply the amendments for the current reporting period.

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	Notes	Separate financial statements			1 April 2020 (Restated) Thousand Baht
		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	
Assets					
Non-current assets					
Property, plant and equipment, net	b	22,947	-	(756)	22,191
Right-of-use assets, net	b	-	-	41,168	41,168
Total		22,947	-	40,412	63,359
Liabilities and equity					
Current liabilities					
Current portion of lease liabilities, net	b	-	-	15,509	15,509
Total		-	-	15,509	15,509
Non-current liabilities					
Lease liabilities, net	b	-	-	24,903	24,903
Total		-	-	24,903	24,903

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 Group's and the Company's equity as of 1 April 2020 are as follows:

	Note	Consolidated financial statements - Equity
		Thousand Baht
Balance as of 31 March 2020 (as previously reported)		9,058,892
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		9,175,819

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

	Consolidated financial statements			
	FVPL	FVOCI	Amortised	Total
	Thousand	Thousand	cost	Thousand
	Baht	Baht	Thousand	Baht
	Baht	Baht	Baht	Baht
Financial assets				
Cash and cash equivalents	-	-	576,995	576,995
Trade and other receivable, net	-	-	633,864	633,864
Derivative assets (included in other current assets)	494	-	-	494
Other long-term investments	-	146,160	-	146,160
Deposits (included in other non-current assets)	-	-	6,121	6,121
	494	146,160	1,216,980	1,363,634

	Consolidated financial statements			
	FVPL	Amortised	cost	Total
	Thousand	Thousand	Thousand	Thousand
	Baht	Baht	Baht	Baht
	Baht	Baht	Baht	Baht
Financial liabilities				
Short-term loans from financial institutions	-	461,727	-	461,727
Trade and other payables	-	883,134	-	883,134
Derivatives liabilities (included in other current liabilities)	2,163	-	-	2,163
Lease liabilities, net	-	574,261	-	574,261
Other current liabilities	-	319	-	319
	2,163	1,919,441	-	1,921,604

	Separate financial statements			
	FVPL Thousand Baht	FVOCI Thousand Baht	Amortised cost Thousand Baht	Total Thousand Baht
Financial assets				
Cash and cash equivalents	-	-	432,887	432,887
Trade and other receivable, net	-	-	24,644	24,644
Short-term loans to a subsidiary	-	-	3,092,084	3,092,084
Deposits (included in other non-current assets)	-	-	4,185	4,185
	-	-	3,553,800	3,553,800

	Separate financial statements		
	FVPL Thousand Baht	Amortised cost Thousand Baht	Total Thousand Baht
Financial liabilities			
Trade and other payables	-	68,404	68,404
Short-term loans from subsidiaries	-	2,118,355	2,118,355
Lease liabilities, net	-	40,412	40,412
Other current liabilities	-	220	220
	-	2,227,391	2,229,554

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

As of 1 April 2020 the Group 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.

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(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;

	Consolidated financial statements				
	Measurement categories		Carrying amounts		
	Previously reported (TAS 105 and other TAS)	New (TFRS 9)	Previously reported Thousand Baht	New Thousand Baht	Difference Thousand Baht
Current financial assets					
Cash and cash equivalents	Amortised cost	Amortised cost	576,995	576,995	-
Trade and other receivables	Amortised cost	Amortised cost	633,864	633,864	-
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	6,121	6,121	-
Current financial liabilities					
Short-term loans from financial institutions	Amortised cost	Amortised cost	461,727	461,727	-
Trade and other payables	Amortised cost	Amortised cost	883,134	883,134	-
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	39,236	38,107*
Other current liabilities	Amortised cost	Amortised cost	319	319	-
Non-current financial liabilities					
Lease liabilities, net	Amortised cost	Amortised cost	39,653	535,025	495,372*

* Effect from implementation of TFRS 16

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	Separate financial statements				
	Measurement categories		Carrying amounts		
	Previously reported (TAS 105 and other TAS)	New (IFRS 9)	Previously reported Thousand Baht	New Thousand Baht	Difference Thousand Baht
Current financial assets					
Cash and cash equivalents	Amortised cost	Amortised cost	432,887	432,887	-
Trade and other receivables	Amortised cost	Amortised cost	24,644	24,644	-
Short-term loans to a subsidiary	Amortised cost	Amortised cost	3,092,084	3,092,084	-
Non-current financial assets					
Deposits (included in other non-current assets)	Amortised cost	Amortised cost	4,185	4,185	-
Current financial liabilities					
Trade and other payables	Amortised cost	Amortised cost	68,404	68,404	-
Short-term loans from subsidiaries	Amortised cost	Amortised cost	2,118,355	2,118,355	-
Current portion of lease liabilities, net	Amortised cost	Amortised cost	-	15,509	15,509*
Other current liabilities	Amortised cost	Amortised cost	220	220	-
Non-current financial liabilities					
Lease liabilities, net	Amortised cost	Amortised cost	-	24,903	24,903*

* Effect from implementation of TFRS 16

(c) Impairment of financial assets

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

- cash and cash equivalents
- trade and other receivables
- short term loans to a subsidiary

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

While i) cash and cash equivalents and ii) short term loans to a subsidiary are subject to the new impairment requirement, the identified impact was immaterial.

Trade receivables

The Group 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 Group and the Company did not recognise additional loss allowance of TFRS 9.

The loss allowance for trade receivables and unbilled receivables under construction contracts were determined as follows:

	Consolidated financial statements					
	Not yet due	Overdue not exceeding 3 months	Overdue 3 to 6 months	Overdue 6 to 12 months	Overdue more than 12 months	Total
As of 1 April 2020	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Gross carrying amount - Trade receivables	587,018	58,238	5,359	-	93,307	723,922
Loss allowance	-	-	-	-	(93,307)	(93,307)
	Separate financial statements					
	Not yet due	Overdue not exceeding 3 months	Overdue 3 to 6 months	Overdue 6 to 12 months	Overdue more than 12 months	Total
As of 1 April 2020	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Gross carrying amount - Trade receivables	10,676	-	-	-	-	10,676
Loss allowance	-	-	-	-	-	-

5.2 Leases

On adoption of TFRS 16, the Group 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 Group 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 applied after that date.

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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.

	Consolidated financial statement	Separate financial statement
	Thousand Baht	Thousand Baht
Operating lease commitments disclosed as at 31 March 2020	747,702	56,142
<u>Less</u> discounted using the lessee's incremental borrowing rate of at the date of initial application	(196,624)	(2,342)
<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	(7,520)	(3,552)
<u>Less</u> contracts reassessed as service agreements / service portion included in leases	(11,976)	(11,710)
<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	2,860	1,874
Lease liability recognised as at 1 April 2020	574,261	40,412
Current lease liabilities, net	39,236	15,509
Non-current lease liabilities, net	535,025	24,903

Practical expedients applied

In applying TFRS 16 for the first time, the group 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 Principles of consolidation

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost. Cost also includes direct attributable costs of investment.

b) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures, if any are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

6.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses in consolidated financial statements.

Step-up acquisition

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

Business combination under common control

The Group 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 Group 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.

6.3 Foreign currency translation

a) *Functional and presentation currency*

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

6.4 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.

6.5 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 Group 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 6.7 f).

6.6 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.

6.7 Financial asset

For the year ended 31 March 2021

a) Classification

From 1 April 2020, the Group 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 Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group 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 Group 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 Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group 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 Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group 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 Group measures all equity investments at fair value. Where the Group 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 Group 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 Group 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 Group 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 Group 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 Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group 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 Group disposes an investment partially, the carrying amount of the disposed part is determined by the weighted average method.

6.8 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.

6.9 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 Group. 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 - 10 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.

6.10 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.

6.11 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.

6.12 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.

6.13 Leases

For the year ended 31 March 2021

Leases - where the Group 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 Group. 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 Group 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 group 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 Group 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.

6.14 Financial liabilities

For the year ended 31 March 2021

a) Classification

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

- Where the Group 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 Group's own equity instruments.
- Where the Group 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 Group 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 Group 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 Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

6.15 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.

6.16 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 Group 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.

6.17 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 Group pays contributions to a separate fund (under the Provident Fund Act B.E. 2530). The Group 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 Group gives gold rewards to employees when they have worked for the Group 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 Group recognises termination benefits at the earlier of (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

6.18 Provisions

Provisions are recognised when the Group 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.

6.19 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.

6.20 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 Group'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 Group 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 Group 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 Group'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 Group 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 Group 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 Group 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 group.
- scrap income is recognised when the scrap is actually sold.

6.21 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.

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

Financial risk management is carried out by the Group Treasury Committee. The Group'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 Group 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 Group 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 Group during the financial year was 79% (2020 : 70%).

Exposure

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

	Consolidated financial statements							
	As at 31 March 2021							
	US Dollar Thousand Baht	Euro Thousand Baht	Pound Thousand Baht	Swedish Krona Thousand Baht	Japanese Yen Thousand Baht	Indian Rupee Thousand Baht	Singapore Dollar Thousand Baht	Yuan Thousand Baht
Assets								
Cash and cash equivalents	1,208	-	-	-	-	-	-	-
Trade and other receivables	261,667	-	-	-	-	-	5	-
Derivatives assets (included in other current assets)	11,185	15	-	-	-	-	-	-
Liabilities								
Trade and other payables	(55,330)	(18,314)	(22)	(179)	(320)	(2,147)	-	(28)
Derivatives liabilities (included in other current liabilities)	(6,315)	-	-	-	-	-	-	-
Total assets (liabilities), nets	212,415	(18,299)	(22)	(179)	(320)	(2,147)	5	(28)

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	Consolidated financial statements							
	As at 31 March 2020							
	US Dollar Thousand Baht	Euro Thousand Baht	Pound Thousand Baht	Swedish Krona Thousand Baht	Japanese Yen Thousand Baht	Indian Rupee Thousand Baht	Singapore Dollar Thousand Baht	Yuan Thousand Baht
Assets								
Cash and cash equivalents	2,177	-	-	-	-	-	-	-
Trade and other receivables	184,072	-	-	-	-	-	5	-
Derivatives assets (included in other current assets)	185	309	-	-	-	-	-	-
Liabilities								
Trade and other payables	(34,232)	(16,313)	(60)	(57)	(49)	(2,267)	-	(188)
Derivatives liabilities (included in other current liabilities)	(2,163)	-	-	-	-	-	-	-
Total assets (liabilities), nets	150,039	(16,004)	(60)	(57)	(49)	(2,267)	5	(188)
	Separate financial statements							
	As at 31 March 2021							
	US Dollar Thousand Baht	Euro Thousand Baht	Pound Thousand Baht	Swedish Krona Thousand Baht	Japanese Yen Thousand Baht	Indian Rupee Thousand Baht	Singapore Dollar Thousand Baht	Yuan Thousand Baht
Assets								
Trade and other receivables	23	-	-	-	-	-	-	-
Liabilities								
Trade and other payables	(2,377)	-	-	-	-	(2,147)	-	-
Total assets (liabilities), nets	(2,354)	-	-	-	-	(2,147)	-	-
	Separate financial statements							
	As at 31 March 2020							
	US Dollar Thousand Baht	Euro Thousand Baht	Pound Thousand Baht	Swedish Krona Thousand Baht	Japanese Yen Thousand Baht	Indian Rupee Thousand Baht	Singapore Dollar Thousand Baht	Yuan Thousand Baht
Assets								
Cash and cash equivalents	446	-	-	-	-	-	-	-
Trade and other receivables	24	-	-	-	-	-	-	-
Liabilities								
Trade and other payables	-	-	-	-	-	(2,267)	-	-
Total assets (liabilities), nets	470	-	-	-	-	(2,267)	-	-

Sensitivity

As shown in the table above, the Group is primarily exposed to changes in Baht and US Dollar, EURO and Rupee India 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, EURO and Rupee India.

	Consolidated financial statements
	Impact to net profit
	2021
	Thousand Baht
US Dollar to Baht exchange rate - increase 5%	10,621
EURO to Baht exchange rate - increase 6%	(1,098)
INR to Baht exchange rate - increase 5%	(107)
US Dollar to Baht exchange rate - decrease 5%	(10,621)
EURO to Baht exchange rate - decrease 6%	1,098
INR to Baht exchange rate - decrease 5%	107

* Holding all other variables constant

	Separate financial statements
	Impact to net profit
	2021
	Thousand Baht
US Dollar to Baht exchange rate - increase 5%	(118)
INR to Baht exchange rate - increase 5%	(108)
US Dollar to Baht exchange rate - decrease 5%	118
INR to Baht exchange rate - decrease 5%	108

* Holding all other variables constant

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7.1.2 Interest rate risk

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

Under the interest rate swap arrangements, the Group 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 Group and the Company does not apply hedge accounting.

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

	Consolidated financial statements								
	Fixed interest rates			Floating interest rates			Non-Interest bearing	Total	Interest rate
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years			
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	(% p.a.)
As at 31 March 2021									
Financial assets									
Cash and cash equivalents	863,560	-	-	-	-	-	86,977	950,537	0.01 - 0.15
	863,560	-	-	-	-	-	86,977	950,537	
Financial liabilities									
Short-term loans from financial institutions	-	-	-	441,393	-	-	-	441,393	BIBOR+2.1
Lease liabilities	38,567	99,507	556,807	-	-	-	-	694,881	MLR-2
	38,567	99,507	556,807	441,393	-	-	-	1,136,274	
	Consolidated financial statements								
	Fixed interest rates			Floating interest rates			Non-Interest bearing	Total	Interest rate
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years			
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	(% p.a.)
As at 31 March 2020									
Financial assets									
Cash and cash equivalents	484,639	-	-	-	-	-	92,356	576,995	0.01 - 0.55
	484,639	-	-	-	-	-	92,356	576,995	
Financial liabilities									
Short-term loans from financial institutions	108,507	-	-	353,220	-	-	-	461,727	3.97 and BIBOR+2.1
Finance lease liabilities	1,129	5,024	34,629	-	-	-	-	40,782	MLR-2
	109,636	5,024	34,629	353,220	-	-	-	502,509	

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	Separate financial statements									Interest rate (% p.a.)
	Fixed interest rates			Floating interest rates			Non-Interest bearing	Total		
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years				
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht		
As at 31 March 2021										
Financial assets										
Cash and cash equivalents	795,633	-	-	-	-	-	744	796,377		0.01 - 0.15
Short-term loans to a subsidiary	6,868,064	-	-	-	-	-	-	6,868,064		0.5 and 3.0
	<u>7,663,697</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>744</u>	<u>7,664,441</u>		
Financial liabilities										
Lease liabilities	15,938	13,619	-	-	-	-	-	29,557		MLR-2
	<u>15,938</u>	<u>13,619</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,557</u>		
	Separate financial statements									Interest rate (% p.a.)
	Fixed interest rates			Floating interest rates			Non-Interest bearing	Total		
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years				
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
As at 31 March 2020										
Financial assets										
Cash and cash equivalents	431,812	-	-	-	-	-	1,075	432,887		0.01 - 0.55
Short-term loans to a subsidiary	3,092,084	-	-	-	-	-	-	3,092,084		3.0
	<u>3,523,896</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,075</u>	<u>3,524,971</u>		
Financial liabilities										
Short-term loans from subsidiaries	2,118,355	-	-	-	-	-	-	2,118,355		1.5
	<u>2,118,355</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,118,355</u>		

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 Group and the Company has no significant concentrations of credit risk. The Group 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 Group 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 Group and the Company has 3 types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Trade and other receivables
- Loan to a subsidiary

While cash and cash equivalents and loan to a subsidiary are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Group 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 Group and 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 group, 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 Group 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 and loans to a subsidiary.

The Group and 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 group are expected to readily generate cash inflows for managing liquidity risk amount Baht 951 million (2020 : Baht 577 million). Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Group'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 Group'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 Group has access to the following undrawn credit facilities as at 31 March as follows:

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

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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.

	Consolidated financial statements				Carrying amount (assets)/ liabilities Thousand Baht
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
Maturity of financial liabilities					
As at 31 March 2021					
Financial liabilities that is not derivatives					
Short-term loans from financial institutions	441,393	-	-	441,393	441,393
Trade and other payables	1,590,830	-	-	1,590,830	1,590,830
Lease liabilities	61,722	181,345	701,419	944,486	694,881
Other current liabilities	557	-	-	557	557
Total financial liabilities that is not derivatives	2,094,502	181,345	701,419	2,977,266	2,727,661
Derivatives					
Foreign currency forward contracts	6,315	-	-	6,315	6,315
Total derivative liabilities	6,315	-	-	6,315	6,315
Total	2,100,817	181,345	701,419	2,983,581	2,733,976

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	Consolidated financial statements				Carrying amount (assets)/ liabilities Thousand Baht
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
Maturity of financial liabilities					
As at 31 March 2020					
Financial liabilities that is not derivatives					
Short-term loans from financial institutions	461,727	-	-	461,727	461,727
Trade and other payables	883,134	-	-	883,134	883,134
Lease liabilities	3,685	14,484	51,382	69,551	40,782
Other current liabilities	319	-	-	319	319
Total financial liabilities that is not derivatives	1,348,865	14,484	51,382	1,414,731	1,385,962
Derivatives					
Foreign currency forward contracts	2,163	-	-	2,163	2,163
Total derivative liabilities	2,163	-	-	2,163	2,163
Total	1,351,028	14,484	51,382	1,416,894	1,388,125
	Separate financial statements				Carrying amount (assets)/ liabilities Thousand Baht
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
Maturity of financial liabilities					
As at 31 March 2021					
Financial liabilities that is not derivatives					
Trade and other payables	113,325	-	-	113,325	113,325
Lease liabilities	16,779	14,141	-	30,920	29,557
Other current liabilities	373	-	-	373	373
Total financial liabilities that is not derivatives	130,477	14,141	-	144,618	143,255

	Separate financial statements				Carrying amount (assets)/ liabilities Thousand Baht
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
Maturity of financial liabilities					
As at 31 March 2020					
Financial liabilities that is not derivatives					
Trade and other payables	68,404	-	-	68,404	68,404
Short term loans from subsidiaries	2,118,355	-	-	2,118,355	2,118,355
Other current liabilities	220	-	-	220	220
Total financial liabilities that is not derivatives	2,186,979	-	-	2,186,979	2,186,979

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 Group 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 Group 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).

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The fair value measurements of financial assets and financial liabilities are in accordance with accounting policies which disclosed in Note 6.7 and Note 6.14.

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.

	Consolidated financial statements				
	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 (included in other current assets)	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					
Derivative liabilities- Foreign exchange contracts (included in other current liabilities)	2	6,315	6,315	2,163	2,163

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

Short-term loans from financial institutions, trade and other payables and short-term borrowings from subsidiaries - 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:

	Consolidated financial statements 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

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

	Fair value			Range of inputs	
	31 March 2021 Thousand Baht	1 April 2020 Thousand Baht		Unobservable inputs	2021
Unlisted equity securities	206,640	146,160	Profit growth factors	2%	2%
			Risk-adjusted discount rate	12%	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%	Increase by 3.4%	Decrease by 3.1%
	Risk-adjusted discount rate	1.00%	Decrease by 7.5%	Increase 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 Group 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 20. 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 26.

d) Deferred tax asset for carried forward tax losses

The subsidiary has incurred the losses from operations in the past. The Group 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 Group 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 Group 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 Group 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 Group.

f) Determination of discount rate applied to leases

The Group 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 Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group'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 Group'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 Group'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 20,044 million) and over time amounting to Baht 46 million (2020 : Baht 81 million).

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

For the years ended 31 March

Segment revenue
 Local
 Export

Consolidated financial statements	
2021	2020
Thousand Baht	Thousand Baht
20,692,800	18,288,118
1,324,096	1,836,613
22,016,896	20,124,731

11 Cash and cash equivalents

a) Cash and cash equivalents consist of:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Cash on hand	1	1	-	-
Deposits at banks - current accounts	879,947	511,214	793,715	419,934
- savings accounts	70,589	65,780	2,662	12,953
	950,537	576,995	796,377	432,887

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

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Gain on disposal of plant and equipment	(35)	(392)	(30)	(15)
Loss from write-off of plant and equipment and intangible assets	1,463	1,925	1,463	1,925
Reversal from diminution in value of inventories	(5,468)	-	-	-
Gain on sale available-for-sale investments	-	(130)	-	-
Gain on lease liabilities adjustment	(283)	-	(291)	-
Provision from additional surcharge	16,287	-	-	-
Loss from diminution in value of Idle asset held for sale	117,000	-	-	-
	128,964	1,403	1,142	1,910

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

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
(Increase) decrease in other current assets and other non-current assets	66,442	14,247	51	(1)
Increase (decrease) in other current liabilities and other non-current liabilities	4,208	(7,486)	1,789	386
Employee benefit obligations paid	(24,739)	(11,948)	(6,937)	(296)
	45,911	(5,187)	(5,097)	89

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

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Interest paid	(45,792)	(53,654)	(26,792)	(28,648)

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

On 17 March 2021, The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited, subsidiaries under the liquidation process, transferred promissory notes received from Tata Steel Manufacturing (Thailand) Public Company Limited for transfer price of the entire business transfer of Baht 3,657 million and Baht 2,554 million, respectively, totaling amount of Baht 6,211 million, to Tata Steel (Thailand) Public Company Limited for capital return.

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:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Payables for plant and equipment and intangible assets brought forward	12,861	59,133	16	3,537
<u>Add</u> Purchases during the year	129,513	199,222	2,429	266
<u>Less</u> Payments during the year	(90,379)	(245,494)	(1,312)	(3,787)
Payables for plant and equipment and intangible assets carried forward	51,995	12,861	1,133	16
Acquisitions of right-of-use assets under lease contracts	7,314	-	6,144	-

12 Trade and other receivables, net

12.1 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Trade receivables - other parties	906,408	497,726	-	-
- related parties (Note 33 b))	279,604	226,196	32,981	10,676
<u>Less</u> Loss allowance (2020 : Allowance for doubtful accounts under TAS 101)	(78,982)	(93,307)	-	-
Trade receivables, net	1,107,030	630,615	32,981	10,676
Other receivables - other parties	1,612	2,943	-	28
- related parties (Note 33 b))	44	44	39,582	13,678
Accrued income	92	262	92	262
Prepayments	20,381	16,414	9,368	5,834
	1,129,159	650,278	82,023	30,478

In 2008, the Group has entered into a "Receivable Purchase Agreement" to do account receivables factoring with a financial institution where 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 Group 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 be the same as their fair value.

12.2 Impairments of trade receivables

The loss allowance for trade receivables were determined as follows:

	Consolidated financial statements					
	Not yet due	Up to 3	3 - 6	6 - 12	More than	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As 31 March 2021						
Gross carrying amount - trade receivables	1,023,771	74,494	8,765	-	78,982	1,186,012
Loss allowance	-	-	-	-	(78,982)	(78,982)
	Separate financial statements					
	Not yet due	Up to 3	3 - 6	6 - 12	More than	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As 31 March 2021						
Gross carrying amount - trade receivables	32,981	-	-	-	-	32,981
Loss allowance	-	-	-	-	-	-

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

	Consolidated financial statements		Separate financial statements	
	Trade receivables		Trade receivables	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
As at 31 March - calculated under TAS 101	93,307	93,298	-	-
Amounts restated through opening retained earnings	-	-	-	-
Opening loss allowance as at 1 April 2020 - calculated under TFRS 9 (2020 : TAS 101)	93,307	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)	(9)	-	-
As of 31 March - calculated under TFRS 9 (2020 : TAS 101)	78,982	93,307	-	-

13 Financial assets and financial liabilities

On 1 April 2020 (the date of initial application of new financial reporting standards), the Group's management has assessed the appropriate business models applied to the financial assets and liabilities held by the Group 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 Group 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 Group has determined it has no significant influence to determine the financial and operating policies of and does not have any authorised director to sign on behalf of Siam Steel Mill Service Company Limited. The Group, therefore, recorded such investment as other long-term investment in the statement of financial position at cost of Baht 1,241 in the consolidated statement of financial statements.

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

	Consolidated financial statements			
	FVPL Thousand Baht	FVOCI Thousand Baht	Amortised cost Thousand Baht	Total Thousand Baht
Financial assets				
Cash and cash equivalents	-	-	950,537	950,537
Trade and other receivable, net	-	-	1,108,778	1,108,778
Derivative assets (included in other current assets)	11,200	-	-	11,200
Investment in unquoted equity	-	206,640	-	206,640
Deposits (included in other non-current assets)	-	-	5,449	5,449
	11,200	206,640	2,064,764	2,282,604
	Consolidated financial statements			
	FVPL Thousand Baht		Amortised cost Thousand Baht	Total Thousand Baht
Financial liabilities				
Short-term loans from financial institutions	-	-	441,393	441,393
Trade and other payables	-	-	1,590,830	1,590,830
Derivatives liabilities (included in other current liabilities)	6,315	-	-	6,315
Lease liabilities, net	-	-	694,881	694,881
Other current liabilities	-	-	557	557
	6,315		2,727,661	2,733,976

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	Separate financial statements			
	FVPL Thousand Baht	FVOCI Thousand Baht	Amortised cost Thousand Baht	Total Thousand Baht
Financial assets				
Cash and cash equivalents	-	-	796,377	796,377
Trade and other receivable, net	-	-	72,655	72,655
Short-term loans to a subsidiary	-	-	6,868,064	6,868,064
Deposits (included in other non-current assets)	-	-	4,185	4,185
	-	-	7,741,281	7,741,281

	Separate financial statements		
	FVPL Thousand Baht	Amortised cost Thousand Baht	Total Thousand Baht
Financial liabilities			
Trade and other payables	-	113,325	113,325
Lease liabilities, net	-	29,557	29,557
Other current liabilities	-	373	373
	-	143,255	143,255

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

	Consolidated financial statements							
	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	-	-	950,537	950,537	-	-	576,995	576,995
Trade and other receivable	-	-	1,187,760	1,187,760	-	-	727,171	727,171
<u>Less</u> Loss allowance (2020 : Allowance for doubtful accounts under TAS 101)	-	-	(78,982)	(78,982)	-	-	(93,307)	(93,307)
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	-	-	5,449	5,449	-	-	6,121	6,121
	Separate financial statements							
	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	-	-	796,377	796,377	-	-	432,887	432,887
Trade and other receivable	-	-	72,655	72,655	-	-	24,644	24,644
<u>Less</u> Loss allowance (2020 : Allowance for doubtful accounts under TAS 101)	-	-	-	-	-	-	-	-
Short term loans to a subsidiary	-	-	6,868,064	6,868,064	-	-	3,092,084	3,092,084
Deposits	-	-	4,185	4,185	-	-	4,185	4,185

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

	Consolidated financial statements			
	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 29)	28,800	-	14,400	-

14 Inventories, net

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Raw materials	866,381	694,352	-	-
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	-	-
	3,189,267	2,461,363	-	-
<u>Less</u> Allowance for obsolete inventories				
- Spare parts	(44,011)	(49,997)	-	-
- Supplies and others	(18,710)	(18,192)	-	-
	3,126,546	2,393,174	-	-
<u>Add</u> Goods in transit	332,512	122,159	-	-
	3,459,058	2,515,333	-	-

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

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Cost of sales and cost of services	20,532,575	19,378,925	-	-
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 Group sold inventory that was previously provided for allowance. Therefore, the Group reversed the allowance for net realisable value during the year.

15 Other current assets

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Value added tax refundable	45,916	113,377	-	-
Other current assets	29,275	14,206	477	529
	75,191	127,583	477	529

16 Investments in subsidiaries

As at 31 March 2021, the subsidiaries included in consolidated financial statements are listed below. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Company name	Country of incorporation	% Ownership interest		Separate financial statements (Unit : Thousand Baht)					
		2021 %	2020 %	Cost method 2021			Cost method 2020		
				Cost	Allowance for impairment	Net book value	Cost	Allowance for impairment	Net book value
The Siam Iron and Steel (2001) Company Limited *	Thailand	-	99.99	-	-	-	2,554,386	-	2,554,386
The Siam Construction Steel Company Limited *	Thailand	-	99.99	-	-	-	3,656,874	-	3,656,874
Tata Steel Manufacturing (Thailand) Public Company Limited	Thailand	99.76	99.76	9,181,787	(3,380,000)	5,801,787	9,181,787	(3,380,000)	5,801,787
				9,181,787	(3,380,000)	5,801,787	15,393,047	(3,380,000)	12,013,047

* During the year ended 31 March 2021, The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited transferred their entire businesses to Tata Steel Manufacturing (Thailand) Public Company Limited (Note 37) and already registered the dissolution together with returned the capital to the shareholders. These two companies are in the liquidation process.

As at 31 March 2021 and 2020, the Group has made an assessment of impairment loss on investment in subsidiaries and considered that the recoverable amount was not lower than its carrying amount, so no additional allowance for impairment was necessary.

Dissolution of business

The Siam Iron and Steel (2001) Company Limited

At the Extraordinary Shareholders' Meeting of The Company No. 1/2564 dated on 3 March 2021, the Shareholders passed a resolution to dissolve and liquidate the Company within 12 months from the date of these financial statements. As a result, they registered for dissolution with the Department of Business Development, Ministry of commerce on 16 March 2021 and transferred the promissory notes received from Tata Steel Manufacturing (Thailand) Public Company Limited for transfer price of the entire business transfer to Tata Steel (Thailand) Public Company Limited for capital return on 17 March 2021.

The Siam Construction Steel Company Limited

At the Extraordinary Shareholders' Meeting of The Company No. 1/2564 dated on 3 March 2021, the Shareholders passed a resolution to dissolve and liquidate the Company within 12 months from the date of these financial statements. As a result, they registered for dissolution with the Department of Business Development, Ministry of commerce on 16 March 2021 and transferred the promissory notes received from Tata Steel Manufacturing (Thailand) Public Company Limited for transfer price of the entire business transfer to Tata Steel (Thailand) Public Company Limited for capital return on 17 March 2021.

17 Property, plant and equipment, net

	Consolidated financial statements						Total Thousand Baht
	Land Thousand Baht	Land Improvement, buildings and structures Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures, and equipment Thousand Baht	Vehicles Thousand Baht	Construction in progress Thousand Baht	
As at 1 April 2019							
Cost	798,694	4,548,003	12,557,372	226,433	2,701	83,042	18,216,245
<u>Less</u> Accumulated depreciation	-	(2,896,130)	(10,106,306)	(158,867)	(2,537)	-	(13,163,840)
Allowance for decrease in value of asset	-	(1,124,556)	(778,855)	(7)	-	-	(1,903,418)
Net book amount	798,694	527,317	1,672,211	67,559	164	83,042	3,148,987
For the year ended 31 March 2020							
Opening net book amount	798,694	527,317	1,672,211	67,559	164	83,042	3,148,987
Additions	-	-	4,362	2,963	-	186,054	193,379
Transfers	-	713	228,677	14,847	45	(244,282)	-
Disposals - cost	-	(43)	(24,872)	(3,334)	-	-	(28,249)
- accumulated depreciation	-	43	24,872	3,325	-	-	28,240
Write-off - cost	-	-	(14,735)	(18)	-	-	(14,753)
- accumulated depreciation	-	-	14,735	18	-	-	14,753
Depreciation charge	-	(72,579)	(354,943)	(22,821)	(56)	-	(450,399)
Closing net book amount	798,694	455,451	1,550,307	62,539	153	24,814	2,891,958
As at 31 March 2020							
Cost	798,694	4,548,673	12,750,804	240,891	2,746	24,814	18,366,622
<u>Less</u> Accumulated depreciation	-	(2,968,666)	(10,421,642)	(178,345)	(2,593)	-	(13,571,246)
Allowance for decrease in value of asset	-	(1,124,556)	(778,855)	(7)	-	-	(1,903,418)
Net book amount	798,694	455,451	1,550,307	62,539	153	24,814	2,891,958

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	Consolidated financial statements						
	Land Thousand Baht	Land Improvement, buildings and structures Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures, and equipment Thousand Baht	Vehicles Thousand Baht	Construction in progress Thousand Baht	Total Thousand Baht
As at 1 April 2020							
Cost	798,694	4,548,673	12,750,804	240,891	2,746	24,814	18,366,622
<u>Less</u> Accumulated depreciation	-	(2,968,666)	(10,421,642)	(178,345)	(2,593)	-	(13,571,246)
Allowance for decrease in value of asset	-	(1,124,556)	(778,855)	(7)	-	-	(1,903,418)
Net book amount (as previous reported)	798,694	455,451	1,550,307	62,539	153	24,814	2,891,958
For the year ended 31 March 2021							
Opening net book amount (as previous reported)	798,694	455,451	1,550,307	62,539	153	24,814	2,891,958
Adjustment from adoption of TFRS 16 on 1 April 2020	-	(39,547)	-	67	-	-	(39,480)
Opening net book amount (restated)	798,694	415,904	1,550,307	62,606	153	24,814	2,852,478
Additions	-	1,262	5,258	4,914	-	115,809	127,243
Transfers	3,611	2,001	70,860	5,881	-	(82,353)	-
Disposals - cost	-	-	-	(3,436)	-	-	(3,436)
- accumulated depreciation	-	-	-	3,436	-	-	3,436
Write-off - cost	-	(2,258)	-	(366)	-	-	(2,624)
- accumulated depreciation	-	968	-	192	-	-	1,160
Depreciation charge	-	(56,006)	(333,068)	(22,726)	(62)	-	(411,862)
Closing net book amount	802,305	361,871	1,293,357	50,501	91	58,270	2,566,395
As at 31 March 2021							
Cost	802,305	4,505,635	12,826,922	247,884	2,746	58,270	18,443,762
<u>Less</u> Accumulated depreciation	-	(3,019,208)	(10,754,710)	(197,376)	(2,655)	-	(13,973,949)
Allowance for decrease in value of asset	-	(1,124,556)	(778,855)	(7)	-	-	(1,903,418)
Net book amount	802,305	361,871	1,293,357	50,501	91	58,270	2,566,395

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For the year ended 31 March 2021, the Group are 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 Group is a leases under finance lease agreements, comprise factory equipment.

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

	Separate financial statements			
	Buildings Improvement Thousand Baht	Furniture, fixtures, and equipment Thousand Baht	Construction in progress Thousand Baht	Total Thousand Baht
As at 1 April 2019				
Cost	4,733	82,145	-	86,878
<u>Less</u> Accumulated depreciation	<u>(594)</u>	<u>(53,246)</u>	<u>-</u>	<u>(53,840)</u>
Net book amount	<u>4,139</u>	<u>28,899</u>	<u>-</u>	<u>33,038</u>
For the year ended 31 March 2020				
Opening net book amount	4,139	28,899	-	33,038
Additions	-	224	-	224
Disposals - cost	-	(1,890)	-	(1,890)
- accumulated depreciation	-	1,881	-	1,881
Write-off - cost	-	(18)	-	(18)
- accumulated depreciation	-	18	-	18
Depreciation charge	<u>(722)</u>	<u>(9,584)</u>	<u>-</u>	<u>(10,306)</u>
Closing net book amount	<u>3,417</u>	<u>19,530</u>	<u>-</u>	<u>22,947</u>
As at 31 March 2020				
Cost	4,733	80,461	-	85,194
<u>Less</u> Accumulated depreciation	<u>(1,316)</u>	<u>(60,931)</u>	<u>-</u>	<u>(62,247)</u>
Net book amount	<u>3,417</u>	<u>19,530</u>	<u>-</u>	<u>22,947</u>

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	Separate financial statements			
	Buildings Improvement Thousand Baht	Furniture, fixtures, and equipment Thousand Baht	Construction in progress Thousand Baht	Total Thousand Baht
As at 1 April 2020				
Cost	4,733	80,461	-	85,194
<u>Less</u> Accumulated depreciation	(1,316)	(60,931)	-	(62,247)
Net book amount (as previous reported)	3,417	19,530	-	22,947
For the year ended 31 March 2021				
Opening net book amount (as previous reported)	3,417	19,530	-	22,947
Adjustment from adoption of TFRS 16 on 1 April 2020	(823)	67	-	(756)
Opening net book amount (restated)	2,594	19,597	-	22,191
Additions	-	738	247	985
Transfer	-	247	(247)	-
Disposals - cost	-	(4,873)	-	(4,873)
- accumulated depreciation	-	4,375	-	4,375
Write-off - cost	(2,258)	(366)	-	(2,624)
- accumulated depreciation	968	193	-	1,161
Depreciation charge	(543)	(9,361)	-	(9,904)
Closing net book amount	761	10,550	-	11,311
As at 31 March 2021				
Cost	1,407	76,207	-	77,614
<u>Less</u> Accumulated depreciation	(646)	(65,657)	-	(66,303)
Net book amount	761	10,550	-	11,311

18 Idle assets held-for-sale, net

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

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

In August 2011, the Group's management had decided to cease production of the Mini Blast Furnace ("MBF") at Tata Steel Manufacturing, the Company's subsidiary 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 Group's management decided to dispose MBF machinery, equipment and its spare parts and store supplies. The Group 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 Group's management remains committed to the plan of disposal. However, the disposal is not expected to complete within one year. Accordingly, the Group's management classified these assets as idle assets held-for-sale, net, under non-current assets.

During the year ended 31 March 2021, the Group has recognized a loss for decrease in value of assets - MBF of Baht 117 million.

19 Right-of-use assets, net

	Consolidated financial statements			
	Land Thousand Baht	Building and structure Thousand Baht	Vehicles Thousand Baht	Total Thousand Baht
As at 1 April 2020	473,789	53,134	46,036	572,959
Additions	-	2,985	4,329	7,314
Lease termination	-	(376)	(419)	(795)
Lease modifications and reassessments	148,745	-	-	148,745
Depreciation	(32,947)	(8,462)	(16,801)	(58,210)
Balance as at 31 March 2021	589,587	47,281	33,145	670,013

	Separate financial statements		
	Building and structure Thousand Baht	Vehicles Thousand Baht	Total Thousand Baht
As at 1 April 2020	14,410	26,758	41,168
Additions	2,985	3,159	6,144
Lease termination	(376)	(1,651)	(2,027)
Depreciation	(6,313)	(9,603)	(15,916)
Balance as at 31 March 2021	10,706	18,663	29,369

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:

	Consolidated financial statements	Separate financial statements
	2021 Thousand Baht	2020 Thousand Baht
Expense relating to short-term leases	9,362	5,394
Expense relating to leases of services	4,965	4,531
Cash outflow for leases	14,327	9,925

20 Goodwill, net

	Consolidated financial statements Thousand Baht
As at 1 April 2019	
Cost	5,607,769
<u>Less</u> Accumulated amortisation (up to 31 March 2008)	(1,491,432)
Allowance for impairment	(660,323)
Net book amount	<u>3,456,014</u>
For the year ended 31 March 2020	
Opening net book amount	3,456,014
Impairment charge	-
Closing net book amount	<u>3,456,014</u>
As at 31 March 2020	
Cost	5,607,769
<u>Less</u> Accumulated amortisation (up to 31 March 2008)	(1,491,432)
Allowance for impairment	(660,323)
Net book amount	<u>3,456,014</u>
For the year ended 31 March 2021	
Opening net book amount	3,456,014
Impairment charge	-
Closing net book amount	<u>3,456,014</u>
As at 31 March 2021	
Cost	5,607,769
<u>Less</u> Accumulated amortisation (up to 31 March 2008)	(1,491,432)
Allowance for impairment	(660,323)
Net book amount	<u>3,456,014</u>

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

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

As disclosed in Note 37, the entire business transfer of The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited to Tata Steel Manufacturing (Thailand) Public Company Limited resulted to the goodwill, arisen from acquisition of these two companies by Tata Steel (Thailand) Company Limited and previously recognised in the consolidated financial statements, were changed to recognise as goodwill of two acquired business units of Tata Steel Manufacturing (Thailand) Public Company Limited from entire business transfer in the separate financial statements of Tata Steel Manufacturing (Thailand) Public Company Limited. There was no impact on presentation in the consolidated financial statements.

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As at 31 March 2021 and 2020 the Group 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 Group's cash-generating units (CGUs) identified according to each factory (2020 : subsidiary).

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

	Consolidated financial statements					
	2021			2020		
	Factory of The Siam Iron and Steel (2001) Million Baht	Factory of The Siam Construction Steel Million Baht	Total Million Baht	The Siam Iron and Steel (2001) Company Limited Million Baht	The Siam Construction Steel Company Limited Million Baht	Total Million Baht
Goodwill allocation	1,685	1,771	3,456	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 Company Limited
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.

21 Intangible assets, net

	Consolidated financial statements		
	Computer software Thousand Baht	Software under installation Thousand Baht	Total Thousand Baht
As at 1 April 2019			
Cost	273,048	2,487	275,535
<u>Less</u> Accumulated amortisation	(244,745)	-	(244,745)
Net book amount	28,303	2,487	30,790
For the year ended 31 March 2020			
Opening net book amount	28,303	2,487	30,790
Additions	42	5,801	5,843
Transfers	6,364	(6,364)	-
Write-off - cost	(4,162)	(1,924)	(6,086)
- accumulated amortisation	4,161	-	4,161
Amortisation charge	(5,125)	-	(5,125)
Closing net book amount	29,583	-	29,583
As at 31 March 2020			
Cost	275,292	-	275,292
<u>Less</u> Accumulated amortisation	(245,709)	-	(245,709)
Net book amount	29,583	-	29,583
For the year ended 31 March 2021			
Opening net book amount	29,583	-	29,583
Additions	90	2,178	2,268
Transfers	1,561	(1,561)	-
Amortisation charge	(4,501)	-	(4,501)
Closing net book amount	26,733	617	27,350
As at 31 March 2021			
Cost	276,942	617	277,559
<u>Less</u> Accumulated amortisation	(250,209)	-	(250,209)
Net book amount	26,733	617	27,350

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	Separate financial statements		
	Computer software Thousand Baht	Software under installation Thousand Baht	Total Thousand Baht
As at 1 April 2019			
Cost	252,323	1,924	254,247
<u>Less</u> Accumulated amortisation	(237,134)	-	(237,134)
Net book amount	15,189	1,924	17,113
For the year ended 31 March 2020			
Opening net book amount	15,189	1,924	17,113
Additions	42	-	42
Write-off - cost	(4,162)	(1,924)	(6,086)
- accumulated amortisation	4,161	-	4,161
Amortisation charge	(2,785)	-	(2,785)
Closing net book amount	12,445	-	12,445
As at 31 March 2020			
Cost	248,203	-	248,203
<u>Less</u> Accumulated amortisation	(235,758)	-	(235,758)
Net book amount	12,445	-	12,445
For the year ended 31 March 2021			
Opening net book amount	12,445	-	12,445
Additions	90	1,355	1,445
Transfer	737	(737)	-
Amortisation charge	(2,091)	-	(2,091)
Closing net book amount	11,181	618	11,799
As at 31 March 2021			
Cost	249,029	618	249,647
<u>Less</u> Accumulated amortisation	(237,848)	-	(237,848)
Net book amount	11,181	618	11,799

22 Deferred tax assets (liabilities), net

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

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Deferred tax assets				
- To be recovered within 12 months	3,416	3,573	911	1,015
- To be recovered more than 12 months	66,308	54,195	16,784	16,956
	69,724	57,768	17,695	17,971
Deferred tax liabilities				
- To be recovered within 12 months	(6,214)	(4,104)	-	-
- To be recovered more than 12 months	(47,733)	(10,378)	-	-
	(53,947)	(14,482)	-	-
Deferred tax assets (liabilities), net	15,777	43,286	17,695	17,971

As at 31 March 2021 and 2020, deferred tax assets and deferred tax liabilities presented by net taxable entities comprised the following:

	Consolidated financial statement		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Deferred tax assets (net)	17,695	43,286	17,695	17,971
Deferred tax liabilities (net)	(1,918)	-	-	-
	15,777	43,286	17,695	17,971

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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:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Opening balance for the year (as previous reported)	43,286	21,904	17,971	12,358
Adjustment from adoption of TFRS 9 on 1 April 2020 (Note 5)	(29,232)	-	-	-
Opening balance for the year (restated)	14,054	21,904	17,971	12,358
Increase (decrease) to profit or loss	19,094	17,884	994	5,276
Increase (decrease) to other comprehensive income	(17,371)	3,498	(1,270)	337
Closing balance for the year	15,777	43,286	17,695	17,971

	Consolidated financial statements					
	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
Provision for decommissioning costs	151	-	151	(107)	-	44
Employee benefit obligations	55,974	-	55,974	18,248	(5,275)	68,947
	57,768	-	57,768	17,230	(5,275)	69,723
Deferred tax liabilities						
Remeasurement of financial asset at fair value	-	(29,232)	(29,232)	-	(12,096)	(41,328)
Derivatives assets	(130)	-	(130)	(2,110)	-	(2,240)
Surplus of fair value of assets acquired in business combination	(14,352)	-	(14,352)	3,974	-	(10,378)
	(14,482)	(29,232)	(43,714)	1,864	(12,096)	(53,946)
Deferred tax assets, net	43,286	(29,232)	14,054	19,094	(17,371)	15,777

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	Consolidated financial statements			
	1 April	Credited	Credited	31 March
	2019	(charged) to	(charged) to other	2020
	Thousand	profit or loss	comprehensive	Thousand
Baht	Thousand	income	Thousand	
Baht	Baht	Thousand	Baht	
Deferred tax assets				
Allowance for doubtful accounts	736	-	-	736
Allowance for obsolete inventories	907	-	-	907
Provision for decommissioning costs	187	(36)	-	151
Finance lease liabilities	8,374	(8,374)	-	-
Employee benefit obligations	38,400	14,216	3,358	55,974
	48,604	5,806	3,358	57,768
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	(18,326)	3,974	-	(14,352)
	(26,700)	12,078	140	(14,482)
Deferred tax assets, net	21,904	17,884	3,498	43,286

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 Group did not recognise deferred income tax assets of Baht 932 million (2020 : Baht 1,091 million) in respect of losses amounting to Baht 4,661 million (2020 : Baht 5,457 million) that can be carried forward against future taxable income. Such losses will be expired in 2021 to 2025.

	Separate financial statements			
	1 April	Credited	Credited	31 March
	2020	(charged) to	(charged) to other	2021
	Thousand	profit or loss	comprehensive	Thousand
Baht	Thousand	income	Thousand	
Baht	Baht	Thousand	Baht	
Deferred tax assets				
Provision for decommissioning costs	151	(107)	-	44
Employee benefit obligations	17,820	1,101	(1,270)	17,651
Deferred tax assets, net	17,971	994	(1,270)	17,695

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	Separate financial statements			
	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				
Provision for decommissioning costs	187	(36)	-	151
Employee benefit obligations	12,171	5,312	337	17,820
Deferred tax assets, net	12,358	5,276	337	17,971

23 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Corporate income tax refundable	92,113	102,327	56,625	67,022
Others	7,319	10,243	4,185	4,185
	99,432	112,570	60,810	71,207

24 Borrowings

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Current				
Short-term borrowings	441,393	461,727	-	-
Current portion of long-term borrowings				
- Lease liabilities	38,567	1,129	15,938	-
Short term loans from subsidiaries (Note 33 d))	-	-	-	2,118,355
Total current borrowings	479,960	462,856	15,938	2,118,355
Non-current				
Lease liabilities	656,314	39,653	13,619	-
Total non-current borrowings	656,314	39,653	13,619	-
Total borrowings	1,136,274	502,509	29,557	2,118,355

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

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

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Not later than 1 year	61,721	3,685	16,779	-
Later than 1 year but not later than 5 years	181,345	14,484	14,141	-
Later than 5 years	701,418	51,382	-	-
<u>Less</u> Future finance charges on finance leases	(249,603)	(28,769)	(1,363)	-
Present value of lease liabilities	694,881	40,782	29,557	-
Representing lease liabilities:				
- Current	38,567	1,129	15,938	-
- Non-current	656,314	39,653	13,619	-
Present value of lease liabilities	694,881	40,782	29,557	-

The present value of lease liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Not later than 1 year	38,567	1,129	15,938	-
Later than 1 year but not later than 5 years	99,507	5,024	13,619	-
Later than 5 years	556,807	34,629	-	-
	694,881	40,782	29,557	-

25 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Trade payables - other parties	715,592	435,793	-	-
- related parties (Note 33 b))	185,080	2,347	-	-
Other payables - other parties	59,771	17,046	8,907	4,199
- related parties (Note 33 b))	2,256	2,267	2,287	5,027
Advance received from customers	47,982	14,968	-	-
Accrued expenses	580,149	410,713	102,131	59,178
	1,590,830	883,134	113,325	68,404

26 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Statement of financial position:				
Retirement benefits	301,413	314,198	78,515	78,833
Other long-term benefits	27,679	26,474	2,961	2,967
Liability in the statement of financial position	329,092	340,672	81,476	81,800
(Profit) loss charge included in operating profit for:				
Retirement benefits	39,140	100,714	12,613	25,810
Other long-term benefits	3,994	8,703	352	974
	43,134	109,417	12,965	26,784
Remeasurement in other comprehensive (income) expense	(29,976)	26,043	(6,352)	1,684

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.

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

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Opening balance for the year	314,198	197,174	78,833	51,339
Past service cost from amendment bill to the Labour Protection Law	-	68,332	-	16,371
Current service cost	34,902	28,744	11,620	8,552
Interest cost	4,238	3,638	993	887
Remeasurements:				
(Gain)/loss from change in demographic assumptions	(20)	(1,492)	(20)	(417)
(Gain)/loss from change in financial assumptions	(29,391)	45,763	(7,224)	7,270
Experience (gain)/loss	(565)	(18,228)	892	(5,169)
Employee benefit paid	(21,949)	(9,733)	(6,579)	-
Closing balance for the year	301,413	314,198	78,515	78,833

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The movements of employee benefit obligations - other long-term benefits for the years ended 31 March 2021 and 2020 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Opening balance for the year	26,474	19,986	2,967	2,289
Current service cost	4,023	3,863	674	635
Interest cost	361	307	34	30
Remeasurements:				
(Gain)/loss from change in demographic assumptions	(10)	(19)	(10)	(53)
(Gain)/loss from change in financial assumptions	181	6,220	3	651
Experience gain	(561)	(1,668)	(349)	(289)
Employee benefit paid	(2,789)	(2,215)	(358)	(296)
Closing balance for the year	27,679	26,474	2,961	2,967

The principal actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2021 %	2020 %	2021 %	2020 %
Discount rates	1.93 - 1.96	1.23 - 1.63	1.96	1.63
Salary growth rate	4.54 - 4.73	4.78 - 4.97	4.65	4.97
Staff turnover rate	0.00 - 19.00	0.00 - 19.00	1.00 - 19.00	0.00 - 19.00

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

	Consolidated financial statements					
	Change in assumption		Increase (decrease) to employee benefit obligations			
			Increase in assumption		Decrease in assumption	
	2021	2020	2021	2020	2021	2020
%	%	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Discount rate	1.00	1.00	(33,287)	(36,238)	38,900	42,573
Salary growth rate	1.00	1.00	35,747	38,990	(31,183)	(33,884)
Staff turnover rate	1.00	1.00	(34,930)	(37,784)	15,621	17,365

	Separate financial statements					
	Change in assumption		Increase (decrease) to employee benefit obligations			
			Increase in assumption		Decrease in assumption	
	2021	2020	2021	2020	2021	2020
%	%	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Discount rate	1.00	1.00	(7,499)	(8,137)	8,669	9,448
Salary growth rate	1.00	1.00	8,215	8,912	(7,261)	(7,848)
Staff turnover rate	1.00	1.00	(7,933)	(8,579)	2,756	3,027

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.

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

The weighted average duration of the defined benefit obligation is 9.54 - 12.69 years (2020 : 10.84 - 16.02 years).

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

	Consolidated financial statements				
	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
At 31 March 2021					
Retirement benefits	2,942	18,476	46,315	1,134,791	1,202,524
Other long-term benefits	2,445	2,867	12,128	74,835	92,275
Total	5,387	21,343	58,443	1,209,626	1,294,799
At 31 March 2020					
Retirement benefits	8,941	2,989	31,237	1,253,948	1,297,115
Other long-term benefits	2,558	2,358	10,713	76,945	92,574
Total	11,499	5,347	41,950	1,330,893	1,389,689
	Separate financial statements				
	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
At 31 March 2021					
Retirement benefits	-	11,911	20,001	344,800	376,712
Other long-term benefits	358	294	1,734	14,848	17,234
Total	358	12,205	21,735	359,648	393,946
At 31 March 2020					
Retirement benefits	2,016	-	14,184	406,700	422,900
Other long-term benefits	406	327	1,522	16,054	18,309
Total	2,422	327	15,706	422,754	441,209

27 Provision for decommissioning cost

The movements of provision for decommissioning cost for the years ended 31 March 2021 and 2020 comprise the following:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Opening balance as at 1 April	1,068	1,068	1,068	1,068
Write-off	(658)	-	(658)	-
Closing balance as at 31 March	410	1,068	410	1,068

28 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
As at 1 April	372,575	369,092	372,575	369,092
Appropriation during the year	1,205	3,483	1,205	3,483
As at 31 March	373,780	372,575	373,780	372,575

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

29 Other income

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Gain on exchange rate, net	20,380	2,249	-	100
Dividend income from other long-term investment	28,800	14,400	-	-
Interest income	2,962	4,261	71,067	89,133
Compensation from insurance companies	50,000	68,410	-	-
Others	16,899	19,490	575	643
	119,041	108,810	71,642	89,876

30 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Change in finished goods and work in process	(861,106)	1,151,760	-	-
Raw materials and consumables used	15,868,016	12,666,055	-	-
Store and supplies used	711,202	982,698	-	-
Fuel	589,291	640,181	-	-
Depreciation and amortisation and amortisation of rolling mill expenses	511,819	492,086	27,910	13,091
Employee benefits expenses	938,360	976,420	267,102	268,920
Utilities expenses	2,255,895	1,907,360	826	975
Repair and maintenance expenses	635,663	609,917	480	152
Contractor fees	187,643	195,695	4,660	3,824
Delivery and selling expenses	190,616	185,001	3,775	5,745
Bank charges	60,526	62,406	10,918	8,215
Others	199,628	201,145	79,983	98,937
Total	21,287,553	20,070,724	395,654	399,859

31 Income tax (income) expense

Income tax (income) expense for the years ended 31 March comprise of

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Current tax:				
Current tax on profits for the year	65,285	81,373	12,795	-
Current tax on profits for the previous year	10,537	-	10,537	-
Total current tax	75,822	81,373	23,332	-
Increase in deferred tax assets (Note 22)	(17,230)	(5,806)	(994)	(5,276)
Increase (decrease) in deferred tax liabilities (Note 22)	(1,864)	(12,078)	-	-
Total deferred tax	(19,094)	(17,884)	(994)	(5,276)
Total income tax (income) expense	56,728	63,489	22,338	(5,276)

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The tax on the Group'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:

	Consolidated	
	financial statements	
	2021	2020
	Thousand	Thousand
	Baht	Baht
Profit (loss) before income tax	688,346	110,589
Tax calculated at a tax rate of 20% (2020 : 20%)	137,669	22,118
Tax effect of:		
- Temporary differences and unused tax losses not accounted for as deferred tax assets and elimination entries	(26,326)	64,782
- Expenses not deductible for tax purpose	18,154	1,043
- Double tax expenses deductible	(1,901)	(2,026)
- Utilisation of tax loss carried forward which was not recognised as deferred tax asset	(66,116)	(22,428)
- Recognition of previously unrecognized deferred taxes	(15,289)	-
- Income tax of previous year	10,537	-
Tax charge	56,728	63,489
	Separate	
	financial statements	
	2021	2020
	Thousand	Thousand
	Baht	Baht
Profit before income tax	46,447	64,397
Tax calculated at a tax rate of 20% (2020 : 20%)	9,289	12,879
Tax effect of:		
- Expenses not deductible for tax purpose	2,926	426
- Double tax expenses deductible	(414)	(601)
- Utilisation of tax loss carried forward which was not recognised as deferred tax asset	-	(17,980)
- Tax expense for the previous year	10,537	-
Tax charge	22,338	(5,276)

The Group's and the Company's weighted average applicable tax rate were 48% - (3)% and 48%, respectively. (2020 : 20% - (8)% and (8)%, respectively).

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

	Consolidated financial statements					
	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	29,976	(5,275)	24,701	(26,043)	3,358	(22,685)
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	90,456	(17,371)	73,085	(27,243)	3,498	(23,745)
Current tax		-			-	
Deferred tax (Note 22)		<u>(17,371)</u>			<u>3,498</u>	
		<u>(17,371)</u>			<u>3,498</u>	
	Separate financial statements					
	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	6,352	(1,270)	5,082	(1,684)	337	(1,347)
Other comprehensive income	6,352	(1,270)	5,082	(1,684)	337	(1,347)
Current tax		-			-	
Deferred tax (Note 22)		<u>(1,270)</u>			<u>337</u>	
		<u>(1,270)</u>			<u>337</u>	

32 Earnings per share

The basic earnings per share is calculated by dividing the profit for the year attributable to ordinary shareholders of the parent divided by the weighted average number of ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
For the years ended 31 March				
Net profit attributable to ordinary shareholders of the parent (Thousand Baht)	630,549	47,878	24,108	69,673
Weighted average number of ordinary shares outstanding (Share)	8,421,540,848	8,421,540,848	8,421,540,848	8,421,540,848
Basic earnings per share (Baht per share)	0.07	0.01	0.00	0.01

33 Related party transactions

Enterprises and individuals 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.

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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
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 management
Tata Steel Manufacturing (Thailand) Public Company Limited	Manufacture, render a manufacturing service, distributions and trading of steel bars, wire rods and small section products	Common shareholder and management
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) Co., Ltd.	Manufacture automobile	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

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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	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand 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 Manufacturing (Thailand) Public Company Limited	-	-	68,259	85,446
Total	-	-	68,259	85,446
Management fees income				
The Siam Iron and Steel (2001) Co., Ltd.	-	-	61,851	87,580
The Siam Construction Steel Co., Ltd.	-	-	113,370	160,256
Tata Steel Manufacturing (Thailand) Public Company Limited	-	-	216,971	157,900
Total	-	-	392,192	405,736

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

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For the years ended 31 March	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
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	-	-
Interest expenses				
The Siam Iron and Steel (2001) Co., Ltd.	-	-	2,593	4,315
The Siam Construction Steel Co., Ltd.	-	-	17,578	26,577
Tata Steel Manufacturing (Thailand) Public Company Limited	-	-	203	464
Total	-	-	20,374	31,356
Other expenses				
Tata Steel Limited	747	1,004	747	1,004
The Siam Industrial Wire Co., Ltd.	15	-	-	-
Tata Sons Private Limited	22	16	22	16
Tata Services Limited	27	-	27	-
Tata Technologies (Thailand) Co., Ltd.	-	54	-	54
Total	811	1,074	796	1,074
Key management compensation				
Short-term employee benefits	68,571	64,404	68,571	64,404
Post-employment benefits	30,719	29,487	30,719	29,487
Total	99,290	93,891	99,290	93,891

Tata Steel (Thailand) Public Company Limited
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For the year ended 31 March 2021

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

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Trade receivable - related parties				
The Siam Iron and Steel (2001) Co., Ltd.	-	-	-	2,316
The Siam Construction Steel Co., Ltd.	-	-	-	4,187
Tata Steel Manufacturing (Thailand) Public Company Limited	-	-	32,981	4,173
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	32,981	10,676
Other receivables - related parties				
Tata Steel Limited	23	23	23	23
The Siam Iron and Steel (2001) Co., Ltd.	-	-	-	1,235
The Siam Construction Steel Co., Ltd.	-	-	-	2,137
Tata Steel Manufacturing (Thailand) Public Company Limited	-	-	39,538	10,262
Tata Communication (Thailand) Ltd.	21	21	21	21
Total	44	44	39,582	13,678
Trade payable - related parties				
Tata Steel Limited	2,251	2,347	-	-
TATA International Metals Asia Ltd.	182,829	-	-	-
Total	185,080	2,347	-	-
Other payables - related parties				
Tata Steel Limited	2,256	2,267	2,256	2,267
The Siam Iron and Steel (2001) Co., Ltd.	-	-	-	270
The Siam Construction Steel Co., Ltd.	-	-	-	2,470
Tata Steel Manufacturing (Thailand) Public Company Limited	-	-	31	20
Total	2,256	2,267	2,287	5,027

c) Short-term loans to a subsidiary

The movements of short-term loans to a subsidiary during the years ended 31 March 2021 and 2020 comprise the following:

	Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht
Opening balance for the year	3,092,084	2,441,051
Net additions (deductions) of loans during the year	3,775,980	651,033
Closing balance for the year	6,868,064	3,092,084

As at 31 March 2021, short-term loans to a subsidiary in amount of Baht 6,868 million (2020 : Baht 3,092 million) bear interest rate at 0.5% and 3.0% per annum (2020 : 3.0% per annum), short-term loans to a subsidiary are non-collateralised loans and not specified maturity date.

d) Short-term borrowings from subsidiaries

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

	Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht
Opening balance for the year	2,118,355	1,839,824
Net additions (deductions) of borrowing during the year	(2,118,355)	278,531
Closing balance for the year	-	2,118,355

As at 31 March 2020, short-term borrowings from subsidiaries in amount of Baht 2,118 million bear interest rate at 1.50% per annum, short-term borrowings from subsidiaries are non-collateralised borrowings and not specified maturity date.

34 Contingent liabilities

For fiscal year ended 31 March 2014, The Siam Construction Steel Company Limited, a subsidiary, 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 subsidiary under-estimated the net profit for that year by an amount exceeding 25 percent of the actual net profit. The subsidiary 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 subsidiary. 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 subsidiary accrued for the provision for surcharge amount of Baht 16 million in the consolidated financial statements. Accordingly, the contingent liability as at 31 March 2021 is nil.

On 9 December 2020, the subsidiary has filed an appeal to the Supreme Court.

35 Commitments

35.1 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 amounting to Baht 404 million and Baht 283 million, respectively, in the normal courses of business.

35.2 Capital commitments

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

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Building and equipment	34,527	23,562	-	-

35.3 Operating lease commitments - where the Group is the lessee

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

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

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Not later than 1 year	5,449	71,284	4,989	25,981
Later than 1 year but not later than 5 years	3,084	176,333	2,593	30,161
Later than 5 years	-	500,085	-	-
	8,533	747,702	7,582	56,142

35.4 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:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand	2020 Thousand	2021 Thousand	2020 Thousand
Currency				
US Dollars	12,016	1,266	-	-
EUR	187	275	-	-

36 Promotional privileges

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

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

	Consolidated financial statements		
	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 local sales	-	20,692,800	20,692,800
Revenue from export sales	-	1,324,096	1,324,096
Total revenue	-	22,016,896	22,016,896

	Consolidated financial statements		
	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 local sales	-	18,288,118	18,288,118
Revenue from export sales	-	1,836,613	1,836,613
Total revenue	-	20,124,731	20,124,731

37 Entire Business Transfer Under Common Control

Entire Business Transfer within the Group under Common Control

The Annual General Meeting of the Shareholders held on 30 July 2020 of Tata Steel Manufacturing (Thailand) Public Company Limited, a subsidiary of the Company, approved the acquisition of entire businesses from The Siam Steel (2001) Company Limited and The Siam Construction Steel Company Limited, subsidiaries of the Company as well. The Board of Directors held on 18 November 2020 of The Siam Steel (2001) Company Limited and The Siam Construction Steel Company Limited, approved the entire business transfer to Tata Steel Manufacturing (Thailand) Public Company Limited.

The Entire Business Transfer within the Group has no impact to the presentation of consolidated financial statements because transferrer and transferee are subsidiaries within the Group under the Common Control.

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

(a) Transfer of assets and liabilities

On 19 November 2020, Tata Steel Manufacturing (Thailand) Public Company Limited 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 Tata Steel Manufacturing (Thailand) Public Company Limited (“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.

The transferred 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 loans to a parent company	400,699	2,068,633
Inventories	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 transferred assets	1,346,852	3,018,406

(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 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