T S GLOBAL HOLDINGS PTE. LTD.
(Incorporated in Singapore Registration Number: 200813139E)

ANNUAL REPORT
For the financial year ended 31 March 2023

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(Incorporated in Singapore)

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For the financial year ended 31 March 2023

Contents

The directors present their statement to the member together with the audited financial statements for the financial year ended 31 March 2023.

In the opinion of the directors,

(a) the financial statements as set out on pages 6 to 47 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and the financial performance, changes in equity and cash flows of the Company for the financial year covered by the financial statements; and

(b) at the date of this statement, these financial statements are prepared on a going concern basis because the ultimate holding corporation has undertaken to provide continuing financial support so that the Company is able to pay its debts as and when they fall due.

Directors

The directors of the Company in office at the date of this statement are as follows:

Mr Raghav Sud
Mr Sanjib Nanda
Mr Parvatheesam Kanchinadham
Ms Samita Shah
Ms Swastika Basu

Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

Name of the directors and company in which interests are held	At beginning of year or date of appointment, if later	At end of year
Tata Steel Limited		
(Ordinary shares of Rupees 10 each)		
Raghav Sud	170	170
Sanjib Nanda	4,750	4,750
Swastika Basu	4,080	4,080
Rujuvalika Investments Ltd.		
(Ordinary shares of Rupees 10 each)		
Parvatheesam Kanchinadham	1	1
Tata Steel Advanced Materials Ltd.		
(Ordinary shares of Rupees 10 each)		
Parvatheesam Kanchinadham	1	1
Tata Steel TABB Ltd.		
(Ordinary shares of Rupees 10 each)		
Parvatheesam Kanchinadham	1	1

Share options

No options were granted during the financial year to subscribe for unissued shares of the Company.

No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Independent auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept reappointment.

On behalf of the Directors

Sanjib Nanda Director	Raghav Sud Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF T S GLOBAL HOLDINGS PTE. LTD.

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements of T S Global Holdings Pte. Ltd. ("the Company") are properly drawn up in accordance with the provisions of the Companies Act 1967 ("the Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and of the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

What we have audited

The financial statements of the Company comprise:

- the statement of comprehensive income for the financial year ended 31 March 2023;
- the balance sheet as at 31 March 2023;
- the statement of changes in equity for the financial year then ended;
- the statement of cash flows for the financial year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore,

T S GLOBAL HOLDINGS PTE. LTD.

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 March 2023

	Note	**2023** **$'000**	2022 $'000
Other income			
- Interests	4	**69,724**	50,259
- Dividends	4	**7,918**	317,104
- Others	4	**-**	162
Other gains/(losses)			
- Impairment writebacks of investment (net)	5	**581**	25,954
- Impairment losses/waivers of financial assets	5	**(790)**	(31,536)
- Fair value losses of investments	5	**(124,100)**	(79,075)
- Gain on Sale of Subsidiary	5	**-**	33,134
- Others	5	**1,248**	(339,449)
Expenses			
- Administrative	6	**(4,193)**	(2,939)
- Finance	7	**(321,204)**	(262,789)
Profit before income tax		**(370,816)**	(289,175)
Income tax expense	8 (a)	**(10,425)**	4,483
Profit after tax for the year		**(381,241)**	(284,692)

The accompanying notes form an integral part of these financial statements.

T S GLOBAL HOLDINGS PTE. LTD.

BALANCE SHEET
As at 31 March 2023

	Note	**2023 $'000**	2022 $'000
ASSETS			
Current assets			
Cash and cash equivalents	9	**768**	2,760
Other receivables	10	**57,830**	20,995
Loan receivables	12	**100,210**	1,959
		158,808	25,714
Non-current assets			
Other receivables	10	**84,823**	84,823
Loan receivables	12	**1,911,948**	1,725,884
Investments in subsidiaries	13(a)	**7,536,817**	7,536,817
Other non-current investments	13(b)	**172,054**	296,154
Investments in joint venture	14	**-**	-
Equipment	15(a)	**1**	3
Intangible assets	15(b)	*****	*
		9,705,643	9,643,680
Total assets		**9,864,451**	9,669,394
LIABILITIES			
Current liabilities			
Trade and other payables	16	**50,695**	40,675
Current income tax liabilities	8(b)	*****	635
Borrowings	17	**1,740,165**	819,845
		1,790,860	861,155
Non-current liabilities			
Loan payables	17	**5,900,383**	6,388,510
Deferred income tax liabilities	18	**12,165**	2,883
Trade and other payables	16	**233,547**	108,109
		6,146,095	6,499,502
Total liabilities		**7,936,955**	7,360,657
NET ASSETS		**1,927,496**	2,308,737
EQUITY			
Share capital	19	**12,340,067**	12,340,067
Capital reserves	20	**1,688,513**	1,688,513
Amalgamation reserves	21	**1,022,970**	1,022,970
Foreign exchange translation reserve	22	**(2,683,615)**	(2,638,615)
Other reserves	23	**63,412**	63,412
Accumulated losses		**(10,503,851)**	(10,122,610)
Total equity		**1,927,496**	2,308,737

***** Amount is less than $ 1,000

T S GLOBAL HOLDINGS PTE. LTD.

STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 March 2023

	Share capital $'000	Equity portion of compulsorily convertible preference shares $'000	Capital reserves $'000	Other reserves $'000	Amalgamation reserves $'000	Foreign currency translation reserve $'000	Accumulated losses $'000	Total equity $'000
2023								
Beginning of financial year	12,340,067	-	1,688,513	63,412	1,022,970	(2,683,615)	(10,122,610)	2,308,737
Loss and total comprehensive loss for the year	-	-	-	-	-	-	(381,241)	(381,241)
End of financial year	**12,340,067**	**-**	**1,688,513**	**63,412**	**1,022,970**	**(2,683,615)**	**(10,503,851)**	**1,927,496**
2022								
Beginning of financial year	12,340,067	632,160	1,688,513	63,412	1,022,970	-	(9,837,918)	5,909,204
Loss and total comprehensive loss for the year	-	-	-	-	-	-	(284,692)	(284,649)
Repayment of compulsorily convertible preference shares	-	(632,160)	-	-	-	-	-	(632,160)
Loss on conversion of functional currency	-	-	-	-	-	(2,683,615)	-	(2,683,658)
End of financial year	**12,340,067**	**-**	**1,688,513**	**63,412**	**1,022,970**	**(2,683,615)**	**(10,122,610)**	**2,308,737**

The accompanying notes form an integral part of these financial statements.

T S GLOBAL HOLDINGS PTE. LTD.

STATEMENT OF CASH FLOWS
For the financial year ended 31 March 2023

	Note	**2023** **$'000**	2022 $'000
Cash flows from operating activities			
(Loss)/Profit before tax		**(370,816)**	(289,175)
Adjustments for:			
- Depreciation		**2**	18
- Fair value (gains)/losses on derivative financial instruments		**-**	(2,206)
- Gain on sale of subsidiary		**-**	(33,134)
- Interest income		**(69,724)**	(50,259)
- Dividend income		**(7,918)**	(317,104)
- Other income		**-**	(162)
- Interest expense		**321,204**	262,789
- Impairment writeback of investments (net)		**(581)**	(25,954)
- Fair value losses of investments		**124,100**	79,075
- Impairment losses/(write-back) of financial assets		**790**	31,536
- Loss on cancellation of forward cover		**(53)**	-
- Unrealised foreign exchange losses/(gains)		**6,463**	317,856
		3,467	(26,720)
Changes in working capital, net of effects from amalgamation:			
- Other receivables		**(5)**	1,253
- Trade and other payables		**(5,317)**	(81,931)
Cash used in operations		**(1,855)**	(107,398)
Income tax paid		**(1,778)**	(5,215)
Net cash used in operating activities		**(3,633)**	(112,614)
Cash flows from investing activities			
Investment in subsidiary		-	(518,525)
Addition in other capital contributions in subsidiary		-	(68)
Proceed from sale of subsidiary		**490**	174,656
Loan to related corporations		**(264,315)**	(1,876,697)
Dividend received		**7918**	-
Interest received		**4**	1,766
Net cash (used in)/provided by investing activities		**(255,903)**	(2,218,869)
Cash flows from financing activities			
Proceeds from loans and advances		**495,986**	3,097,901
Repayment of loans and advances		**(66,685)**	-
Principal repayment of lease liabilities		**-**	(14)
Interest paid		**(174,299)**	(150,674)
Redemption of preference shares		**-**	(618,885)
Cash flow arising on loan taken from derivatives		**2,542**	-
Net cash provided by/(used in) financing activities		**257,544**	2,328,328
Net decrease in cash and cash equivalents		**(1,992)**	(3,154)
Cash and cash equivalents			
Beginning of financial year		**2,760**	5,914
Effect of currency translation on cash and cash equivalents		**-**	-
Cash and cash equivalents at end of financial year	9	**768**	2,760

The accompanying notes form an integral part of these financial statements.

Reconciliation of liabilities arising from financial activities

				Non-cash changes					
	Opening balance	Proceeds from borrowings	Principal and interest payments	Bank facilities fee and interest expense	Foreign exchange movement	Settlement of dividend income	Additions	Other reclassifications*	Closing balance
	$’000	$’000	$’000	$’000	$’000	$’000	$’000	$’000	$’000
	Loan payables and accrued interest								
2023	7,346,131	4,95,986	(240,984)	321,204	(3,244)	-	-	(22)	7,919,071
2022	3,446,866	3,097,901	(150,674)	263,789	345,784	(317,104)	660,569	-	7,346,131

* Other reclassifications include WHT on interest capitalisation.

During the year following non cash settlements were undertaken:
- loan and interest of USD 4,236,000 were repaid to Natsteel Asia Pte Ltd.
- fresh loan of USD 4,236,000 was received from to T S Global Procurement Company Pte Ltd.

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

The Company is incorporated in Singapore with its principal place of business and registered office at 2 Venture Drive, #19-23 Vision Exchange, Singapore 608526. The financial statements are expressed in United State Dollars.

The principal activity of the Company is that of investment holding.

The principal activities of the subsidiaries are disclosed in Note 13(a) to the financial statements.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the accounting policies below:

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are disclosed in Note 3.

As at 31 March 2023, the Company's total current liabilities exceed its total current assets by $1,632,052,000. These financial statements are prepared on a going concern basis because the ultimate holding company has undertaken to provide continuing financial support so that the Company is able to continue its operations and pay its debts as and when they fall due.

Interpretations and amendments to published standards effective in 2023

On 1 April 2021, the Company adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Company's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years except as follows:

The Company has adopted the amendments to FRS 109, FRS 107 and FRS 116 Interest Rate Benchmark Reform –Phase 2 effective 1 January 2021. In accordance with the transition provisions, the amendments shall be applied retrospectively to financial instruments. Comparative amounts have not been restated, and there was no impact on the current period opening reserves amounts on adoption.

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

<u>Financial instruments measured at amortised cost</u>

Phase 2 of the amendments requires that, for financial instruments measured using amortised cost measurement, changes to the basis for determining the contractual cash flows required by IBOR reform are reflected by adjusting their effective interest rate. No immediate gain or loss is recognised.

These expedients are only applicable to changes that are required by IBOR reform, which is the case if, and only if, the change is necessary as a direct consequence of IBOR reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change.

Effect of IBOR reform

Following the global financial crisis, the reform and replacement of Inter-bank Offered Rates ("IBOR") has become a priority for global regulators. The Company's risk exposure that is directly affected by the IBOR reform predominantly comprises its variable rate borrowings and loan receivables that are linked to the USD London Inter-bank Overnight Rate ("USD LIBOR").

3-month and 6-month USD LIBOR will losses its representativeness, whereas 12-month USD LIBOR will cease publication after 30 June 2023, and it is expected to be replaced by the Secured Overnight Financing Rate ("SOFR"). The Company has variable-rate USD loan payables which reference to 3-month, 6-month and 12-month USD LIBOR and mature after 30 June 2023.The Company's communication with its debt counterparties is ongoing, but specific changes required by IBOR reform have not yet been agreed. The expected transition from USD LIBOR to SOFR had no effect on the amounts reported for the current and prior financial years.

The following table contains details of all the financial instruments that the Company holds at 31 March 2023 which are referenced to USD LIBOR and have not yet transitioned to new benchmark rates:

	USD LIBOR	
	Carrying amount	Of which: Not yet transited to an alternative benchmark rate
	$'000	$'000
31 March 2023		
Loan payables	(7,640,548)	(3,915,000)

2.2 Revenue

(a) Interest income

Interest income is recognised using the effective interest rate method.

2. Significant accounting policies (continued)

2.2 Revenue (continued)

(b) Dividend income

Dividend income is recognised when the right to receive payment is established, it is probable that that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be reliably measured.

2.3 Leases

At the inception of the contract, the Company assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

(a) Right-of-use assets

The Company recognised a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

(b) Lease liabilities

Lease liability is measured at amortised cost using the effective interest method. Lease liability shall be remeasured when:

(i) There is a change in future lease payments arising from changes in an index or rate;
(ii) There is a change in the Company's assessment of whether it will exercise an extension option; or
(iii) There are modifications in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(c) Short-term and low-value leases

The Company has elected to not recognised right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss.

(d) Variable lease payments

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Company shall recognise those lease payments in profit or loss in the periods that triggered those lease payments.

2. Significant accounting policies (continued)

2.4 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

2.5 Exemption from consolidation

The financial statements of the subsidiaries have not been consolidated with the Company's financial statements. The Company is exempted from preparation of the consolidated financial statements as the Company itself is a wholly-owned subsidiary of Tata Steel Limited, incorporated in India, which prepares consolidated financial statements that are publicly available. The registered address of Tata Steel Limited is Bombay House, 24 Homi Mody Street, Mumbai 400001, India.

2.6 Investment in subsidiaries

A subsidiary is an entity that is controlled by another entity.

Control is achieved when the Company:

(a) Has power over the investee;
(b) Is exposed, or has rights, to variable returns from its involvement with the investee; and
(c) Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Investment in subsidiary is carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

2.7 Investment in joint venture

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Investments in joint venture are stated at cost, less any impairment in recoverable value.

2.8 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). Otherwise, they are presented as non-current liabilities.

Trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2. Significant accounting policies (continued)

2.9 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Company will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.10 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability that affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax is measured at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Current and deferred income taxes are recognised as income or expenses in profit or loss, except to the extent that the tax arises from a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Company accounts for investment tax credits (for example, productivity and innovative credit) similar to accounting for other tax credits where deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised.

2. Significant accounting policies (continued)

2.11 Equipment

Equipment is recognised at cost less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure relating to equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Office equipment	1 to 3 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

2.12 Impairment of non-financial assets

Investment in subsidiaries, equipment and intangible assets are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing of assets, recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating unit (CGU) to which the asset belongs.

If the recoverable amount of the asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

Management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.13 Financial assets

The Company classifies its financial assets into the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVPL).

2. Significant accounting policies (continued)

2.13 Financial assets (continued)

The classification of debt instruments depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial assets.

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

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

(i) At initial recognition

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

(ii) At subsequent measurement

Debt instruments

Debt instruments of the Company mainly comprise of bank deposits, other receivables, loan receivables and other non-current investment.

There are three prescribed subsequent measurement categories, depending on the Company's business model in managing the assets and the cash flow characteristic of the assets:

- Amortised cost: Debt instruments 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. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains/(losses)". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains/(losses)".

2. Significant accounting policies (continued)

2.13 Financial assets (continued)

(ii) At subsequent measurement (continued)

Debt instruments (continued)

A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets are recognised using the effective interest rate method.

The Company assesses on forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost.

For other non-current investments, other receivables, loan receivables and bank deposits, the general 3-stage approach is applied. Credit loss allowance is based on 12-month expected credit loss if there is no significant increase in credit risk since initial recognition of the assets. If there is a significant increase in credit risk since initial recognition, lifetime expected credit loss will be calculated and recognised.

2.14 Derivative financial instruments

The company enters into foreign exchange forward contracts to manage its exposure to in foreign exchange rate risk. Further details are disclosed in Note 11 to the financial statements

A derivative financial instrument for which no hedge accounting is applied is initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value. Changes in its fair value are recognised in profit or loss. The Company does not apply hedge accounting for its derivative financial instruments. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months.

2.15 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Borrowings are initially recognised at fair values (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

2.16 Intangible assets

(a) Measurement

Intangible assets acquired separately are reported at cost less accumulated amortisation (where they have finite useful lives) and accumulated impairment losses. Intangible assets with finite useful lives are amortised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

2. Significant accounting policies (continued)

2.16 Intangible assets (continued)

(b) Amortisation

Amortisation on items of intangible asset is calculated using the straight-line method to allocate their amortisable amounts over their estimated useful lives as follows:

	Useful lives
Software	5 years

The residual values, estimated useful lives and amortisation method of intangible asset are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

2.17 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.18 Fair value estimation of financial assets and liabilities

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices used for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Company uses a variety of methods and makes assumptions based on market conditions that are existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analysis, are also used to determine the fair values of the financial instruments.

The fair values of currency forwards are determined using actively quoted forward exchange rates.

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.19 Equity instruments

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

2. Significant accounting policies (continued)

2.20 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

2.21 Currency translation

The financial statements are presented in United States Dollars, which is the functional currency of the Company.

Transactions in a currency other than United States Dollars ("foreign currency") are translated into United States Dollars using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Foreign exchange gains and losses impacting profit or loss are presented within 'other (losses)/gains'.

2.22 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.23 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as The Central Provident Fund on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

(b) Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

2. Significant accounting policies (continued)

2.24 Government grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received, and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are offset against the related expenses.

2.25 Business combinations under common control

Business combinations arising from transfer of businesses that are under common control are accounted for using the predecessor method of accounting using the prospective accounting approach. The difference between any consideration transferred and the aggregate carrying values of assets and liabilities of the acquired business are recognised in shareholders' equity or reserves.

2.26 Change in functional and presentation Currency.

The functional and presentation currency of the company has been changed from GBP to USD w.e.f 1 April 2022. Management has assessed this change in functional currency to be appropriate as:

i) Most of the existing funding to the Company is now in the form of USD; and
ii) Following the change in strategy of the Company's significant subsidiary, TSE, management now expects the future cash flows to be generated from TSE to be utilised fully for its own working capital purposes such that there will be no longer be any GBP distribution upwards from TSE.

3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions 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.

(i) Assessment of impairment of investment in subsidiaries

As described in Note 14(a), during the financial year ended 31 March 2023, the management carried out an estimate of the recoverable amount of its investments in two of its material subsidiaries, Tata Steel Europe Limited (TSE) and TSMUK Limited (TSMUK), as indicators of impairment existed at the end of the reporting period.

The Company did not record any impairment loss in respect of its investment in equity shares for the financial year ended 31 March 2023.(2022 : $1,419,000)

Further details on the impairment assessments and key assumptions are set out in Note 13(a).

3. Critical accounting estimates, assumptions and judgements (continued)

(ii) Expected credit losses (ECLs)

The financial assets of the Company which are subject to expected credit loss (ECLs) are disclosed in Notes 9, 10 and 12. These financial assets are cash and bank balances and amounts due from members of the ultimate holding company's group of companies.

ECLs are unbiased probability-weighted estimates of credit losses which are determined by evaluating a range of possible outcomes and taking into account past events, current conditions and assessment of future economic conditions.

The Company has used relevant historical information and loss experience to determine the probability of default of the instruments and incorporated forward looking information, including significant changes in external market indicators which involved significant estimates and judgements.

Based on management's assessment of the recoverability of these financial assets, an allowance was charged to the profit or loss during the financial year ended 31 March 2022 amounting to $167,000 on loan receivables.

The identification of allowances for impairment requires the use of judgement and estimates. Where the expectation is different from the original estimate, such differences will impact the carrying value of these financial assets and the related allowance for impairment in profit or loss in the period in which such estimate has been changed.

(iii) Estimation of uncertainties related to COVID-19

The Company has assessed the possible impact of COVID-19 on its financial statements based on the internal and external information available up to the date of approval of the financial statements and concluded no adjustment is required in these financial statements. The Company continues to monitor the future economic conditions.

4. Other income

	2023	2022
	$'000	$'000
Interest income from financial assets measured at amortised cost		
- Bank	**4**	32
- Subsidiaries	**40**	22,013
- Loan to related companies	**69,680**	28,214
Dividend income	**7,918**	317,104
Others	**-**	162
	77,642	367,525

5. Other (losses)/gains

	2023 $'000	2022 $'000
Impairment writeback of investments in subsidiaries (net) (Note 13(a))	**581**	25,954
Fair value losses of other non-current investments (Note 13(b))	**(124,100)**	(79,075)
Impairment (losses)/ writeback of loan and interest receivables in subsidiaries (Note 12)	**-**	(175)
Waiver of loan receivables in subsidiary (Note 12)	**(790)**	(31,361)
Others:		
-Gain on sale of subsidiary (Note 13(a))	**-**	33,134
-Fair value gains/(losses) on derivative financial instruments (Note 11)	**-**	2,206
-Net currency exchange (losses)/gains	**(6,254)**	(345,933)
-Others	**7,502**	4,278
	(123,061)	390,972

6. Administrative expenses

	2023 $'000	2022 $'000
Depreciation expense	**2**	18
Professional fees	**3,870**	2,295
Other expenses[1]	**321**	626
	4,193	2,939

[1] During the financial year 2022, the Company received SGD 4,000 (equivalent to $ 3,000) under the Jobs Support Scheme (JSS) from the Government. The JSS is a temporary scheme introduced in the Singapore Budget 2020 to help enterprises retain local employees. The Scheme had been extended up to 2021 by the government. Under the JSS, employers will receive cash grants in relation to gross monthly wages of eligible employees. The amount received has been offset by the Company against salary costs included in "other expenses". No amount was received during the current financial year.

7. Finance expenses

	2023 $'000	2022 $'000
Interest expense		
- Bank overdraft	**2**	6
- Related companies	**145,871**	145,953
- Immediate holding company	**132,495**	107,890
- Subsidiaries	**42,780**	8,624
Imputed interest expense arising from fair value of interest free loan from a related company	**-**	316
Finance charges on leases	**-**	*
Others	**56**	-
	321,204	262,789

***** Amount is less than $ 1,000

8. Income taxes

(a) Income tax (credit)/expense

	2023 **$'000**	2022 $'000
Tax (credit)/expense attributable to profit is made up of:		
- Current income tax	**792**	578
- Deferred income tax (Note 18)	**9,282**	(6,772)
Under/(Over) provision in prior financial years		
- Current income tax	**351**	(199)
- Withholding tax	**-**	1,910
	10,425	(4,483)

The tax on (loss)/profit before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	2023 **$'000**	2022 $'000
(Loss)/Profit before tax	**(370,816)**	(289,175)
Tax calculated at tax rate of 17% (2022: 17%)	**(63,039)**	(49,160)
Effects of:		
- profit that is exempt from taxation and tax rebate	*****	(13)
- income that is exempt from taxation	**-**	(56,840)
- (over)/under provision of tax liabilities (Note 8(b))	**351**	(199)
- over provision of tax assets (Note 13)	**-**	1,910
- expenses not deductible for tax purposes	**73,660**	100,062
- reversal of deferred tax provision resulting from waiver of interest receivables	**-**	(243)
- Dividend income (taxed at different rate)	**(547)**	-
Tax (credit)/charge	**10,425**	(4,483)

8. Income taxes (continued)

(b) Movements in current income tax liabilities

	2023 **$'000**	2022 $'000
Beginning of financial year	**635**	5,283
Income tax paid	**(1,778)**	(5,215)
Tax expense	**792**	578
(Over)/under provision in preceding financial years	**351**	(199)
Movement due to change in functional currency	**-**	189
End of financial year	*****	635

* Amount is less than $ 1,000

9. Cash and cash equivalents

	2023 **$'000**	2022 $'000
Cash at bank	**768**	2760

10. Other receivables

	2023 **$'000**	2022 $'000
Accrued interest income on loan receivables from related company and subsidiaries	**61,340**	24,510
Others	**17**	12
Less: Allowance for impairment of interest receivables due from subsidiaries	**(3,527)**	(3,527)
Total current portion	**57,830**	20,995
Advance for investment in preference shares of a subsidiary	**84,823**	84,823
Total non-current portion	**84,823**	84,823

11. Derivative financial instruments

Derivative financial instruments comprise of currency forwards used to manage the exposure from loan receivables in foreign currencies. The contracted notional principal amount of the derivative outstanding at balance sheet date is $ nil (2022: $ nil).

The Company utilises currency derivatives to hedge significant future transactions and cash flows. The Company is party to a variety of forward foreign exchange contracts in the management of its exchange rate exposures.

Changes in the fair value of derivative financial instruments

	2023 **$'000**	2022 $'000
Opening fair value of derivative financial instruments	**-**	(2,206)
Fair value (losses)/gains:		
- recognised in profit or loss (Note 5)	**-**	2,206
Closing fair value of derivative financial instruments	**-**	-

12. Loan receivables

	2023 $'000	2022 $'000
Related company (i) and (vii)	**99,273**	243
Subsidiaries (ii), (iii), (iv)	**937**	1,883
Allowance for impairment of receivables from subsidiaries(iii)	**-**	(167)
Joint Venture (v)	**120,107**	120,107
Allowance for impairment of receivables due from joint venture (v)	**(120,107)**	(120,107)
Current portion	**100,210**	1,959
Related Companies (vi), (viii), (ix),(x), (xi)	**1,911,948**	1,725,884
Non-current portion	**1,911,948**	1,725,884
Total loan receivables	**2,012,158**	1,727,843

Loan receivables consist of:

(i) As at 31 March 2023, short-term loan of AUD 648,000 (equivalent to $433,000) (2022: AUD 325,000 (equivalent to $243,000)) to a related company Bhushan Steel (Australia) PTY Ltd, which is unsecured and bears interest at AUD LIBOR + 400 basis points per annum, resulting in interest rate in the range from 4.02% to 7.32% (2022: 4.02%) per annum. The revolving credit facility is available for 60 months from the effective date 10 January 2021.

(ii) As at 31 March 2023, short-term loan of Euro 861,000 (equivalent to $937,000) (2022: Euro 832,000 (equivalent to $925,000)) to a subsidiary Orchid Netherlands B.V., is unsecured and repayable by 31 December 2023. Interest is charged at EURIBOR + 400 basis points per annum, resulting in an interest rate of 3.51% to 7.33% (2022: 3.51% to 3.75%) per annum during the year.

(iii) During the financial year ended 31 March 2023, short-term loan of OMR 368,000 (equivalent to $957,000)(2022: OMR 368,000 (equivalent to $957,000) to a subsidiary Al Rimal Mining LLC, which is unsecured and interest free was fully waived off. This loan was partially impaired in the previous financial year amounting to OMR 64,000 (equivalent to $167,000).

(iv) During the financial year ended 31 March 2022, short-term loans to T S Global Procurement Company Pte. Ltd. of $430,343,000 were fully repaid in June 21 via settlement on behalf for TSGH's additional investment in TSE.

(v) As at 31 March 2023, short-term loans of $120,107,000 (2022: $120,107,000), receivable from joint venture, Minas De Benga (Mauritius) Limited are unsecured and bears interest at three month USD LIBOR+3.00% per annum (2022: three month USD LIBOR+3.00% per annum). Interest on overdue amount is calculated on monthly basis at 2% per annum over and above the interest rate as mentioned.

This fully impaired loan was acquired on amalgamation of T S Global Minerals Holdings Pte. Ltd. with the Company during the financial year ended 31 March 2021.

12. Loan receivables (continued)

(vi) As at 31 March 2023, long-term loans amounting to $301,896,000 (2022: $301,896,000) receivable from subsidiary, Tata Steel Minerals Canada Limited, is unsecured, bears interest at the rate of interest rate of 6.13% per annum and is repayable by 29 March 2032.

During the financial year ended 31 March 2022, long term loans amounting to $74,062,000 and $90,090,000 receivable from Tata Steel Minerals Canada Limited, was assigned from T S Global Procurement Company Pte. Ltd. and TSMUK Ltd. respectively. During the financial year ended 31 March 2022, additional loan amounting to $79,292,000 was advanced to Tata Steel Minerals Canada Limited.

(vii) As at 31 March 2023, short-term loans amounting to $98,840,000 (2022: $ nil) receivable from subsidiary, Tata Steel Minerals Canada Limited, is unsecured and bears interest at the rate of interest rate of 6.13% per annum.

(viii) During the financial year ended 31 March 2023, long term loans amounting to Euro 581,326,000 (equivalent to $632,535,000) (2022: Euro 565,000,000 (equivalent to $ 628,557,000) receivable from subsidiary, Tata Steel Netherlands Holdings B.V, is unsecured and repayable by 30 June 2026. Interest is charged at the rate of EURIBOR 12 months + 285 basis points per annum, resulting in an interest rate of 2.85% to 3.87% (2022: 2.85%) per annum during the year.

(ix) During the financial year ended 31 March 2023, long term loans amounting to Euro 730,378,000 (equivalent to $794,717,000) (2022: Euro 715,000,000 (equivalent to $ 795,430,000) receivable from subsidiary, Tata Steel Netherlands Holdings B.V, is unsecured and repayable by 28 October 2026. Interest is charged at the rate of EURIBOR 6 months + 211 basis points per annum, resulting in an interest rate of 2.11% to 4.23% (2022: 2.11%) per annum during the year.

(x) During the financial year ended 31 March 2023, long term loans amounting to Euro 168,000,000 (equivalent to $182,799,000) (2022: Euro Nil) receivable from subsidiary, Tata Steel Netherlands Holdings B.V, is unsecured and repayable by 31 March 2026. Interest is charged at the rate of EURIBOR 6 months + 190 basis points per annum, resulting in an interest rate of 3.63% per annum during the year.

(xi) During the financial year ended 31 March 2022, loan amounting to $90,090,000 receivable from TSMUK Ltd was assigned to Tata Steel Minerals Canada Limited.

During the financial year ended 31 March 2022, loan receivable from TSMUK Ltd amounting to $17,814,000 was written off and charged to profit and loss account. Further, an amount of $12,893,000 relating to interest accrued and receivable was waived off and charged to profit and loss account.

13(a). Investments in subsidiaries

	2023	2022
	$'000	$'000
Unquoted equity shares, at cost (1)	**13,823,384**	13,823,965
Quoted equity shares, at cost	**159,317**	159,317
	13,982,701	13,983,282
Less: Provision for impairment loss in subsidiaries (2)	**(6,445,885)**	(6,446,466)
	7,536,816	7,536,816
Other capital contributions (1)	**867,486**	868,645
Less: Provision for impairment loss on capital contributions (2)	**(867,486)**	(868,645)
	7,536,816	7,536,816

(1) Investment in subsidiaries movement

	Investment in subsidiaries	Other capital contributions
	2023	2023
	$'000	$'000
Beginning of the year	13,823,965	868,645
Stake sale in subsidiary[a]	(581)	-
Advance waived off	-	(413)
Foreign exchange effect	-	(746)
End of the year	13,823,384	867,486

	Investment in subsidiaries	Other capital contributions
	2022	2022
	$'000	$'000
Beginning of the year	12,051,481	838,431
Additions of investments in equity share capital[b]	1,976,985	66
Sale of Subsidiary[c]	(205,501)	-
Foreign exchange effect	-	30,148
End of the year	13,823,965	868,645

(a) During the financial year ended 31 March 2023, the Company disposed 19% of its shareholding in Al Rimal Mining LLC to Oman National Investments Development Company (Tanmia). Ltd. reducing its stake by OMR 190,000 (equivalent to $581,000).

(b) During the financial year ended 31 March 2022, additional investment was made in the equity share of Tata Steel Europe for GBP 1,400,669,000 (equivalent to $1,838,336,000), the Siam Industrial Wire Co., Ltd ("SIW") for GBP 35,871,000 (equivalent to $47,079,000), and NSH for GBP 69,769,000 (equivalent to $91,569,000); and other capital contributions to TSMUK Limited for GBP 50,000 (equivalent to $66,000). For these additional investments, GBP 430,000,000 (equivalent to $518,593,000) was settled in cash, while the remaining GBP 1,126,309,000 (equivalent to $1,458,000) was settled through intercompany loans receivables and payables on non-cash basis.

13(a). Investments in subsidiaries (continued)

(c) During the financial year ended 31 March 2022, the Company disposed its entire shareholding in Natsteel Holdings Pte. Ltd. ("NSH") to TopTip Holding Pte. Ltd. for a consideration of S$ 234,021,000 (equivalent to $167,991,000). The net carrying value of investment in NSH at date of disposal was $136,122,000 ($204,501,000 net of impairment provision amounting to $68,380,000).

	$'000
Sales Consideration	**167,991**
Carrying value of investment in NatSteel Holdings Pte. Ltd.	**(136,122)**
Adjustment for change in functional currency	**1,265**
Gain on disposal (Note 5)	**33,134**

Other capital contribution relates to long-term advances to certain subsidiaries which are deemed to be investments in these subsidiaries. As at 31 March 2023, other capital contribution consists of advances to Tata Steel Europe Limited for $240,994,000 (2022: $240,994,000), advances to TSMUK Limited for $589,342,000, CAD 12,283,000 (equivalent to $9,064,000) and GBP 50,000 (equivalent to $62,000) (2022: $589,342,000, CAD 12,283,000 (equivalent to $9,806,000) and GBP 50,000 respectively (equivalent to $66,000)), Al Rimal Mining LLC for OMR Nil (2022: OMR 150,000 (equivalent to $414,000)) and advances for the Lab Mag & Ke Mag Project managed by Tata Steel Minerals Canada Limited for US$ 28,025,000 (2022: US$28,025,000).

(2) Provision for impairment movement

	Investment in subsidiaries	Other capital contributions
	2023	2023
	$'000	$'000
Beginning of the year	(6,446,466)	(868,645)
Stake sale in subsidiary [a]	581	-
Other capital contributions waived off	-	413
Foreign exchange effect	-	746
End of the year	(6,445,885)	(867,486)
	2022	2022
	$'000	$'000
Beginning of the year	(6,540,257)	(838,059)
Sale of subsidiary[b]	68,380	-
Reversal of provision for investment in Tata Steel (Thailand) Public Company Ltd.	27,373	-
Provision created during the year [c] (Note 5)	(953)	(449)
Foreign exchange effect	(1,009)	(30,137)
End of the year	(6,446,466)	(868,645)

13(a). Investments in subsidiaries (continued)

(a) The provision for impairment on the investment of Al Rimal Mining LLC was utilised upon the disposal to to Oman National Investments Development Company (Tanmia). Ltd during the financial year.

(b) The provision for impairment on the investment of NSH was utilised upon the disposal to Toptip Holding Pte. Ltd. during the financial year ended 31 March, 2022.

(c) During the financial year ended 31 March 2022, additional provision for impairment pertains to equity investment of Al Rimal Mining LLC for $953,000; and other capital contribution of Al Rimal Mining LLC for $398,000 and TSMUK Limited for $68,000.

As at 31 March 2023, provision on equity investments in Al Rimal Mining LLC for $1,560,000 (2022: $2,141,000).

As at 31 March 2023, provision for impairment loss in other capital contributions consists of Tata Steel Europe Limited for $240,994,000 (2022: $240,994,000), TSMUK Limited for $589,342,000, CAD 12,283,000 (equivalent to $9,064,000) and GBP 50,000 (equivalent to $62,000) (2022: $589,342,000, CAD 12,283,000 (equivalent to $9,806,000) and GBP 50,000 respectively (equivalent to $66,000)), Al Rimal Mining LLC for OMR Nil (2022: OMR 150,000 (equivalent to $414,000)) and Lab Mag & Ke Mag Project managed by Tata Steel Minerals Canada Limited for US$ 28,025,000 (2022: US$28,025,000).

Impairment assessment

During the financial year ended 31 March 2023, the management carried out an estimate of the recoverable amount of its investments in two of its subsidiaries, Tata Steel Europe Limited (TSE) and TSMUK Limited as indicators of impairment existed at the end of the reporting period.

Impairment assessment of TSE

During the financial year ended 31 March 2023, management carried out an assessment of the recoverable amount of its investment in subsidiary, Tata Steel Europe Limited (TSE) as at the end of the reporting period as indicators of impairment such as operational losses in previous years, changes in outlook of future profitability among other potential indicators for impairment existed.

As at 31 March 2023, TSGH had a carrying amount of investment in TSE amounting to $ 7,202,864,218 (gross cost of $13,647,188,834 and accumulated impairment loss of $6,444,324,615). TSE is a private limited company incorporated and domiciled in the United Kingdom which has various subsidiaries as well as interests in joint ventures and associated companies.

The recoverable amount of TSE is higher of the value in use (VIU) of the underlying businesses or the fair value less cost to sell of those businesses which inter-alia considers impact of switching the heavy end and other relevant assets to a more "green steel" capex base. The VIU computation uses cash flow forecasts based on most recently approved financial budgets and strategic forecasts which cover a period of three years and future projections taking the analysis out into perpetuity based on a steady state, sustainable cash flow reflecting average steel industry conditions between successive peaks and troughs of profitability.

13(a). Investments in subsidiaries (continued)

Key assumptions for the value in use computations are those regarding the discount rates, exchange rates, market demand, sales volume and sales prices, cost to produce etc. The projections are based on both past performance and the expectations of future performance and assumptions therein. The Company estimates discount rates using pre-tax rates that reflect the current market rates adjusted to reflect the way the European union steel market would assess the specific risk. The weighted average pre-tax discount rates used for discounting the cash flows projections is in range of **7.90% - 8.80%** (2022: 6.30% to 7.00%). Beyond the specifically forecasted period, a growth rate of **1.70%-2.00%** (2022: 1.80%) is used to extrapolate the cash flow projections. This rate does not exceed the average long-term growth rate for the relevant markets.

TSE is exposed to certain climate related risks which could affect the estimates of future cash flow projections. The cashflow projections include the impact of decarbonisation given that the Netherlands business in TSE has stated its plan to move away from the current production process and to transition to decarbonised production. Decarbonisation as a whole is likely to provide significant opportunities to TSE as it is likely to increase the demand for steel as it is crucial as an infrastructure enabler for all technological transition within the wider economy (e.g. wind power, hydrogen, electric vehicles, nuclear etc.) and compares favourably to other materials when considering the life cycle emissions of the material. The technology transition and investments will be dependent on national and international policy and will also be driven by government decisions in the country of operation. Management's assessment is that generally, these potential carbon-related costs would be borne by the society, either through higher steel prices or through public spending/subsidies.

The Company has also conducted sensitivity analysis on the impairment tests including sensitivity in respect of discount rates. The management believes that no reasonably possible change in any of the key assumptions used in the assessment would cause the carrying value of investments to exceed its recoverable value after recording the aforesaid impairment loss.

The operational and financial performance of TSE, a wholly owned indirect subsidiary of TSH has assessed the potential impact of the economic downturn in Europe caused by external factors including higher inflation, higher interest rates and supply chain disruptions caused by the war in Ukraine on its future business outlook for UK and Mainland Europe (MLE) value chains.

The Board has considered reasonably possible scenarios to stress test the financial position of both the UK and MLE businesses, including the impact of lower steel margins against the Annual Plan and the mitigating actions the Group could take to limit any adverse consequences to liquidity in the annual impairment assessments.

Based on the assessment, the MLE business is expected to have adequate liquidity under all the reasonably possible scenarios considered. The outlook for Tata Steel UK Limited ("TSUK"), a wholly owned indirect subsidiary of TSE, however, is expected to be adversely impacted towards meeting its liquidity requirements and accordingly with respect to its ability to continue as a going concern. In response to the challenging market and business conditions, TSUK continues to implement various measures aimed at improving its business performance and conserving cash including but not limited to ensuring adequate liquidity, if required, through available financing options, management of working capital, implementation of cost reduction measures and discussions with the UK Government to seek adequate support for transition to Green Steel as part of its decarbonization strategy. The progress of discussions with the UK government is also being monitored closely given that
based on the initial and subsequent discussions it remains uncertain whether adequate support for the decarbonization strategy would be agreed.

13(a). Investments in subsidiaries (continued)

Given the risks and challenges associated with the underlying market and business conditions, the uncommitted nature of available financing options and the uncertainty with respect to whether adequate government support would be agreed, there exists a material uncertainty surrounding the impact of such adversities on the financial situation of TSUK.

The financial statements of TSE have been prepared on a going concern basis recognising the material uncertainty in relation to TSUK.

Whilst the Company's carrying amount of its equity investment in TSGH after recognizing aforesaid impairment, which holds TSE, is considered recoverable, the associated uncertainties have been explained above

Impairment assessment of TSMUK

During the financial year ended 31 March 2023, the Company estimated the recoverable amount of TSMUK Limited (TSMUK), based on the value in use of its subsidiary Tata Steel Minerals Canada Limited which was computed using cash flow forecast based on the most recently approved financial budgets approved which cover a period of 5 years and future projections which take the analysis out to the period over which the TSMUK has the right to use the underlying assets. The carrying amount of TSMUK is $ 256,877,000 (gross cost of $534,671,000 and accumulated impairment loss of $ 277,793,000). Based on assessment performed, management has recorded an impairment loss of $124,100,000 (2022:$77,477,000) on its investment in the preference shares of TSMUK (Note 13(b)).

13(a). Investments in subsidiaries (continued)

Details of the Company's significant subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Country of incorporation and operation	Proportion of ownership interest and voting power held		Principal activities
		2023 %	2022 %	
Tata Steel (Thailand) Public Company Ltd.	Thailand	68	68	Manufacturing and trading in iron and steel products
Tata Steel Europe Limited	United Kingdom	100	100	Investment holding
Orchid Netherlands (No.1) B.V.	Netherlands	100	100	Investment holding
T S Global Procurement Company Pte. Ltd.	Singapore	100	100	Investment holding and trading in coal
Tulip UK Holdings (No.3) Ltd	United Kingdom	100	100	Investment holding
Tata Steel UK Holding Limited	United Kingdom	100	100	Investment holding
Tata Steel Netherlands Holdings B.V.	Netherlands	100	100	Investment holding
Tata Steel UK Limited	United Kingdom	100	100	Investment holding
Corus Group Limited	United Kingdom	100	100	Investment holding
Tata Steel IJmuiden BV	Netherlands	100	100	Manufactures and sales of steel throughout the world
Tata Steel Nederland BV	Netherlands	100	100	Investment holding
Al Rimal Mining LLC (i)	Oman	51	70	Mining of limestone and other mineral ores
TSMUK Limited	United Kingdom	100	100	Investment holding
Tata Steel Minerals Canada Limited	Canada	82	82	Mining of iron ore
T S Canada Capital Ltd.	Canada	100	100	Financing company
The Siam Industrial Wire Co Ltd.	Thailand	100	100	Manufacturing and trading in iron and steel products

(i) During the financial year ended 31st March 2023, the Company disposed 19% of it's shareholding in Al Rimal Mining LLC to Oman National Investments Development Company (Tanmia). Ltd

13(b). Other non-current investments

	2023 $'000	2022 $'000
Beginning of the financial year	**296,154**	373,631
Fair value losses in compulsorily convertible preference shares of TSMUK (Note 5)	**(124,100)**	(77,477)
End of the financial year	**172,054**	296,154

(1) The preference shares are issued at US$ 1 par value by TSMUK Limited and do not hold any voting rights. It is junior to all secured Loans, unsubordinated creditors, pari passu with any further issuance of preference shares, senior only to ordinary share capital and any other securities at par with ordinary share capital of the issuer.

Under the compulsorily convertible preferences shares term, issuer or holder can call for redemption of the preference shares, before the 10th year from the deemed date of allotment. It is compulsorily convertible at maturity after 10 years. Conversion price is to be mutually agreed upon conversion. Dividend is discretionary at the option of the issuer and is non-cumulative.

14. Investment in joint venture

	2023 $'000	2022 $'000
Quoted equity shares, at cost	**338,455**	338,455
Less: Allowance for impairment loss in joint venture	**(338,455)**	(338,455)
	-	-

During the financial year ended 31 March 2021, investment in a joint venture, Minas De Benga (Mauritius) Limited was acquired upon amalgamation with T S Global Minerals Holdings Pte. Ltd. This investment was fully impaired as of the date of amalgamation.

Details of the Company's joint venture as at the end of the reporting period is as follows:

Name of joint venture held by the Company	Country of incorporation and operation	Principal activities	Proportion of ownership interest and voting power held 2023 %	2022 %
Minas De Benga (Mauritius) Limited	Mauritius	Holding Company	35	35

15(a). Equipment

	Equipment $'000
2023	
Cost	
Beginning of the financial year	33
Asset written off	(27)
End of the financial year	6
Accumulated depreciation	
Beginning of financial year	30
Asset written off	(27)
Depreciation charge	2
End of the financial year	5
Net book value end of financial year	**1**
2022	
Cost	
Beginning and end of the financial year	33
Accumulated depreciation	
Beginning of the financial year	28
Depreciation charge	2
End of the financial year	30
Net book value end of the financial year	**3**

15(b). Intangible assets

	Intangible assets $'000
2023	
Cost	
Beginning of the financial year	*
Net book value end of financial year	*

	Intangible assets $'000
2022	
Cost	
Beginning of the financial year	*
Net book value end of financial year	*

* Amount is less than $ 1,000

15(c). Leases – The Company as a lessee

The Company's leasing arrangements relate to dwelling premises for providing accommodations to employees.

Lease terms are agreed on individual basis and contains different terms and conditions. Each lease generally imposes a restriction that, unless there is a contractual right to sublet the asset to other party, the right of use asset can only be used by the company.

All of the extension and termination options held are exercisable based on mutual agreement between the Company and respective lessor. There is no externally imposed covenant on these lease arrangements.

With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset, finance lease obligation and a lease liability. Payments made under such leases are expensed on a straight-line basis over the lease term.

(a) Expense charged to profit or loss

	2023	2022
	$'000	$'000
Interest expenses on lease liabilities	**-**	*
Depreciation on ROU assets	**-**	16

(b) Lease expense not capitalised in lease liabilities

	2023	2022
	$'000	$'000
Short term leases	**23**	18

(c) Total cash outflow for all leases (for principal repayment, interest payment and short term leases) during the financial year was $21,000 (2022: $ 31,000).

* Amount is less than $ 1,000

16. Trade and other payables

	2023	2022
	$'000	$'000
Accrued expenses		
- Non-related parties	**5,701**	10,991
- Subsidiary	**18**	17
Accrued interest expense on loans from:		
- Subsidiaries	**18,035**	2,563
- Immediate holding company	**233,582**	108,129
- Related company	**26,906**	27,084
	284,242	148,784
Less: Accrued interest on loan payables from immediate holding company (Non-current portion)	**(233,547)**	(108,109)
Current portion	**50,695**	40,675

17. Loan payables

	2023	2022
	$'000	$'000
Current		
Related companies (i),(iv),(v),(vi),(viii) and (x)	**495,793**	4,386
Subsidiaries (ii) and (iii)	**1,044,372**	615,459
Immediate holding company (vii)	**200,000**	200,000
	1,740,165	819,845
Non-current		
Related company (v), (viii), (ix) and (xi)	**1,985,383**	2,473,510
Immediate holding company (xii) to (xvii)	**3,915,000**	3,915,000
	5,900,383	6,388,510
Loan payables	**7,640,548**	7,208,355

Loan payables consist of:

(i) During the financial year ended 31 March 2023, loan payable of S$5,939,000 (2022: S$5,939,000) to a related company, NatSteel Asia Pte. Ltd. were redesignated into USD loans of $4,119,000 and were subsequently repaid in February 2023. The interest rates ranged from 0.90% to 3.40% per annum (2022: 0.36% to 0.90%).

(ii) As at 31 March 2023, a loan payable of US$ 1,044,372,000 (2022: US$ 568,901,000) is payable to a subsidiary, T S Global Procurement Company Pte. Ltd, under a multi-currency revolving credit facility arrangement of US$ 2,500,000,000 (2022: US$ 1,000,000,000), which is unsecured and bears interest rate ranging of SOFR + 240 basis points (2022: LIBOR + 200 basis points) resulting in interest rates ranging from 3.55% to 7.79% per annum.

(iii) As at 31st March 2023, a loan of $ Nil (2022: $46,558,000) was payable to a subsidiary, The Siam Industrial Wire company Ltd. The loan is unsecured, bears interest rate of USD LIBOR + 200 basis points resulting interest rates ranging from 0.70% to 4.10% (2022: 0.70% to 1.15%) per annum.

(iv) As at 31 March 2023, a loan of SGD 26,457,000 (equivalent to $19,885,000) (2022: SGD 26,457,000 (equivalent to $19,522,000)) is due to a related company, Abja Investments Co. Pte. Ltd. The loan is unsecured, bears interest rate at 5.03% (2022: 5.03%) per annum and is repayable by 30 April 2023.

(v) As at 31 March 2023, loans of $990,000,000 and $297,860,000 (2022: $990,000,000 and US$ 297,860,000) are due to a related company, Abja Investments Co. Pte. Ltd. The loans are unsecured, bears interest rate 5.53% and 4.53% (2022: 5.53% and 4.53%) per annum and are repayable by 24 January 2028 and 24 July 2023 respectively.

(vi) As at 31 March 2023, a loan of Euro 150,000,000 (equivalent to $163,087,000) (2022: Euro 150,000,000 (equivalent to $165,467,000)) is due to a related company, Abja Investments Co. Pte. Ltd. This loan is unsecured, bears interest rate 5.03% (2022: 5.03%) per annum and is repayable by 2 May 2023.

(vii) As at 31 March 2023, a short-term loan of $200,000,000 (2022: $200,000,000) is due to its holding company, T Steel Holdings Pte Ltd. This loan is unsecured, bears interest of SOFR + 165 basis points (2022: 1.76% + 12 months SOFR), resulting on an interest rate of at the rate of 6.31% (2022: 3.47%) per annum and is repayable by 31 March 2024.

17. Loan payables (continued)

(viii) As at 31 March 2023, loans of $5,554,000 and SGD 1,500,000 (equivalent to $1,128,000) (2022: $5,554,000 and SGD 1,500,000 (equivalent to $ 1,108,000 respectively)) are due to a related company, Abja Investments Co. Pte. Ltd. These loans are unsecured, bear interest rates at 6.03% and 5.03% (2022: 6.03% and 5.03%) per annum and are repayable by 31 July 2024 and 2 May 2023 respectively.

(ix) As at 31 March 2023, long-term loans of $6,000,000 and $3,200,000 (2022: $6,000,000 and US$ 3,200,000) from a related company, Abja Investments Co. Pte. Ltd., are unsecured, bear interest rate of 5.53% (2022: 5.53%) per annum and are repayable by 24 January 2028 and 24 January 2028 respectively.

(x) As at 31 March 2023, loans of SGD 7,102,000 and SGD 5,046,000 (equivalent to $5,341,000 and $3,794,000 respectively) (2022: SGD 7,102,000 and SGD 5,046,000 (equivalent to $ 5,246,000 and $3,727,000)) are due to a related company, Abja Investments Co. Pte. Ltd, which are unsecured, bears interest rate at 5.03% (2022: 5.03%) per annum during the year and are repayable by 02 May 2023.

(xi) As at 31 March 2023, a long-term loan of $988,000,000 (2022: $988,000,000), is due to a related company, Abja Investments Co. Pte. Ltd, which is unsecured and bears interest rate at 6.03% (2022: 6.03%) per annum during the year and is repayable by 30 July 2024.

(xii) As at 31 March 2023, long-term loan of $1,000,000,000 (2022: $1,000,000,000) from its holding company, T Steel Holdings Pte Ltd. which is unsecured, with moratorium of interest for 2.5 years. Post moratorium period, the interest will be paid at rate of 6.75% + 6 months USD LIBOR and is repayable by 16 February 2027. Interest expense is charged based on effective interest method with effective interest rate of 3.93%.

(xiii) As at 31 March 2023, long-term loan of $345,000,000 (2022: $345,000,000) from its holding company, T Steel Holdings Pte. Ltd, which is unsecured, with moratorium of interest for 2.5years. Post moratorium period, interest will be paid at rate of 3.96 % + 6 months LIBOR and is repayable by 12 April 2027. Interest expense is charged based on effective interest method with effective interest rate of 2.40%.

(xiv) As at 31 March 2023, long-term loan of $655,000,000 (2022: $655,000,000) from its holding company, T Steel Holdings Pte. Ltd, which is unsecured, with moratorium of interest for 2.5 years. Post moratorium period, interest will be paid at rate of 6.75 % + 6 months LIBOR and is repayable by 20 April 2027. Interest expense is charged based on effective interest method with effective interest rate of 3.93%.

(xv) As at 31 March 2023, long-term loan of $1,000,000,000 (2022: $1,000,000,000) from its holding company, T Steel Holdings Pte. Ltd, which is unsecured, with moratorium of interest for 2.5 years. Post moratorium period, interest will be paid at rate of 4.88 % + 6 months LIBOR and is repayable by 24 June 2027. Interest expense is charged based on effective interest method with effective interest rate of 2.88%.

17. Loan payables (continued)

(xvi) As at 31 March 2023, long-term loan of $250,000,000 (2022 : $250,000,000) from its holding company, T Steel Holdings Pte. Ltd, which is unsecured, with moratorium of interest for 2.5 years. Post moratorium period, interest will be charged at rate of 2.99 % + 6 months LIBOR and is repayable by 29 September 2029. Interest expense is charged based on effective interest method with effective interest rate of 2.14%.

(xvii) As at 31 March 2023, long-term loan of $665,000,000 (2022: $665,000,000) from its holding company, T Steel Holdings Pte. Ltd, which is unsecured, with moratorium of interest for 2.5 years. Post moratorium period, interest will be charged at rate of 2.99 % + 6 months LIBOR and is repayable by 28 October 2029. Interest expense is charged based on effective interest method with effective interest rate of 2.15%.

18. Deferred income tax liabilities

	2023	2022
	$'000	$'000
Beginning of financial year	**2,883**	9,655
Tax (credited)/charged to:		
- profit or loss (Note 8(a))	**9,282**	(6,772)
End of financial year	**12,165**	2,883

The movement in deferred income tax assets and liabilities (prior to offsetting of balances) during the financial year is as follows:

Deferred income tax liabilities

	Unremitted interest income	Interest expense	Total
	$'000	$'000	$'000
2023			
Beginning of financial year	1,591	1,292	2,883
Charged to:			
- profit or loss as tax (Note 8(a))	10,574	(1,292)	9,282
End of financial year	12,165	-	12,165

	Unremitted interest income	Interest expense	Total
	$'000	$'000	$'000
2022			
Beginning of financial year	6,250	3,146	9,396
Charged to:			
- profit or loss as tax (Note 8(a))	(4,918)	(1,854)	(6,772)
-movement due to change in functional currency	259	-	259
End of financial year	1,591	1,292	2,883

19. Share capital

The Company's share capital comprises fully paid-up 7,487,767,779 (2022: 7,487,767,779) ordinary shares with no par value, carry one vote per share and carry right to dividends, amounting to a total of $12,340,066,900 (2022: $12,340,066,900).

	No of ordinary shares	Issued share capital $'000
2023		
Beginning and end of financial year	7,487,767,779	12,340,067
2022		
Beginning and end of financial year	7,487,767,779	12,340,067

20. Capital reserves

	2023 $'000	2022 $'000
Capital Reserve	**1,688,513**	1,688,513

This reserve relates to the differences between the initial fair value of a previous unsecured interest-free long-term loan payable to a related company and the cash advanced to the Company.

21. Amalgamation reserves

	2023 $'000	2022 $'000
Amalgamation Reserve	**1,022,970**	1,022,970

This reserve was recorded on the amalgamation of the company with T S Global Minerals Holdings Pte. Ltd. ("TSGMH''), a wholly owned subsidiary of the Company on 1 February 2021.

22. Foreign currency translation reserves

	2023 $'000	2022 $'000
Foreign currency translation reserve	**(2,683,615)**	(2,683,615)

The functional and presentation currency of the company has been changed from GBP to USD w.e.f 1 April 2022. All assets & liabilities have been translated to USD at closing rate, equity and reserves at the historical rate and profit for the year(s) at the average rate for the period concerned. The difference was recorded in the foreign currency translation reserve.

23. Other reserves

	2023	2022
	$'000	$'000
Other reserves	**63,412**	63,412

This reserve relate to the gain arising from the conversion of the Company's preference shares into ordinary shares in previous financial years.

24. Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Company. The management team then establishes the detailed policies such as risk identification and measurement, exposure limits and hedging strategies. Financial risk management is carried out by treasury personnel.

The finance personnel measure actual exposures against the limits set and prepare regular reports for the review of the management team and the Board of Directors. The information presented below is based on information received by the management team.

(a) Market risk

(i) Currency risk

The Company has determined that United States dollars is its functional currency as the majority of its assets and liabilities are in United States dollars.

At the year end, the carrying amounts of significant monetary assets and monetary liabilities that are not denominated in functional currency are as follows:

	Assets		Liabilities	
	2023	2022	**2023**	2022
	$'000	$'000	**$'000**	$'000
Singapore dollars	**23**	849	**44,190**	35,837
Great Britain Pound	**162**	7,536,992	**4,083**	13,263
Australia dollars	**446**	252	**-**	-
Euro	**1,647,362**	1,445,913	**166,889**	168,984
Rial Omani	**-**	790	**-**	-

24. Financial risk management (continued)

If the United States dollars strengthens by 10% against the relevant foreign currency, loss before tax will (decrease)/increase by:

	Profit or loss	
	2023	2022
	$'000	$'000
Singapore dollars	**4,417**	3,499
Great Britain Pound	**392**	(752,373)
Australia dollars	**(45)**	(25)
Euro	**(148,047)**	(127,693)
Rial Omani	**-**	(79)

If the United States dollars weakens by 10% against the relevant foreign currencies, the impact on loss for the year will be converse of the above.

(ii) Interest rate risk

Interest rate risk refers to the risk faced by the Company as a result of fluctuation in interest rates. The Company is exposed to interest rate risk associated with certain of its loan receivables and loan payables which have floating rates. The interest rate and terms of repayment are as disclosed in Notes 12 and 17 to the financial statements respectively. Management monitors these exposures on a regular basis.

Interest rate sensitivity

The sensitivity analyses below have been determined based on year-end balance which is subject to floating interest rates at the end of the reporting period.

If interest rates had been 10 basis points higher or lower and all other variables were held constant, the Company's loss for the year ended 31 March 2023 would (decrease)/increase by $3,869,000 (2022: (decrease)/increase by $2,952,000).

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the balance sheet. The Company's major classes of financial assets at amortised cost are bank deposits, other receivables and loan receivables.

Bank deposits are placed with financial institutions that have high credit ratings as determined by international credit rating agency and as such, bank deposits are not subject to any material credit risk.

The cash and bank deposit are measured on 12 months expected credit loss and subject to immaterial credit loss.

Impairment of financial assets

The Company has applied 3 stage general approach to measure the expected credit losses for its other receivables and loan receivables.

24. Financial risk management (continued)

In its recoverability assessment management has considered amongst other factors, the carrying amount of the respective counterparty's net assets, estimation of future cash flows expected to arise from cash-generating units and current and future developments in the business and as a result of its assessment, management has determined that there has been change in the credit risk of certain of its other receivables and loan receivables as compared to the previous financial year.

Please refer to Notes 10 and 12 for the additional allowance of impairment determined to be necessary for the financial year ended 31 March 2023.

(c) Liquidity risk

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liability on the statement of financial position.

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	After 5 years	Adjustment	Total
	%	$'000	$'000	$'000	$'000	$'000
2023						
Non-interest bearing		50,695	-	233,547	-	284,242
Fixed interest rate instruments	0.90-6.03	830,800	2,218,952	-	(368,577)	2,681,175
Variable interest rate instruments	3.55-7.79	1,156,225	3,721,014	959,133	(876,999)	4,959,373
		2,037,720	5,939,966	1,192,680	(1,245,576)	7,924,790
2022						
Non-interest bearing	-	40,675	-	108,109	-	148,784
Fixed interest rate instruments	0.9-6.03	980,444	1,738,493	1,089,753	(515,335)	3,293,355
Variable interest rate instruments	3.15-6.97	211,785	1,697,327	3,144,945	1,139,057	3,915,000
		1,232,904	3,435,820	4,342,807	(1,654,392)	7,357,139

24. Financial risk management (continued)

Non-derivative financial assets

The following table details the expected maturity for non-derivative financial assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the Company's liquidity risk is managed on a net asset and liability basis. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets except where the Company anticipates that the cash flow will occur in a different period. The adjustment column represents the possible future cash flows attributable to the instrument included in the maturity analysis which are not included in the carrying amount of the financial asset on the statement of financial position.

(c) Liquidity risk (continued)

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	After 5 years	Adjustment	Total
	%	$'000	$'000	$'000	$'000	$'000
2023						
Non-interest bearing	-	21,483	208,400	84,823	-	314,706
Variable interest rate instruments	3.63-7.33	67,846	1,767,306	-	(222,962)	1,612,190
Fixed interest rate instruments	6.13%	104,916	-	468,604	(172,784)	400,737
		194,246	1,975,706	553,427	(395,746)	2,327,633
2022						
Non-interest bearing	-	29	317,018	89,924	-	401,972
Variable interest rate instruments	2.85-4.02	45,901	1,557,803	-	(174,996)	1,428,708
Fixed interest rate instruments	6.13	-	-	487,111	(185,215)	301,896
		45,930	1,874,821	572,036	(360,211)	2,132,575

Derivative financial instruments

As at the end of the reporting period, the Company does not have any exposure in derivative financial instruments. Further information of these derivative financial instruments is disclosed in Note 11.

24. Financial risk management (continued)

(d) Capital risk

The Company's objective while managing capital is to ensure that it is adequately capitalised and to maintain an optimal capital structure by issuing or redeeming additional equity and debt instruments whenever necessary.

The Board of Directors monitors its capital based on net debt and total capital. Net debt is calculated as loan payables plus trade and other payables plus lease liabilities less cash and bank deposits. Total capital is calculated as equity plus net debt.

	2023	2022
	$'000	$'000
Net debt	**7,924,022**	7,354,379
Total equity	**1,927,496**	2,308,737
Total capital	**9,851,518**	9,663,116

The Company is not subject to any externally imposed capital requirements.

(e) Fair value measurements

The table below presents assets and liabilities recognised and measured at fair value and classified by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);

(b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

	Level 1	Level 2	Level 3	Total
	$'000	$'000	$'000	$'000
As at 31 March 2023				
Financial assets, at FVPL	-	-	172,054	172,054
As at 31 March 2022				
Financial assets, at FVPL	**-**	-	296,154	296,154

The fair value of financial instruments that are not traded in an active market (over-the-counter currency forwards) is determined using quoted forward exchange rates at the balance sheet date. These instruments are included in Level 2. Fair value of investment in preference shares is estimated by discounting the expected future cash flows using a discount rate equivalent to the expected rate of return for a similar instrument and maturity as on the reporting date.

24. Financial risk management (continued)

(f) Financial instruments by category

The aggregate carrying amounts of loans and receivables, financial assets and financial liabilities at amortised cost / FVPL are as follows:

	2023	2022
	$'000	$'000
Financial assets, at amortised cost	**2,155,579**	1,836,421
Financial assets, at FVPL	**172,054**	296,154
Financial liabilities, at amortised cost	**7,924,790**	7,357,139

25. Holding company and related company transactions

The Company is a wholly-owned subsidiary of T Steel Holdings Pte. Ltd. incorporated in Singapore. The Company's ultimate holding company is Tata Steel Limited, incorporated in India. Related companies in these financial statements refer to members of the ultimate holding company's group of companies.

Many of the Company's transactions and arrangements are between members of the group and the effect of these on the basis determined between the parties is reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

During the period, other than as disclosed elsewhere in the notes to the financial statements, the Company entered into the following significant transactions with related companies:

	2023	2022
	$'000	$'000
Interest expense to:		
Subsidiaries	**42,780**	8,624
Related companies	**145,871**	145,953
Immediate holding company	**132,495**	107,890
Imputed interest expense to related company	**-**	316
Interest income from:		
Subsidiaries	**(40)**	(22,013)
Related companies	**(69,680)**	(28,214)
Recharge to subsidiary	**(31)**	(134)
Recharges to related companies	*****	(10)
Recharge to immediate holding company	*****	(5)
Recharges from subsidiaries	**1431**	127
Dividend income from subsidiary	**(7,918)**	(317,104)

***Amount less than $1000**

Compensation of directors and key management personnel

There are no key management personnel other than the directors of the company. These directors are paid remuneration by related companies in their capacity as directors and/or executives of these related companies.

26. New or revised accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2023 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

27. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of T S Global Holdings Pte. Ltd. on