T S GLOBAL PROCUREMENT COMPANY PTE. LTD.
(Incorporated in Singapore. Registration Number: 201008706C)

ANNUAL REPORT
For the financial year ended 31 March 2022

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(Incorporated in Singapore)

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For the financial year ended 31 March 2022

Contents

DIRECTORS' STATEMENT
For the financial year ended 31 March 2022

The directors present their statement to the member together with the audited financial statements for the financial year ended 31 March 2022.

In the opinion of the directors,

(a) the financial statements as set out on pages 6 to 45 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2022 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, there are reasonable grounds to believe that the Company will be 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 Koushik Chatterjee
Mr Rajiv Mukerji
Mr Raghav Sud
Mr Wee Choo Peng
Ms Samita Shah
Mr Sanjib Nanda
Mr Dibyendu Bose (resigned on 11 October 2021)
Mr Sundara Ramam Dwaraka Bhamidipati (appointed on 30 March 2022)
Mr Girish Bajaj (appointed on 30 March 2022)

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 interest are held	At beginning of year	At end of year
Tata Steel Limited		
Ordinary shares of Rupees 10 each		
Koushik Chatterjee	1,636	1,636
Raghav Sud	17	17
Sanjib Nanda	484	475
11.5% Debentures of Rupees 1,000,000 each		
Samita Shah	3	-

Directors' interests in shares or debentures (continued)

Name of the directors and company in which interest are held	At beginning of year	At end of year
The Tinplate Company of India Limited		
Ordinary shares of Rupees 10 each		
Koushik Chatterjee	1,000	1,000

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

Samita Shah
Director

Raghav Sud
Director

Date:

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

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements of T S Global Procurement Company Pte. Ltd. ("the Company") are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("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 2022 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 2022;
- the balance sheet as at 31 March 2022;
- 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.

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

- 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.

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 PROCUREMENT COMPANY PTE. LTD.

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 March 2022

	Note	**2022**	2021
		US$000	US$000
Revenue	4(a)	**8,091,678**	**3,803,622**
Cost of sales	4(b)	**(8,069,495)**	**(3,717,998)**
Gross profit		**22,183**	**85,624**
Other income			
- Interest	5	**10,292**	**8,424**
- Dividend	5	**26,400**	**-**
Other gains	6	**15,836**	**4,285**
Expenses			
- Administrative	4(b)	**(14,038)**	**(18,230)**
- Finance	7	**(12,940)**	**(54,738)**
Profit before tax		**47,733**	**25,365**
Income tax expense	8(a)	**(2,618)**	**(6,841)**
Profit after tax and total comprehensive income for the year		**45,115**	**18,524**

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

T S GLOBAL PROCUREMENT COMPANY PTE. LTD.

BALANCE SHEET
As at 31 March 2022

	Note	**2022**	2021
		US$'000	US$'000
ASSETS			
Current assets			
Cash and bank deposits	9	**15,616**	26,648
Trade and other receivables	10	**1,496,841**	1,720,788
Derivative financial instruments	11	**7,765**	8,072
Inventories	12	**-**	179,701
Loan receivables	13	**568,901**	165,976
		2,089,123	2,101,185
Non-current assets			
Investment in subsidiaries	14	**27,384**	814
Investment in associate	15	*****	*
Equipment	16	**109**	17
Intangible assets	17	**99**	98
Right-of-use assets	18(a)	**4,573**	12,303
Deferred tax assets	19	**101**	1,785
		32,266	15,017
Total assets		**2,121,389**	2,116,202
LIABILITIES			
Current liabilities			
Trade and other payables	20	**1,513,372**	736,699
Income tax liabilities	8(b)	**3,296**	9,649
Loan payables	21	**129,690**	570,033
Bank loans	22	**263,673**	303,389
Lease liabilities	18(b)	**5,344**	10,523
		1,915,375	1,630,293
Non-current liabilities			
Lease liabilities	18(b)	**-**	5,010
Total liabilities		**1,915,375**	1,635,303
NET ASSETS		**206,014**	480,899
EQUITY			
Share capital	23	**99,635**	99,635
Retained earnings		**37,086**	311,971
Amalgamation reserve		**69,293**	69,293
Total equity		**206,014**	480,899

*Amount is less than US$1,000

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

T S GLOBAL PROCUREMENT COMPANY PTE. LTD.

STATEMENT OF CHANGES IN EQUITY
For the financial year ended 31 March 2022

	Note	Share capital US$'000	Retained earnings US$'000	Amalgamation reserve US$'000	Total equity US$'000
2022					
Beginning of financial year		**99,635**	**311,971**	**69,293**	**480,899**
Profit for the year		-	45,115	-	45,115
Interim Dividends on ordinary shares			(320,000)	-	(320,000)
End of financial year		**99,635**	**37,086**	**69,293**	**206,014**
2021					
Beginning of financial year		**99,635**	**258,194**	-	**357,829**
Amalgamation during the year		-	35,253	69,293	104,546
Profit for the year		-	18,524	-	18,524
End of financial year		**99,635**	**311,971**	**69,293**	**480,899**

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

T S GLOBAL PROCUREMENT COMPANY PTE. LTD.

STATEMENT OF CASH FLOWS
For the financial year ended 31 March 2022

	2022	2021
	US$'000	US$'000
Operating activities		
Profit before tax	**47,733**	25,365
Adjustments for:		
- Interest income	**(10,292)**	(8,424)
- Interest expense	**12,940**	54,738
- Dividend Income from investments	**(26,400)**	
- Depreciation and amortisation expense	**6,341**	13,768
- Fair value losses/(gains) on derivative financial instruments	**2,452**	31,305
- Unrealised currency translation losses/(gains)	**307**	(93,434)
Operating cash flows before movements in working capital	**33,081**	23,318
Changes in working capital, net of effects of amalgamation:		
- Inventories	**179,701**	(116,480)
- Trade and other receivables	**(1,007,241)**	(321,505)
- Trade and other payables	**778,304**	359,706
Cash used in operations	**(16,155)**	(54,961)
Income tax paid	**(7,287)**	(4,476)
Net cash used in operating activities	**(23,442)**	(59,437)
Investing activities		
Cash acquired from amalgamation	**-**	40,338
Principal receipts under sub-lease	**1,860**	8,277
Interest received	**8,040**	15,011
Purchase of equipment and intangible asset	**(137)**	(19)
Dividend Income	**26,400**	-
Loans to related companies	**(148,023)**	(372,540)
Repayments of loans to related companies	**308,261**	368,898
Loan to immediate holding company	**(645,263)**	(4,336,802)
Repayment of loan to immediate holding company	**546,000**	6,617,152
Advance for investment in group company	**-**	(26,570)
Net cash generated from investing activities	**97,138**	2,313,745

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

STATEMENT OF CASH FLOWS
For the financial year ended 31 March 2022

	Note	2022	2021
		US$'000	US$'000
Financing activities			
Interest paid		**(10,344)**	(79,895)
Principle payments of lease liabilities		**(8,757)**	(22,022)
Dividend paid to immediate holding company		**(320,000)**	-
Loans from related companies		**15,000**	139,690
Repayments of loans from related companies		**(25,000)**	(988,000)
Loans from immediate holding company		**528,829**	1,914,558
Repayments of loans from immediate holding company		**(223,172)**	(3,043,152)
Proceeds from bank loans		**2,028,563**	1,060,548
Repayments of bank loans		**(2,069,847)**	(1,216,740)
Net cash used in financing activities		**(84,728)**	(2,235,013)
Net (decrease)/increase in cash and cash equivalents		**(11,032)**	19,295
Cash and cash equivalents at beginning of financial year		**26,648**	7,353
Cash and cash equivalents at end of financial year	9	**15,616**	26,648

Reconciliation of liabilities arising from financial activities

	Opening balance as at 1 April	Proceeds from borrowings	Principal and interest payments	Non-cash changes				Closing balance as at 31 March
				Interest expense	Adoption of FRS116	Addition - new leases	Others*	
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Bank loans and accrued interest								
2022	303,864	2,028,563	(2,079,448)	9,151	-	-	1,568	263,698
2021	460,569	1,060,548	(1,230,437)	13,848	-	-	(664)	303,864
Loan payables and accrued interest								
2022	570,066	543,829	(248,671)	3,556	-	-	(739,075)	129,705
2021	2,572,274	2,054,248	(4,096,116)	39,660	-	-	-	570,066
Lease liabilities and accrued interest								
2022	15,553		(9,002)	233		231	(1,662)	5,353
2021	38,646	-	(23,256)	1,230	-	53	(1,120)	15,553

*Others include foreign exchange movement and write-off of lease liabilities

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 principal activity of the Company is that of trading of raw materials for steel making purposes, investment holding and debt financing.

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.

Interpretations and amendments to published standards effective in 2020

On 1 April 2020, 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.

2.2 Revenue from contracts with customers

Revenue comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Company's activities. Sales are presented, net of goods and services tax, rebates and discounts.

(a) Sale of goods

Revenue from sale of products is recognised at a point in time when control of the products has transferred, being when the products are delivered to the customer. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, the risks of loss has been transferred, and either the customer has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. Sale of products include related ancillary services, if any.

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

2. Significant accounting policies (continued)

2.2 Revenue from contracts with customers (continued)

(b) Service income

Revenue from rendering of services of short duration is recognised when the services are completed.

(c) Factoring income

The Company provides accounts receivables financing to related companies and earns a factoring income that is recognised over time on a straight-line basis over the term of the relevant contracts. The Company does not have any contracts where the period between the transfer of the promised services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

(d) Interest income

Interest income is recognised using the effective interest rate method.

(e) 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 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.

2.4 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. Significant accounting policies (continued)

2.5 Leases

When the Company is a lessee:

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 is modification 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 on a straight-line basis over the lease term.

(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)

2.5 Leases (continued)

When the Company is an intermediate lessor:

In classifying a sublease, the Company as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "Trade and other receivables". Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the balance sheet, which represents the lease payments owed to the head lessor.

When the sublease is assessed as an operating lease, the Group recognise lease income from sublease in profit or loss within "Other income". The right-of-use asset relating to the head lease is not derecognised.

For contract which contains lease and non-lease components, the Company allocates the consideration based on a relative stand-alone selling price basis.

2.6 Borrowing costs

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

2.7 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.

2. Significant accounting policies (continued)

2.7 Income taxes (continued)

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.

2.8 Exemption from preparing consolidated financial statements

These financial statements are the separate financial statements of the Company. The Company is exempted from the preparation of consolidated financial statements as the Company is a wholly-owned subsidiary of Tata Steel Limited, incorporated in India, which prepares consolidated financial statements available for public use. The registered address of Tata Steel Limited where the consolidated financial statements can be obtained is as follows: Bombay House, 24 Homi Mody Street, Mumbai 400001, India.

2.9 Investment in subsidiaries and associate

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

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.

Associates are those enterprises over which the company has significant influence but does not have control or joint control.

2.10 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted average method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

2. Significant accounting policies (continued)

2.11 Equipment

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

(a) Measurement

All items of equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Components of costs

The cost of an item equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs and any fair value gains or losses on qualifying cash flow hedges of equipment that are transferred from the hedging reserve.

(b) Subsequent expenditure

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.

(c) Depreciation

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives of office equipment are 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.

(d) Disposal

On disposal of an item of equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other gains". Any amount in revaluation reserve relating to that item is transferred to retained profits directly.

2.12 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)

2.12 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.

2.13 Impairment of non-financial assets

Equipment and right-of-use-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.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. 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 accumulated depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

2. Significant accounting policies (continued)

2.14 Financial assets

The Company classifies all of its financial assets (except for derivative financial instruments referred in Note 2.15) into the amortised cost measurement category. 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 cash and bank deposits, trade and other receivables and loan receivables.

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. The Company manages these group of financial assets by collecting the contractual cash flow and these cash flows represents solely payment of principal and interest. Accordingly, these group of financial assets are measured at amortised cost subsequent to initial recognition.

- 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".

2. Significant accounting policies (continued)

2.14 Financial assets (continued)

(ii) At subsequent measurement (continued)

- 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)".

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 trade receivables (excluding trade receivables due from ultimate holding company and related companies), the Company applied the simplified approach permitted by the FRS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For trade receivables due from ultimate holding company and related companies, loan receivables, other receivables and cash 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.

2.15 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.

2.16 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)

2.17 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.

2.18 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

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 recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.19 Fair value estimation of financial assets and financial 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 interest rate swaps are calculated as the present value of the estimated future cash flows discounted at actively quoted interest rates.

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

2.20 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. Significant accounting policies (continued)

2.21 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.

2.22 Currency translation

The financial statements are presented in United States Dollar ("US$''), which is the functional currency of the Company.

Transactions in a currency other than United States Dollar ("foreign currency") are translated into United States Dollar 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 gains'.

2.23 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.

2.24 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.

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) Expected credit losses (ECL) on trade receivables from non-related 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.

The policy for allowances for impairment of the company is based on the evaluation of collectability and management’s judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness, the past collection history, the period over which the debts are aged, reasonable and supportable forecast of future economic conditions at the reporting date and the extent of any credit insurance coverage. The Company also evaluates the expected credit loss on specific customers when the Company receives objective evidence indicating the receivables are deemed uncollectible to the extent that there is no reasonable expectation of collections. Any subsequent changes to these estimates will be recognised in profit or loss in the financial year in which the estimates change. The carrying amount of trade receivables are disclosed respectively in Note 10.

As at the date of the balance sheet, management has assessed that the ECL as recorded in Note 10 is adequate.

(ii) Estimation of uncertainties relating 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(a). Revenue from contracts with customers

	2022	2021
	US$'000	US$'000
Sale of goods to ultimate holding company	**3,386,776**	972,420
Sale of goods to related companies	**4,311,395**	2,727,888
Sale of goods to external parties	**384,926**	99,866
	8,083,097	3,800,174
Service income from ultimate holding company	**6,822**	121
Service income from related companies	**1,759**	3,325
Service income from subsidiaries	**-**	2
Total revenue from contracts with customers	**8,091,678**	3,803,622

4(b). Expenses by nature

	2022	2021
	US$'000	US$'000
Purchases	**7,519,268**	3,435,559
Freight and handling	**550,227**	282,439
Total cost of sales	**8,069,495**	3,717,998
Administration expenses		
- Depreciation and amortisation expense	**6,341**	13,768
- Others(1)	**7,697**	4,462
Total cost of sales and admin expenses	**8,083,533**	3,736,228

(1) During the year, the Company has received US$ 68,000 (S$ 91,000) [2021: US$ 65,000 (S$ 91,000)] 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. 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 "others".

5. Other income

	2022	2021
	US$'000	US$'000
Interest income from financial assets measured at amortised cost		
- Bank	**110**	82
- Loan to immediate holding company	**8,390**	783
- Loan to related companies	**1,784**	7,283
- Sub-leases to related companies	**8**	276
Interim dividend received from subsidiary	**26,400**	-
	36,692	8,424

6. Other gains

	2022	2021
	US$'000	US$'000
Net fair value (losses)/gains on derivative financial instruments (Note 11)	**(307)**	(31,305)
Net currency exchange gains	**14,350**	34,238
Others	**1,793**	1,352
	15,836	4,285

7. Finance expenses

	2022	2021
	US$'000	US$'000
Interest expense on loans from:		
- Immediate holding company	**3,075**	24,888
- Subsidiary company	**23**	-
- Related companies	**453**	14,772
Interest expense on bank and external arrangements	**9,156**	13,848
Interest expense on lease liabilities	**233**	1,230
	12,940	54,738

8. Income taxes

(a) Income tax expense

	2022	2021
	US$'000	US$'000
Current income tax		
- current year	**3,296**	2,766
- (Over)/under provision in prior year	**(2,362)**	4,059
Deferred tax (Note 19)		
- current year	**103**	16
- Over charge in prior year	**1,581**	-
Total tax expense	**2,618**	6,841

The income tax varied from the amount of income tax determined by applying the Singapore income tax rate of 17% to profit before income tax as a result of the following differences:

	2022	2021
	US$'000	US$'000
Profit before tax	**47,733**	25,365
Income tax at statutory rate 17% (2020: 17%)	**8,115**	4,312
Effect of tax concession on (profit)/loss arising from GTP transactions	**-**	(1,469)
(Over)/under provision in prior year	**(781)**	4,059
Tax-exempt income	**(13)**	(13)
Disallowed items	**(4,700)**	-
Others	**(3)**	(48)
	2,618	6,841

8. Income taxes (continued)

(b) Movements in current income tax liabilities

	2022 **US$'000**	2021 US$'000
Beginning of financial year	**9,649**	5,678
Additions related to amalgamation	**-**	1,622
Income tax paid	**(7,287)**	(4,476)
Tax expense	**3,296**	2,766
(Over)/under provision in prior year	**(2,362)**	4,059
End of financial year	**3,296**	9,649

During the financial year ended 31 March 2018, the company was awarded an extension to its Global Trader Programme ("GTP") status by International Enterprise Singapore ("IE Singapore") for a period of 4 years 10 months, effective from 1 June 2017 and ending on 31 March 2022. Under the GTP status, the company enjoys a concessionary tax rate of 10% for profits derived from qualifying activities. Profits from non-qualifying sources, if any, are taxed at 17%. However, during the year company has voluntarily withdrawn from GTP status due to the non-fulfillment of prerequisite conditions and created tax liability at 17%.

9. Cash and bank deposits

	2022 **US$'000**	2021 US$'000
Cash at bank	**15,616**	26,648
	15,616	26,648

10. Trade and other receivables

	2022 **US$'000**	2021 US$'000
Trade receivables#		
Sales of goods to ultimate holding company	**778,282**	138,442
Sales of goods to related companies	**557,981**	1,400,406
Non-related parties	**17,234**	52,253
	1,353,497	1,591,101
Less: Allowance for impairment (1)	**-**	(9,881)
	1,353,497	1,581,220

10. Trade and other receivables (continued)

	2022 US$'000	2021 US$'000
Other receivables		
Accrued interest income on loans to immediate holding company	**2,500**	-
Accrued interest income on loans to related companies	**-**	1,383
Accrued interest income on finance sublease	*****	4
Advances to related companies (2)	**34**	30,396
Other receivables from related companies (2)	**116**	71,418
Other receivable from immediate holding company	**17**	44
Prepayments	**1,806**	2,120
Non-related parties	**108,686**	23,559
Finance lease receivable from related companies (Note 18(c))	**174**	2,034
Deferred expenses	**30,011**	8,610
	143,344	139,568
Total current trade and other receivables	**1,496,841**	1,720,788

The average credit period on sales of goods is 3 to 180 days (2021: 3 to 180 days).
***** Amount is less than US$1,000

(1) As at the end of the reporting period, an allowance has been made for estimated irrecoverable receivable from non-related parties amounting to US$ Nil (2021: US$9,881,000).

(2) Advances to related companies and other receivables from related companies are unsecured, interest-free and repayable on demand.

The basis of the determination of the allowance is disclosed in Note 3.

Movement in the allowance for impairment

	2022 US$'000	2021 US$'000
Balance at beginning of year	**9,881**	-
Additions related to amalgamation	**-**	9,306
Foreign currency revaluation	**(249)**	575
Provision made during the year	**1**	-
Utilised during the year	**(9,633)**	-
Balance at end of year	**-**	9,881

11. Derivative financial instruments

	2022 US$'000	**2021** **US$'000**
Asset:		
Forward foreign exchange contracts - unrealised fair value gain	365	5,406
Forward commodity contracts - unrealised fair value gain	7,400	2,666
	7,765	8,072

The company utilises currency and commodity derivatives to hedge significant future transactions and cash flows. The company is party to a variety of forward contracts and commodity contracts in the management of its exchange rate exposures and commodity prices exposure respectively.

At the end of the reporting period, the total notional amount of outstanding forward foreign exchange and commodity contracts to which the company is committed are as follows:

	2022 **US$'000**	2021 US$'000
Forward foreign exchange contracts	**115,830**	325,543
Forward commodity contracts	**20,298**	23,468
	136,128	349,011

These arrangements are designed to address significant exchange exposure during the financial year.

Changes in the fair value of derivative financial instruments

	2022 **US$'000**	2021 US$'000
Opening fair value of derivative financial instruments	**8,072**	39,377
Fair value (losses)/gains on derivative financial recognised in profit or loss (Note 6)	**(307)**	(31,305)
Net closing fair value of derivative financial instruments	**7,765**	8,072

The following table details the forward foreign currency contracts outstanding as at 31 March 2022:

Outstanding contracts	Average exchange rate	Foreign currency	Contract value	Fair value gains / (losses)
		FC$'000	US$'000	US$'000
Buy EUR less than 3 months	1.11	104,260	115,830	**365**
Total			115,830	**365**

11. Derivative financial instruments (continued)

The following table details the forward foreign currency contracts outstanding as at 31 March 2021:

Outstanding contracts	Average exchange rate	Foreign currency FC$'000	Contract value US$'000	Fair value gains / (losses) US$'000
Sell GBP less than 3 months	1.41	158,500	223,662	5,436
Buy EUR less than 3 months	1.18	46,300	54,659	(227)
Sell EUR less than 3 months	1.18	40,000	47,222	197
Total			325,543	5,406

The following table details the commodity contracts outstanding as at 31 March 2022.

Outstanding contracts	Average forward rate	Volume	Contract value	Fair value gains / (losses)
	US$/Ton	Ton'000	US$'000	US$'000
Buy 0.5% VLSFO Singapore	534.16	38	20,298	7,400
Total			20,298	7,400

The following table details the commodity contracts outstanding as at 31 March 2021.

Outstanding contracts	Average forward rate	Volume	Contract value	Fair value gains / (losses)
	US$/Ton	Ton'000	US$'000	US$'000
Buy 0.5% VLSFO Singapore	409.93	57	23,468	2,666
Total			23,468	2,666

12. Inventories

	2022	2021
	US$'000	US$'000
Goods held for sale	**-**	179,701
	-	179,701

13. Loan receivables

	2022	2021
	US$'000	US$'000
Immediate holding company (i)	**568,901**	-
Related companies (ii)	**-**	165,976
	568,901	165,976

Loan receivables consist of:

(i) As at 31 March 2022, a loan receivable of US$ 568,901,000 (2021: US$ Nil) is due from immediate holding company, T S Global Holdings Pte. Ltd and is given under a multi-currency revolving credit facility arrangement of US$ 1,000,000,000, which is unsecured and bears interest rate ranging from 2.15% to 3.49% per annum.

(ii) As at 31 March 2022, a loan receivable of US$ Nil [2021: US$ 149,180,000 (GBP 108,217,000)] is due from a related company, Tata Steel Europe Ltd, unsecured and bears interest at 12 months LIBOR + 4.00% per annum. The loan was fully repaid on 30 June 2021.

As at 31 March 2022, a loan receivable of US$ Nil (2021: US$ 7,210,000) is due from a related company, Tata Steel Minerals Canada Limited, which is unsecured and bears interest at 6% per annum. This loan was assigned to T S Global Holdings Pte. Ltd. on 6 April 2021.

As at 31 March 2022, a loan receivable of US$ Nil (2021: US$ 9,586,000) is due from a related company, Natsteel Asia Pte Ltd, which is unsecured and bears interest at LIBOR + 2% per annum. The loan was fully repaid on 21 April 2021.

14. Investment in subsidiaries

	2022	2021
	US$'000	US$'000
Unquoted equity shares, at cost#	**27,384**	814

#Unquoted equity shares, at cost	**2022** **US$'000**	2021 US$'000
Existing investments in equity shares	**814**	*
Elimination of investments in equity shares following the amalgamation	**-**	(*)
Addition of investments in equity shares following the amalgamation	**-**	814
Additions related to acquisition	**26,570**	-
Total	**27,384**	814

* Amount is less than US$ 1,000.

Details of company's subsidiaries as at 31 March 2022 are as follows:

Name of subsidiary	**Country of incorporation and operation**	**Proportion of ownership interest and voting power held**		**Principal activities**
		2022 %	2021 %	
Tata Steel International (Asia) Limited(1)	Hongkong	-	100	Sales and marketing of iron and steel products
Tata Steel International (Shanghai) Limited	China	100	100	Sales, purchasing and marketing services for iron and steel products
TS Asia (Hong Kong) Limited(2)	Hongkong	100	-	Trading of ferro alloys and minerals products.

(1) Tata Steel International (Asia) Limited in Hong Kong has completed deregistration with effect 7th January 2022.

(2) On 28 April 2021, the Company acquired 100% shareholding in TS Asia (Hong Kong) Limited (TSAHK) from Natsteel Asia Pte. Ltd. ("NSA'') at US$ 26,570,000 consideration as a part of group restructuring.

15. Investment in associate

	2022 US$'000	2021 US$'000
Unquoted equity shares, at cost	*	*

* Amount is less than US$ 1000.

Details of the associate are as follows:

Name of associate	**Country of incorporation and operation**	**Proportion of ownership interest and voting power held**		**Principal activities**
		2022 %	2021 %	
European Profiles (M) Sdn. Bhd.	Malaysia	20	20	Manufacturing and fabrication of building envelope systems and composite floor decking.

16. Equipment

	Office Equipment US$'000
Cost:	
At 1 April 2020	1,891
Additions	8
Additions related to amalgamation	10
Disposals	(1)
At 31 March 2021	1,908
Additions	102
Disposals	-
At 31 March 2022	2,010
Accumulated depreciation:	
At 1 April 2020	(1,869)
Disposals	1
Additions related to amalgamation	(4)
Depreciation expense	(19)
At 31 March 2021	(1,891)
Disposals	-
Depreciation expense	(10)
At 31 March 2022	(1,901)
Carrying amount:	
At 31 March 2022	109
At 31 March 2021	17

*Tangible assets under development as at 31 March 2022 amounted to US$102,000 (2021: US$ Nil).

17. Intangible assets

	Software US$'000
Cost:	
At 1 April 2020	673
Additions	11
At 31 March 2021	684
Additions	35
At 31 March 2022	719
Accumulated amortization:	
At 1 April 2020	(487)
Amortization expense	(99)
At 31 March 2021	(586)
Amortization expenses	(34)
At 31 March 2022	(620)
Carrying amount:	
At 31 March 2022	99
At 31 March 2021	98

18(a). Right of use assets

	Right-of-use Buildings US$'000	Right-of-use Plant and Machinery US$'000	Total US$'000
Cost:			
At 1 April 2020	276	39,399	39,675
Additions	53	-	53
At 31 March 2021	329	39,399	39,728
Additions	231	-	231
Other re-classifications (Transfers in / out)	(329)	(19,906)	(20,235)
At 31 March 2022	231	19,493	19,724
Accumulated depreciation:			
At 1 April 2020	74	13,701	13,775
Depreciation expense	164	13,486	13,650
At 31 March 2021	238	27,187	27,425
Depreciation expense	137	6,160	6,297
Other re-classifications (Transfers in / out)	(321)	(18,250)	(18,571)
At 31 March 2022	54	15,097	15,151
Carrying amount:			
At 31 March 2022	177	4,396	4,573
At 31 March 2021	91	12,212	12,303

See Note 18(b) for the nature of these right-of-use assets.

18(b). Leases – The Company as a lessee

	2022	2021
	US$'000	US$'000
Non-related parties' leases	**168**	86
Related parties' leases	**5,176**	15,447
	5,344	15,533
Related parties' leases	**-**	(5,010)
	5,344	10,523

The Company's significant leasing arrangements relate to assets specifically set up for dedicated use by the Company under time charter of vessels. Other leases include dwelling premises for providing accommodations to employees.

Lease terms are agreed on individual basis and contain wide range of 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. Extension and termination options are included in all leases. 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 receivable and lease liability. Payments made under such leases are expensed on a straight-line basis over the lease term.

(a) Expense charged to profit and loss

	2022	2021
	US$'000	US$'000
Interest expenses on lease liabilities	**233**	**1,230**
Depreciation on ROU assets	**6,297**	**13,650**

(b) Lease expense not capitalised in lease liabilities

	2022	2021
	US$'000	US$'000
Short term leases	**204**	81

(c) Total cash outflow for all leases (for principal repayment, interest payment and short-term leases) during the financial year was US$ 9,206,000 (2021:US$ 23,337,000).

18(c). Leases – The Company as a lessor

Nature of the Company's leasing activities – Company as a lessor

Subleases – classified as finance leases

The Company's sub-lease of its right-of-use of the time charter vessel to related companies is classified as finance lease because the sub-lease is for the entire remaining lease term of the head lease.

Right-of-use assets relating to the head leases with sub-leases classified as finance lease is derecognised. The net investment in the sub-lease is recognised under "Trade and other receivables" as finance lease receivable.

Finance income on the net investment in sub-lease during the financial year is US$ 8,000 (2021: US$ 276,000).

The following table shows the maturity analysis of the undiscounted lease payments to be received:

	2022	2021
	US$'000	US$'000
Less than one year	**174**	2,046
Total undiscounted lease payments	**174**	2,046
Less: Unearned finance income	**-**	12
Net investment in finance lease	**174**	2,034
Current (Note 10)	**174**	2,034
Total	**174**	2,034

19. Deferred tax asset

	2022 **US$'000**	2021 US$'000
Beginning of financial year	**1,785**	220
Additions related to amalgamation	**-**	1,581
Tax credited/(charged) to:		
- profit or loss (Note 8)	**(1,684)**	(16)
End of financial year	**101**	1,785

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

	On recognition of leases US$'000	Trade and other receivables US$'000	Total US$'000
At 1 April 2020	220	-	220
Additions related to amalgamation	-	1,581	1,581
Charged to profit or loss for the year (Note 8(a))	(16)	-	(16)
At 31 March 2021	204	1,581	1,785
Charged to profit or loss for the year (Note 8(a))	(103)	(1,581)	(1,684)
At 31 March 2022	101	-	101

20. Trade and other payables

	2022 **US$'000**	2021 US$'000
Trade payables*		
- Non-related parties	**1,326,972**	618,325
- Ultimate holding company	**1,635**	1,635
- Related parties	**46,839**	36,949
- Subsidiary company	**272**	-
	1,375,718	656,909
Accrued interest expense on loans from:		
- Related companies	**14**	33
Accrued interest expense on short-term bank loans	**26**	475
Withholding tax payable	**226**	123
Other payables to:		
- Ultimate holding company (1)	**13**	30
- Related companies# (1)	**106,134**	23,216
-Subsidiary companies	**271**	-
Other payables and accrued expenses	**1,406**	46,726
Deferred income	**29,564**	9,187
	137,654	79,790
	1,513,372	736,699

* The credit period on trade payables ranges from 2 to 180 days (2021: 2 to 180 days). Interest is not charged on the outstanding balances.

Other payables to related companies include accrued interest expense on lease liabilities amounting to US$ 9,000 (2021: US$20,000) payable to related companies.

(1) Other payables to ultimate holding company and related companies are unsecured, interest free and repayable on demand.

21. Loan payables

	2022	2021
	US$'000	US$'000
Immediate holding company (i)	**-**	430,343
Related companies (ii) (iii)	**129,690**	139,690
	129,690	570,033

Loan payables consist of:

(i) As at 31 March 2022, outstanding short-term loan payables of US$ Nil (2021: US$ 430,343,000) is due to the immediate holding company, T S Global Holdings Pte. Ltd., and is availed under a multi-currency revolving credit facility arrangement of US$ 700,000,000, which is unsecured and bears interest rate from 2.23% to 2.30% per annum. During the year the loan was paid off.

21. Loan payables (continued)

(ii) As at 31 March 2022, outstanding short-term loan payables of US$ Nil (2021: US$ 10,000,000) is due to the related companies, T S Asia (Hong Kong) Ltd. which is unsecured and bears interest at 0.2% per annum. During the year the loan was paid off.

(iii) As at 31 March 2022, outstanding short-term loan payables of US$ 129,690,000 (2021: US$ 129,690,000) is due to the related companies, Natsteel Asia Pte. Ltd. which is unsecured and bears interest ranging from 0.28% to 2% per annum.

22. Bank loans

	2022	2021
	US$'000	US$'000
Short-term bank loans	**263,673**	303,389

As at 31 March 2022, bank loans of US$ 263,673,000 (2021: US$ 303,389,000) are unsecured and bears interest at rates ranging from 1% to 3.25% (2021: 1.72% to 2.40%) per annum.

23. Share capital

	Number of ordinary shares			
	2022	2021	**2022**	2021
			US$'000	US$'000
Issued and paid up:				
At beginning and end of year	99,635,239	99,635,239	99,635	99,635

The Company's share capital comprises fully paid-up 99,635,239 (2021: 99,635,239) ordinary shares amounting to a total of US$ 99,635,239 (2021: US$ 99,635,239). The ordinary shares have no par value and carry a right to one vote per share and equal rights to dividends.

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.

24. Financial risk management (continued)

Financial risk factors (continued)

(a) Market Risk

(i) Currency risk

The company transacts business in various foreign currencies, including the British pound ("GBP"), Singapore dollar ("SGD") and Euro and therefore is exposed to foreign exchange risk. These exposures are managed, to the extent possible by offsetting financial assets and liabilities that are denominated in the same currencies. The company also uses forward contracts to hedge its exposure to foreign currency risk in the local reporting currency. Further details on these derivative financial instruments are found in Note 11 to the financial statements.

At the end of the reporting year, the carrying amounts of significant monetary assets and monetary liabilities denominated in currencies other than the company's functional currency are as follows:

	Assets		Liabilities	
	2022	2021	**2022**	2021
	US$'000	US$'000	**US$'000**	US$'000
British pound	**2,890**	221,004	**2,363**	1,804
Singapore dollar	**1,004**	1,039	**3,989**	762
Euro	**26,436**	73,472	**125,319**	54,465
Renminbi	**-**	-	**272**	-
Others	**10**	-	**7**	-

If the United States dollar strengthened by 10% against the relevant foreign currency, profit before tax will increase/(decrease) by:

	Impact to profit or loss	
	2022	2021
	US$'000	US$'000
British pound	**(53)**	(21,920)
Singapore dollar	**299**	(28)
Euro	**9,888**	(1,901)
Renminbi	**27**	-
Others	*****	-

* Amount is less than US$ 1000.

24. Financial risk management (continued)

Financial risk factors (continued)

(a) Market Risk (continued)

(ii) Interest rate risk

Interest rate risk arises from the potential change in interest rates that may have an adverse effect on the Company in the current and future years.

The Company's exposure to fluctuation in interest rates is limited to the floating rate loan receivables (Note 13) and bank loans (Note 22).

Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher and all other variables were held constant, the company's profit for the year ended 31 March 2022 would decrease by US$ 567,000 (2021: increase by US$1,150,000) respectively. This is mainly attributable to the company's net exposure to its variable rate loan receivables (Note 13) and variable rate bank loans (Note 22).

(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 in the carrying amount of that class of financial instruments presented on the balance sheet. The Company's major classes of financial assets are trade receivables and loan receivables.

Impairment of trade receivables

The Company applies the simplified approach in measuring expected credit losses which uses lifetime expected credit loss allowance for trade receivables. To measure the expected credit losses they are grouped based on shared risk characteristics.

In assessing the allowance for impairment the Company has used relevant historical information and loss experience, incorporated forward looking information, including significant changes in external market indicators and considered the amounts subject to credit insurance cover. More details on the Company's estimates and judgements for allowances for impairment for trade receivables are described in Note 3.

24. Financial risk management (continued)

Financial risk factors (continued)

(b) Credit risk (continued)

The Company has assessed that there is no material credit risk for the outstanding trade receivable of US$ 1,353,497,000 as on 31 March 2022.

The table below represents the analysis for the credit risk exposure relating to trade receivables as of 31 March 2021 and the allowance for impairment:

	Gross amounts receivable	Amounts subject to credit insurance cover	Allowance for impairment	Net exposure to credit risk
	US$'000	US$'000	US$'000	US$'000
Greater than six months overdue	10,925	1,044	9,881	-
Total	10,925	1,044	9,881	-

Apart from the gross amount disclosed above of US$ 10,925,000, the Company has assessed that there is no material credit risk for the remaining trade receivables amount of US$1,580,176,000.

Impairment of loan receivables and other receivables

The Company's loan receivables and other receivables are mainly due from immediate holding company, related companies and subsidiary.

The Company does not associate these receivables with any material credit risk. The Company has applied 3 stage general approach to measure the expected credit losses for amount due from ultimate holding company, related companies and subsidiary.

The Company has assessed the amounts due from immediate holding company, related companies and subsidiary to ensure minimal credit loss given the financial strength of these companies.

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 risk of default on the amounts due from immediate holding company, related companies and subsidiary was minimal given the financial strength of the ultimate holding company, related companies and subsidiary.

Other receivables from non-related parties and finance lease receivables are subject to immaterial credit losses.

24. Financial risk management (continued)

Financial risk factors (continued)

(c) Liquidity risk

The table below analyses the Company's non-derivative financial assets that are used to hedge foreign currency purchases into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial assets

	Average effective interest rate %	On demand or within 1 year US$'000	Within 2 to 5 years US$'000	After 5 years US$'000	Adjustment US$'000	Total US$'000
As at March 2022						
Non-interest bearing	-	1,480,524	-	-	-	1,480,524
Fixed interest rate instrument	2.66	583,010	-	-	(13,934)	569,076
		2,063,534	-	-	(13,934)	2,049,600

	Average effective interest rate %	On demand or within 1 year US$'000	Within 2 to 5 years US$'000	After 5 years US$'000	Adjustment US$'000	Total US$'000
As at March 2021						
Non-interest bearing	-	1,730,544	-	-	-	1,730,544
Variable interest rate instrument	4.07	151,433	-	-	(2,253)	149,180
Fixed interest rate instrument	2.70	18,860	-	-	(30)	18,830
		1,900,837	-	-	(2,283)	1,898,554

24. Financial risk management (continued)

Financial risk factors (continued)

(c) Liquidity risk (continued)

The table below analyses the Company's non-derivative financial liabilities that are used to hedge foreign currency purchases into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Non-derivative financial liabilities

	Average effective interest rate %	On demand or within 1 year US$'000	Within 2 to 5 years US$'000	After 5 years US$'000	Adjustment US$'000	Total US$'000
As at March 2022						
Non-interest bearing	-	1,483,244	-	-	-	1,483,244
Variable interest rate instrument	2.21	264,667	-	-	(994)	263,673
Fixed interest rate instrument	2	137,775	-	-	(2,741)	135,034
		1,885,686	-	-	(3,735)	1,881,951
As at March 2021						
Non-interest bearing	-	689,714	-	-	-	689,714
Variable interest rate instrument	2.33	304,462	-	-	(1,073)	303,389
Fixed interest rate instrument	1.52	591,301	5,113	-	(10,848)	585,566
		1,585,477	5,113	-	(11,921)	1,578,669

Derivative financial instruments

As at the end of the reporting period, the company's derivative financial instruments comprise of foreign exchange forward contracts with contracted net cash inflow amounting to US$ 7,765,000 (2021: net cash inflow amounting to US$ 8,072,000) (Note 11). Further information of these derivative financial instruments is disclosed in Note 11.

24. Financial risk management (continued)

Financial risk factors (continued)

(d) Capital risk

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns to shareholders, benefits to other stakeholders and to maintain an optimal capital structure.

The Board of Director's monitors its capital based on net debt and total capital. Net debt is calculated as the total of bank loans, loans payables, trade and other payables and leases liabilities less cash and bank deposits. Total capital is calculated as equity plus net debt.

	2022	2021
	US$'000	US$'000
Net debt	**1,896,463**	1,599,006
Total equity	**206,014**	480,899
Total capital	**2,102,477**	2,079,905

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

(e) Fair value measurement

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

(i) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
(ii) 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);
(iii) 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
	US$'000	US$'000	US$'000	US$'000
As at 31 March 2022				
Derivative financial instruments	-	7,765	-	7,765
As at 31 March 2021				
Derivative financial instruments	-	8,072	-	8,072

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.

24. Financial risk management (continued)

(f) Financial instruments by category

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

	2022	2021
	US$'000	US$'000
Financial assets, at amortised cost	**2,049,600**	1,898,554
Financial assets, at FVPL	**7,765**	8,072
Financial liabilities, at amortised cost	**1,881,951**	1,578,669

(g) Offsetting financial assets and financial liabilities

Financial instruments subject to offsetting, enforceable master netting arrangement and similar agreements

2022

Financial asset

	(a)	(b)	(c) = (a) - (b)
Type of financial asset	Gross amounts of recognized financial asset	Gross amounts of recognized financial liability set off in the statement of financial position	Net amounts of financial asset presented in the statement of financial position
	US$'000	US$'000	US$'000
Derivative financial instruments (Note 11)	7,765	-	7,765

2021

Financial asset

	(a)	(b)	(c) = (a) - (b)
Type of financial asset	Gross amounts of recognized financial asset	Gross amounts of recognized financial liability set off in the statement of financial position	Net amounts of financial asset presented in the statement of financial position
	US$'000	US$'000	US$'000
Derivative financial instruments (Note 11)	8,304	232	8,072

24. Financial risk management (continued)

(g) Offsetting financial assets and financial liabilities (continued)

In reconciling the 'Net amounts of financial asset and financial liability presented in the statement of financial position' to the line item amounts presented in the statement of financial position, the above amounts represent only those which are subject to offsetting, enforceable master netting arrangements and similar agreements.

25. Holding company and related company transactions

The company is a wholly owned subsidiary of T S Global 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 including associates and joint ventures.

26. Related company transactions

The transactions and arrangements are between members of the group and the effects of these on the basis determined between the parties are reflected in these financial statements. The intercompany balances are unsecured, interest-free and repayable on demand except as disclosed in Notes 13 and 20 to the financial statements.

Other than as disclosed elsewhere in the financial statements, significant transactions with related corporation during the year are as follows:

	2022	2021
	US$'000	US$'000
Sales of goods to ultimate holding company	**(3,386,776)**	(972,420)
Service income from ultimate holding company	**(6,822)**	(2,440)
Service expense to ultimate holding company	**26**	
Interest expenses to immediate holding company	**3,075**	24,888
Interest income from immediate holding company	**(8,390)**	(783)
Service received from immediate holding company	**134**	50
Payment on behalf of immediate holding company	**(80)**	(167)
Dividend paid to immediate holding company	**320,000**	-
Purchase of goods from subsidiary	**18**	-
Interest expense to subsidiary	**23**	-
Service income from subsidiary	**-**	(2)
Service received from subsidiary	**1,124**	232
Dividend income from subsidiary	**(26,400)**	-
Sales of goods to related companies	**(4,311,395)**	(2,727,888)
Other income from related companies	**(1,525)**	(2,046)
Payment on behalf of related companies	**(30)**	(225)
Commission income arising from the servicing of third-party debt on behalf of a related company	**(776)**	(1,655)
Services received from related companies	**228,992**	122,995

26. Related company transactions (continued)

	2022	2021
	US$'000	US$'000
Purchase of goods from related companies	**355,029**	81,858
Interest income from related companies	**(1,784)**	(7,283)
Interest expenses to related companies	**453**	14,772
Interest income from sub-leases to related companies	**(8)**	(276)
Interest expenses on leases from related companies	**229**	1,222

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.

28. New of revised accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2022 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.

29. 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 Procurement Company Pte. Ltd. on.