T STEEL HOLDINGS PTE. LTD.
(Incorporated in Singapore. Registration Number: 200609769D)

ANNUAL REPORT
For the financial year ended 31 March 2024

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(Incorporated in Singapore)

ANNUAL REPORT
For the financial year ended 31 March 2024

Contents

DIRECTORS' STATEMENT
For the financial year ended 31 March 2024

The directors present their statement to the member together with the audited financial statements for the financial year ended 31 March 2024.

In the opinion of the directors,

(a) the financial statements as set out on pages 6 to 33 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2024 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 Parvatheesam Kanchinadham
Mr Sanjib Nanda
Ms Samita Shah
Mr Raghav Sud
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 directors and Company in which interests are held	At beginning of the year or date of appointment, if later	At end of the year
Tata Steel Limited (Ordinary shares of Rupees 1 each)		
Raghav Sud	170	170
Sanjib Nanda	4,750	4,750
Swastika Basu	4,080	4,080
Rujuvalika Investments Ltd. (Ordinary shares of Rupees 1 each)		
Parvatheesam Kanchinadham	1	1
Tata Steel Advanced Materials Ltd. (Ordinary shares of Rupees 1 each)		
Parvatheesam Kanchinadham	1	1

Name of directors and Company in which interests are held	At beginning of the year or date of appointment, if later	At end of the year
Tata Steel TABB Ltd. (Ordinary shares of Rupees 1 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 auditors

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

On behalf of the Directors

Sanjib Nanda Director	Raghav Sud Director

xx September 2024

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

Report on the Audit of the Financial Statements

Our Opinion

In our opinion, the accompanying financial statements of T Steel 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 2024 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 2024;
- the balance sheet as at 31 March 2024;
- 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, xx September 2024

T STEEL HOLDINGS PTE. LTD.

STATEMENT OF COMPREHENSIVE INCOME
For the financial year ended 31 March 2024

	Note	**2024**	2023
		US$'000	US$'000
Other income			
- Interest	4	**76,785**	132,495
Other losses			
- Impairment loss on subsidiary	5	**(1,233,700)**	(530,600)
- Net currency exchange (losses)/gains	5	**(7)**	15
Expenses			
- Administrative	6	**(40)**	(22)
- Finance	7	**(76,785)**	(132,878)
Loss before income tax		**(1,233,747)**	(530,990)
Income tax expense	8 (a)	**2**	-
Loss for the year and total comprehensive loss for the year		**(1,233,745)**	(530,990)

T STEEL HOLDINGS PTE. LTD.

BALANCE SHEET
As at 31 March 2024

	Note	**2024**	2023
		US$'000	US$'000
ASSETS			
Current assets			
Cash and cash equivalents	9	**12**	1,542
Other receivables	10	**-**	35
Loan receivables	11	**-**	200,000
		12	201,577
Non-current assets			
Other receivables	10	**310**	233,547
Loan receivables	11	**440,000**	3,915,000
Investment in subsidiary	12	**5,276,783**	2,395,482
		5,717,093	6,544,029
Total assets		**5,717,105**	6,745,606
LIABILITIES			
Current liabilities			
Current tax liability	8(b)	**-**	430
Other payables	13	**35**	1,124
Borrowings	14	**-**	200,000
		35	201,554
Non-current liabilities			
Other payables	13	**310**	233,547
Borrowings	14	**440,000**	3,915,000
		440,310	4,148,547
Total liabilities		**440,345**	4,350,101
NET ASSETS		**5,276,760**	2,395,505
EQUITY			
Share capital	15	**14,996,020**	10,881,020
Amalgamation reserve	20	**69,617**	69,617
Other reserves	16	**47,566**	47,566
Accumulated losses		**(9,836,443)**	(8,602,698)
Total equity		**5,276,760**	2,395,505

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

T STEEL HOLDINGS PTE. LTD.

STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 March 2024

	Note	Share capital US$'000	Currency translation reserve US$'000	Amalgamation reserve US$'000	Other reserves US$'000	Accumulated losses US$'000	Total equity US$'000
2024							
Beginning of financial year		10,881,020		69,617	47,566	(8,602,698)	2,395,505
Shares issued during the year	15	4,115,000	-	-	-		4,115,000
Loss for the year		-	-	-	-	(1,233,745)	(1,233,745)
End of financial year		**14,996,020**	**-**	**69,617**	**47,566**	**(9,836,443)**	**5,276,760**
2023							
Beginning of financial year		10,881,020	-	-	47,566	(8,002,380)	2,926,206
Amalgamation during the year	20	-	-	69,617	-	(69,328)	289
Loss for the year		-		-	-	(530,990)	(530,990)
End of financial year		**10,881,020**		**69,617**	**47,566**	**(8,602,698)**	**2,395,505**

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

T STEEL HOLDINGS PTE. LTD.

STATEMENT OF CASH FLOWS
For the financial year ended 31 March 2024

	Note	**2024 US$'000**	2023 US$'000
Cash flows from operating activities			
Loss before tax		**(1,233,747)**	(530,990)
Adjustments for:			
- Interest income	4	**(76,785)**	(132,495)
- Interest expense	7	**76,785**	132,878
- Unrealised foreign exchange (gains) / losses	5	**7**	(15)
- Impairment loss on subsidiary	5	**1,233,700**	530,600
		(40)	(22)
Changes in working capital:			
- Other payables		**(2,013)**	(680)
- Taxes paid		**(432)**	
Net cash used in operating activities		**(2,485)**	(702)
Cash flows from investing activities			
Cash acquired from amalgamation		**-**	480
Purchase of investments in subsidiary		**-**	(136,250)
Loans to subsidiary	11	**(440,000)**	-
Interest received from subsidiary		**6,385**	7,041
Net cash used in investing activities		**(433,615)**	(128,729)
Cash flows from financing activities			
Proceeds from borrowings from subsidiary		**-**	136,250
Proceeds from borrowings from holding company	14	**440,000**	-
Repayment of borrowings from subsidiary		**-**	(105)
Interest paid to holding company		**(5,427)**	(6,013)
Net cash provided by financing activities		**434,573**	130,132
Net increase / (decrease) in cash and cash equivalents		**(1,527)**	701
Cash and cash equivalents			
Beginning of financial year		**1,542**	843
Effect of exchange rate on translation of foreign currency cash and cash equivalents		**(3)**	(2)
Cash and cash equivalents at end of financial year	9	**12**	1,542

Reconciliation of liabilities arising from financial activities

	Opening balance as at 1 April US$'000	Proceeds from borrowings US$'000	Interest payments US$'000	Non-cash changes: Principal and Interest Payment US$'000	Non-cash changes: Interest expense US$'000	Non-cash changes: Withholding Tax US$'000	Non-cash changes: Equity conversion US$'000	Non-cash changes: Reversal of notional interest US$'000	Closing balance as at 31 March US$'000
	Borrowings and accrued interest expense								
2024	4,348,582	440,000	(5,427)	-	76,785	(958)	(4,115,000)	(303,672)	440,310
2023	4,223,129	136,250	(6,118)	(136,501)	132,878	(1,056)	-	-	4,348,582

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 States Dollar.

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

The principal activities of the subsidiary are disclosed in Note 12 to the financial statements.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with the Financial Reporting Standards in Singapore ("FRSs") 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.

Interpretation and amendments to published standards effective in 2024

On 1 April 2022 the Company has 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.

<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.

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

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").

6-month USD LIBOR has lost its representativeness and 12-month USD LIBOR has ceased publication after 30 June 2023, and it has been replaced by the Secured Overnight Financing Rate ("SOFR"). As on 31 March 2024, the Company has no variable-rate USD borrowings and loan receivables which reference to 6-month and 12-month USD LIBOR .

2.2 Revenue

Interest income is recognised using the effective interest rate method.

2.3 Exemption from consolidation

The financial statements of the subsidiaries have not been consolidated with the Company's financial statements. The Company is exempted from the 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.

2.4 Investment in subsidiary

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.

2.5 Offsetting of 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)

2.6 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 current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

2.7 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.

2.8 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.

2.9 Borrowing costs

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

2. Significant accounting policies (continued)

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 nor 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.

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.

2.11 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)

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) <u>At initial recognition</u>

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.

2. Significant accounting policies (continued)

2.11 Financial assets (continued)

(ii) At subsequent measurement

Debt instrument

Debt instruments of the Company mainly comprise of cash and cash equivalents 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 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 cash and cash equivalents, loan receivables, other receivables and non-current investment, 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. Significant accounting policies (continued)

2.12 Financial liabilities

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.

Financial liabilities

Other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

2.13 Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately 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. Significant accounting policies (continued)

2.14 Provisions

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

2.15 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 Currency translation

The financial statements are presented in United States Dollar, which is the functional currency of the Company. The functional currency of the company was changed from Great Britain Pound to United States Dollar with effect from 1 April 2022.

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 losses’.

2.17 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. Significant accounting policies (continued)

2.18 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.

<u>Assessment of impairment of investment in subsidiary</u>

As described in Note 12, during the financial year ended 31 March 2024, management carried out an assessment of the recoverability of the carrying amount of its investment in subsidiary, T S Global Holdings Pte. Ltd. as indicators of impairment existed at the end of the reporting period.

Management has assessed that impairment loss of US$1,233,700,000 was required for the financial year ended 31 March 2024.

Further details on the impairment assessment and key assumptions are set out in Note 12.

4. Other income

	2024	2023
	US$'000	US$'000
Interest income from financial assets measured at amortised cost		
- Short-term loan to subsidiary	**6,349**	7,057
- Long-term loan to subsidiary	**70,436**	125,438
	76,785	132,495

5. Other losses

	2024	2023
	US$'000	US$'000
Provision for impairment loss in a subsidiary	**(1,233,700)**	(530,600)
Net currency exchange (losses)/gains	**(7)**	15
	(1,233,707)	(530,585)

6. Expenses by nature

	2024	2023
	US$'000	US$'000
Administrative expenses	**(40)**	(22)

7. Finance expenses

	2024	2023
	US$'000	US$'000
Interest expense		
- Short-term loan from holding company	**(6,349)**	(7,057)
- Long-term loan from holding company	**(70,436)**	(125,821)
	(76,785)	(132,878)

8. Income taxes

(a) Income tax expense

	2024	2023
	US$'000	US$'000
Current income tax		
- over provision in prior year	**2**	-
Total tax expense	**2**	-

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

	2024	2023
	US$'000	US$'000
Loss before tax	**(1,233,747)**	(530,990)
Tax calculated at tax rate of 17% (2023: 17%)	**(209,736)**	(90,268)
Effects of:		
- expenses not deductible for tax purposes	**222,790**	112,792
- income not subject to tax	**(13,054)**	(22,524)
- over provision in prior year	**2**	-
Tax charge	**2**	-

(b) Movements in current income tax liabilities

	2024	2023
	US$'000	US$'000
Beginning of financial year	**430**	-
Income tax paid	**(432)**	-
over provision in prior year	**2**	
Additions related to amalgamation	**-**	430
End of financial year	**-**	430

9. Cash and cash equivalents

	2024	2023
	US$'000	US$'000
Cash at bank and on hand	**12**	1,542

10. Other receivables

	2024	2023
	US$'000	US$'000
Accrued interest income on loan receivables from subsidiary – Current	**-**	35
Accrued interest income on loan receivables from subsidiary – Non-current	**310**	233,547
	310	233,582

11. Loan receivables

	2024	2023
	US$'000	US$'000
Current		
Loan to subsidiary (i)	**-**	200,000
Non-Current		
Loan to subsidiary (ii), (iii) and (iv)	**440,000**	3,915,000
	440,000	4,115,000

(i) On 29 September 2023, short-term loan of US$200,000,000 (2023: US$200,000,000) receivable from subsidiary T S Global Holdings Pte. Ltd., which was unsecured and repayable by 31 March 2024, was equitized. Interest was charged at 1.65% + 12 months USD Secured Overnight Financing Rate ("SOFR") (2023: 1.65% + 12 months SOFR), resulting in an interest rate of 6.3142% per annum (2023: 6.3142% per annum) which was fully settled during the year.

(ii) On 29 September 2023, various long-term loan of US$3,915,000,000 (2023: US$3,915,000,000) receivable from its subsidiary, T S Global Holdings Pte. Ltd., which was unsecured, with moratorium of interest for 2.5 years, were equitized. The notional accrued interest on the loans were reversed on conversion. The details of the loans are given below:

Long term loan amount	Repayable on
US$1,000,000,000	February 2027
US$345,000,000	April 2027
US$655,000,000	April 2027
US$1,000,000,000	June 2027
US$250,000,000	September 2029
US$665,000,000	October 2029

(iii) As at 31 March 2024, long-term loan of US$313,500,000 (2023: Nil) is receivable from its subsidiary, T S Global Holdings Pte. Ltd., which is unsecured, with moratorium of interest for 2.5 years. Post moratorium period, interest will be charged at rate of 2.21 % + 6 months USD SOFR and both the principal and interest are repayable by March 2032.

(iv) As at 31 March 2024, long-term loan of US$126,500,000 (2023: Nil) is receivable from its subsidiary, T S Global Holdings Pte. Ltd., which is unsecured, with moratorium of interest for 2.5 years. Post moratorium period, interest will be charged at rate of 3.90 % + 6 months USD SOFR and both the principal and interest are repayable by March 2032.

12. Investment in subsidiary

	2024	2023
	US$'000	US$'000
Unquoted equity shares, at cost	**13,613,136**	9,498,136
Other capital contributions	**1,337,442**	1,337,442
	14,950,578	10,835,578
Less: Provision for impairment loss in subsidiary	**(9,673,795)**	(8,440,096)
	5,276,783	2,395,482

Provision for impairment loss in subsidiary

During the financial year ended 31 March 2024, management carried out an assessment of the recoverable amount of its investment in subsidiary, T S Global Holdings Pte. Ltd. (TSGH) amounting to US$5,276,783,000 (2023: US$2,395,482,000), as at the end of the reporting period as indicators of impairment existed.

A significant amount of the Company's investment in TSGH has in turn been invested by TSGH into Tata Steel Europe Limited (TSE).

As at 31 March 2024, TSGH had a carrying amount of investment in TSE amounting to US$6,438,925,000 (gross cost of US$13,773,850,000 and accumulated impairment loss of US$7,334,925,000).). 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 associate companies.

The recoverable amount of the Company's investment in TSGH was estimated based on the value in use of the underlying businesses of TSGH, which includes mainly TSE's businesses.

The recoverable amount of TSE is higher of the value in use (VIU) of the underlying businesses or the fair value less the cost to sell of those businesses which inter-alia considers the 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. 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 post-tax rates that reflect the current market rates adjusted to reflect the way the European union steel market would assess the specific risk.

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 that both the UK and TSN businesses within TSE have stated their plans 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 are dependent on national and international policy and would 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.

12. Investment in subsidiary (continued)

On September 15, 2023, Tata Steel UK Limited ("TSUK") which forms the main part of the UK Business, announced a joint agreement with the UK Government on a proposal to invest in state-of-the-art electric arc furnace ('EAF') steelmaking at the Port Talbot site with a capital cost of £1.25 billion inclusive of a grant from the UK Government of up to £500 million, subject to relevant regulatory approvals, information and consultation processes, and the finalisation of detailed terms and conditions. The proposal also includes a wider restructuring of other locations and functions across TSUK.

Consequent to the announcement, during the quarter ended September 30, 2023, the Company had assessed and concluded that it had created a valid expectation to those affected and a constructive obligation existed. Accordingly, on a prudent basis, the Company had recorded a provision of US$1,233,700,000 towards such restructuring and closure costs (including redundancy and employee termination costs) and towards impairment of Heavy End assets which were not expected to be used for any significant period beyond March 31, 2024, in the statement of profit and loss.

As per local regulations in the UK, the National Consultation between TSUK and the UK multi trade union representative body (UK Steel Committee) on the asset closure plan has now been concluded. Under the proposed re-structuring programme, Port Talbot's two blast furnaces (No.5 and No.4) would get closed by end of June 2024 and latest by the end of September 2024 respectively. Following the closure of Blast Furnace No. 4, the remaining heavy end assets would wind down and the Continuous Annealing Processing Line (CAPL) would close in March 2025. TSUK has also agreed that it would continue to operate the hot strip mill through the proposed transition period and in future.

Given the risks, challenges and uncertainties associated with the underlying market and business conditions including higher inflation, higher interest rates and supply chain disruption caused by the war in Ukraine, the uncommitted nature of available financing options and pending the finalisation of funding support from the UK Government for the proposed EAF investment, there exists a material uncertainty surrounding the impact of such adversities on the financial situation of TSUK.

With respect to Tata Steel Netherland operations (TSN) which forms main part of the MLE business, discussions with the government on the proposed decarbonization roadmap have been initiated. The transition plan considers that the policy environment in the Netherlands and EU is supportive to the European steel industry and a level playing field would be achieved by, either one or a combination of: a) Dutch Policy developments, b) Convergence with EU on (fiscal) climate measures, enabling EU steel players to pass on costs and c) tailor made support mechanisms. In relation to the likely investments required for the de-carbonisation of TSN operations driven by regulatory changes in Europe and Netherlands, inter alia, the scenarios consider that the Dutch Government will provide 4a certain level of financial support to execute the decarbonisation strategy, which are being discussed between the Company /TSN and Dutch Government.

Based on the above and other available measures, MLE business is expected to have adequate liquidity to meet its future business requirements.

The financial statements of TSE have accordingly been prepared on a going concern basis recognising the material uncertainty in relation to TSUK. The Group has assessed its ability to meet any liquidity requirements at TSE, if required, and concluded that its cashflow and liquidity position remains adequate.

The recoverable value of TSE is based on fair value less cost to sell (FVLCTS) for TSUK and TSN, which inter-alia considers impact of switching the heavy end and other relevant assets to a more "Green Steel" capex base.

12. Investment in subsidiary (continued)

The fair value computation uses cash flow forecasts based on most recently financial budgets, strategic forecasts 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. Key assumptions for the FVLCTS model relate to expected changes to selling prices and raw material & conversion costs, EU steel demand, energy costs, exchange rates, the amount of capital expenditure needed for decarbonisation, changes to EBITDA resulting from producing and selling steel with low embedded CO_2 emissions, levels of government support for decarbonisation, phasing of decommissioning of legacy assets as well as the commissioning of new low CO_2 production facilities, tariff regimes and discount rates.

If any of the key assumptions change, there is a risk that the headroom in the model would reduce and that the reduction in the headroom could lead to impairments of carrying amount of investments in TSH. However, the Company believes that key assumptions represent the most likely impact from decarbonisation at this point in time. Going forward, the key assumptions would be kept under review for changes, if any, based on the progress of the discussions with the government and regulators on the decarbonisation plan.

Based on the above the Company carried out an impairment assessment of its investments in TSE and recognised an impairment loss of US$1,233,700,000 for the financial year ended 31 March 2024 (2023: US$530,600).

Name of subsidiary	**Country of incorporation and operation**	**Proportion of ownership interest and voting power held**		**Principal activities**
		2024	2023	
Directly held by the Company		%	%	
T S Global Holdings Pte. Ltd.	Singapore	100	100	Investment holding
Material subsidiaries indirectly held by the subsidiary of the Company				
Tata Steel (Thailand) Public Company Ltd.	Thailand	68	68	Manufacturing and trading in iron and steel products
Al Rimal Mining LLC	Oman	51	51	Mining of limestone and other mineral ores
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
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.

13. Other payables

	2024	2023
	US$'000	US$'000
Accrued interest expense on loan from:		
- Holding company	**-**	35
Other payables to:		
- Non-related parties	**35**	1,089
Total current portion	**35**	1,124
Accrued interest expense on loan from		
- Holding company	**310**	233,547
Total non-current portion	**310**	233,547

14. Borrowings

	2024	2023
	US$'000	US$'000
Current		
Holding company (i)	**-**	200,000
Non-current		
Holding company (ii), (iii) and (iv)	**440,000**	3,915,000
Total Borrowings	**440,000**	4,115,000

(i) On 29 September 2023, short-term borrowing of US$200,000,000 (2023: US$200,000,000) payable to its holding company, Tata Steel Limited, which was unsecured and repayable by 31 March 2024, was equitized. Interest was charged at 1.65% + 12 months USD Secured Overnight Financing Rate ("SOFR") (2023: 1.65% + 12 months SOFR), resulting in an interest rate of 6.3142% per annum (2023: 6.3142% per annum) which was fully settled during the year.

(ii) On 29 September 2023, the Company had various long-term borrowing of US$3,915,000,000 (2023: US$3,915,000,000) from its holding company, Tata Steel Limited, which was unsecured, with moratorium of interest for 2.5 years, were equitized. The notional accrued interest on the loans were reversed on conversion. The details of the loans are given below:

Long term loan amount	**Repayable on**
US$1,000,000,000	February 2027
US$345,000,000	April 2027
US$655,000,000	April 2027
US$1,000,000,000	June 2027
US$250,000,000	September 2029
US$665,000,000	October 2029

(iii) As at 31 March 2024, the Company has long-term loan of US$313,500,000 (2023: Nil) from its holding company, Tata Steel Limited, which is unsecured, with moratorium of interest for 2.5 years. Post moratorium period, interest will be charged at rate of 2.21 % + 6 months USD SOFR and both the principal and interest are repayable by March 2032.

14. Borrowings (continued)

(iv) As at 31 March 2024, the Company has long-term loan of US$126,500,000 (2023: Nil) from its holding company, Tata Steel Limited, which is unsecured, with moratorium of interest for 2.5 years. Post moratorium period, interest will be charged at rate of 3.90 % + 6 months USD SOFR and both the principal and interest are repayable by March 2032.

15. Share capital

Fully paid ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the company.

	No. of ordinary shares	Issued share capital US$'000
2024		
Beginning of financial year	8,570,121,292	10,881,020
Issuance of ordinary shares	26,210,191,083	4,115,000
End of financial year	34,780,312,375	14,996,020
2023		
Beginning and end of financial year	8,570,121,292	10,881,020

During the financial year ended 31 March 2024, loans from Tata Steel Ltd. of USD 4,115,000,000 were converted into equity shares. The company issued 26,210,191,083 @ USD 0.157 per ordinary share amounting to USD 4,115,000,000 for a non cash consideration.

16. Other reserves

	2024	2023
	US$'000	US$'000
Other reserves	**47,566**	47,566

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

17. 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 adopts the United States dollar (USD) as its functional currency as its main investment is a United States dollar denominated asset. At the end of the reporting period, the carrying amounts of significant monetary assets and monetary liabilities that are not denominated in functional currency are as follows:

	Assets		Liabilities	
	2024	2023	**2024**	2023
	US$'000	US$'000	**US$'000**	US$'000
Euro	**-**	48	**-**	-
Singapore dollars	**3**	75	**33**	1,520
Great Britain Pounds	**1**	30	**-**	-

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

	Impact to profit or loss	
	2024	2023
	US$'000	US$'000
Euro	**-**	(5)
Singapore dollars	**3**	145
Great Britain Pounds	*****	(3)

*Amount is less than US$ 500

If the USD weakens by 10% against the relevant foreign currencies, the impact on profit for the year will be converse of the above.

17. Financial risk management (continued)

(a) Market risk (continued)

(ii) Interest rate risk

Interest rate risk refers to the risk faced by the Company as a result of fluctuation in interest rates.

Interest rate sensitivity

No sensitivity analysis has been prepared by management as the Company's exposure to floating rate interest bearing assets or liabilities are off-setting in nature, thus having no material impact on Company's loss for the year ended 31 March 2024.

(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 are bank deposits, loan receivables and other receivables.

For banks and financial institutions, the Company mitigates its credit risk by transacting only with counterparties with high credit ratings as determined by international credit rating agency.

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 no financial assets that are subject to more than immaterial credit losses.

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

The Company does not associate its loan receivables due from its subsidiary with any material credit risk.

17. Financial risk management (continued)

(c) Liquidity risk

The Company relies on the holding company for financial support to fund its existing and continuing commitments. New investments are likely to be funded similarly.

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
	%	US$'000	US$'000	US$'000	US$'000	US$'000
2024						
Non-interest bearing	-	35	310	-	-	345
Fixed interest rate instruments	-	-	-	-	-	-
Variable interest rate instruments	7.43 - 9.12	-	86,949	544,511	(191,460)	440,000
		35	87,259	544,511	(191,460)	440,345

	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	After 5 years	Adjustment	Total
	%	US$'000	US$'000	US$'000	US$'000	US$'000
2023						
Non-interest bearing	-	1,124	233,547	-	-	234,671
Fixed interest rate instruments	3.47	212,839	-	-	(12,839)	200,000
Variable interest rate instruments	3.14-6.97	35,526	3,721,014	959,133	(800,673)	3,915,000
		249,489	3,954,561	959,133	(813,512)	4,349,671

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.

17. Financial risk management (continued)

(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
	%	US$'000	US$'000	US$'000	US$'000	US$'000
2024						
Non-interest bearing	-	-	310	-	-	310
Fixed interest rate instruments	-	-	-	-	-	-
Variable interest rate instruments	7.43-9.12	12	86,949	544,511	(191,460)	440,012
		12	87,259	544,511	(191,460)	440,322
2023						
Non-interest bearing	-	35	233,547	-	-	233,582
Fixed interest rate instruments	6.13	212,839	-	-	(12,839)	200,000
Variable interest rate instruments	3.14 – 6.97	37,068	3,721,014	959,133	(800,673)	3,916,542
		249,942	3,954,561	959,133	(813,512)	4,350,124

(d) Capital risk

The Company manages its capital structure to ensure that the Company will be able to continue as a going concern.

The Company's overall strategy remains unchanged from prior year.

The Company's objectives while managing capital are 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 borrowings plus other payables less cash and bank deposits. Total capital is calculated as equity plus net debt.

	2024	2023
	US$'000	US$'000
Net debt	**440,333**	4,348,130
Total equity	**5,276,760**	2,395,505
Total capital	**5,717,093**	6,743,635

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

17. Financial risk management (continued)

(e) Fair value measurements

The carrying amounts of financial assets and liabilities approximate their respective fair value, due to maturity of these financial instruments.

(f) Financial instruments by category

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

	2024	2023
	US$'000	US$'000
Financial assets, at amortised cost	**440,322**	4,350,124
Financial liabilities, at amortised cost	**440,345**	4,349,671

18. Immediate and ultimate holding corporation

The Company is a wholly-owned subsidiary of Tata Steel Limited, incorporated in India, which is also the Company's ultimate holding company. Related companies in these financial statements refer to members of the holding company's group of companies.

19. Related party transactions

During the financial year, the Company has entered into the following significant transactions with related companies:

	2024	2023
	US$'000	US$'000
Interest income from loans to subsidiary	**76,785**	132,495
Loan receivables from subsidiary	**440,000**	-
Interest expense on borrowings from holding company	**76,785**	132,878
Borrowings from holding company	**440,000**	-
Recharge by subsidiary	**7**	1

Outstanding as at 31 March:

	2024	2023
	US$'000	US$'000
Interest payable on borrowings from holding company	**310**	233,582
Borrowings from holding company	**440,000**	4,115,000
Interest receivable on loans to subsidiary	**310**	233,582
Loan receivable from subsidiary	**440,000**	4,115,000

Outstanding balances as at 31 March 2024 are disclosed in notes 10, 11, 13 and 14.

Compensation of directors and key management personnel

There are no key managerial personnel other than the directors of the Company. The directors are paid remuneration by related corporations in their capacity as directors and/or executives of those related corporations.

20. Business combinations under common control

A business combination is under common control if:

i. the combining entities are ultimately controlled by the same party (or parties) both before and after the combination, and
ii. common control is not transitory.

As a part of corporate restructuring within the Group, the following arrangement took place last year.

On 31 January 2023, the Company acquired 100% shareholding in Natsteel Asia Pte. Ltd. ("NSA") from Tata Steel Limited at a consideration of US$136,250,000.

On 1 March 2023, Natsteel Asia Pte. Ltd.("NSA"), a wholly owned subsidiary of the Company, amalgamated with the Company at Nil consideration, resulting in the Company being the surviving legal entity from the amalgamation.

The Company entered into this arrangement in order to simplify its group structure and the above-mentioned combining entities are ultimately controlled by the same party (Tata Steel Limited) both before and after the combination, hence it is a common controlled transaction.

The Company has accounted for the above amalgamation using the predecessor accounting prospectively. The detailed application of this approach is that:

i. assets and liabilities of the acquired entity are stated at predecessor carrying values.

ii. any difference between the consideration given and the net carrying value of the assets and liabilities of the entity at the date of the transaction is included in equity as retained earnings or in a separate reserve.

	NSA US$'000
(A) Purchase consideration	**-**
Add: Investment in subsidiary	**136,250**
Total Purchase consideration	**136,250**

	NSA US$'000
(B) Effect on cash flows of the Company:	
Cash paid	**-**
Add: Cash and cash equivalents in amalgamated entity	**480**
Cash inflow following amalgamation	**480**

(C) Identifiable assets and liabilities acquired

	NSA US$'000
ASSETS	
Current Assets	
Cash and bank deposits	**480**
Loan to related corporations	**136,145**
Other receivables	**355**
	136,980
Total assets	**136,980**

Current Liabilities	
Trade and other payables	**11**
Current income tax liabilities	**430**
	441
Total Liabilities	**441**
Total identifiable net assets	**136,539**
Add: Accumulated losses as of amalgamation date	**69,328**
Less: Investment in subsidiary (NSA)	**(136,250)**
Amalgamation reserve	**69,617**

21. New or revised accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 31 March 2024 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.