

## **1 General information**

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

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

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

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

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

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

At the Board of Directors Meeting of Tata Steel (Thailand) Public Company Limited held on 16 July 2020, the Board of Directors passed a resolution to approve a plan for the Entire Business Transfer ("EBT") of The Siam Iron and Steel (2001) Company Limited and The Siam Construction Steel Company Limited, its subsidiaries, to N.T.S. Steel Group Public Company Limited, a subsidiary. The Group is in the process of preparation of the EBT agreements.

On 27 August 2020, N.T.S. Steel Group Public Company Limited, a subsidiary of the Company, registered a change in name with the Department of Business Development, Ministry of Commerce to Tata Steel Manufacturing (Thailand) Public Company Limited.

As at 30 September 2020 and 31 March 2020, Tata Steel Manufacturing (Thailand) Public Company Limited ("Tata Steel Manufacturing") which is a subsidiary has total current liabilities exceeding total current assets by Baht 2,273 million and Baht 2,439 million, respectively. However, the amount of current liabilities included the short-term borrowings from the parent company of Baht 2,772 million and Baht 3,092 million, respectively. The parent company will continue its financial support to Tata Steel Manufacturing to enable Tata Steel Manufacturing to continue its operations satisfactorily at least for the next 12 months from the statement of financial position date and the Group's management has prepared the business plan including initiatives to improve operation and financial results of Tata Steel Manufacturing. In addition, the Company manages the liquidity based on a group basis.

This interim consolidated and separate financial information was authorised for issue by the Board of Directors on 20 October 2020.

## 2 Significant events during the current period

After the outbreak of Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2020, it has not resulted in the significantly adverse effects on the operating results for the 6-month period ended 30 September 2020. The Group is continue paying close attention to the development of the COVID-19 situation, evaluating its impact on the operation while strategizing effective solutions.

## 3 Accounting policies

The interim consolidated and separate financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2020.

An English version of the interim consolidated and separate financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

## 4 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 March 2020, except for the following:

- 1) the adoption of the new financial reporting standards together with the application of the relevant relief measures as described in Note 5; and
- 2) the following application of the temporary exemption guidance to relieve the impact from COVID-19 (temporary measures to relieve the impact from COVID -19) announced by the Federation of Accounting Professions (TFAC).

### Impairment of assets

The Group has chosen to exclude information related to COVID-19 as an indication of the impairment of assets.

For goodwill that the Group has to test for impairment annually, the Group has chosen not to include information related to COVID-19 that potentially affect financial projections to consider for the asset's impairment testing.



## 5 Adoption of new financial reporting standards and changes in accounting policies

The Group has adopted financial reporting standards relating to financial instruments (TAS 32, TFRS 7 and TFRS 9) and leases standard (TFRS 16) retrospectively from 1 April 2020, but has not restated comparatives for the year ended 31 March 2020 reporting period, as permitted in the standards. The reclassifications and adjustments arising from the new requirements are therefore recognised in the opening statement of financial position on 1 April 2020.

The following tables show the adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of the financial reporting standards relate to financial instruments (TAS 32 and TFRS 9) and leases standard (TFRS 16):

|  | Consolidated financial information                                |   |   |   |
|--|---|---|---|---|
|  | Unaudited   |   |   |   |
|  | As at<br>31 March 2020<br>Previously reported<br>Thousand<br>Baht | TAS 32 and TFRS 9<br>Reclassifications<br>and adjustments<br>Thousand<br>Baht | TFRS 16<br>Reclassifications<br>and adjustments<br>Thousand<br>Baht | As at<br>1 April 2020<br>Restated<br>Thousand<br>Baht |
| <b>Assets</b>  |   |   |   |   |
| <b>Non-current assets</b>  |   |   |   |   |
| Financial assets measured at<br>fair value through other<br>comprehensive income | -   | 146,160   | -   | 146,160   |
| Other long-term investments  | 1   | (1))  | -   | -   |
| Property, plant and equipment, net   | 2,891,958   | -   | (39,480)  | 2,852,478   |
| Right-of-use assets  | -   | -   | 572,959   | 572,959   |
| <b>Liabilities and equity</b>  |   |   |   |   |
| <b>Current liabilities</b>   |   |   |   |   |
| Current portion of lease liabilities, net  | 1,129   | -   | 38,107  | 39,236  |
| <b>Non-current liabilities</b>   |   |   |   |   |
| Lease liabilities, net   | 39,653  | -   | 495,372   | 535,025   |
| Deferred tax liabilities, net  | -   | 29,232  | -   | 29,232  |
| <b>Equity</b>  |   |   |   |   |
| Other components of equity   | -   | 116,927   | -   | 116,927   |

|   | Separate financial information                                    |   |   |   |
|---|---|---|---|---|
|   | Unaudited   |   |   |   |
|   | As at<br>31 March 2020<br>Previously reported<br>Thousand<br>Baht | TAS 32 and TFRS 9<br>Reclassifications<br>and adjustments<br>Thousand<br>Baht | TFRS 16<br>Reclassifications<br>and adjustments<br>Thousand<br>Baht | As at<br>1 April 2020<br>Restated<br>Thousand<br>Baht |
| <b>Assets</b>                             |   |   |   |   |
| <b>Non-current assets</b>                 |   |   |   |   |
| Property, plant and equipment, net        | 22,947  | -   | (756)   | 22,191  |
| Right-of-use assets                       | -   | -   | 41,168  | 41,168  |
| <b>Liabilities and equity</b>             |   |   |   |   |
| <b>Current liabilities</b>                |   |   |   |   |
| Current portion of lease liabilities, net | -   | -   | 15,509  | 15,509  |
| <b>Non-current liabilities</b>            |   |   |   |   |
| Lease liabilities, net                    | -   | -   | 24,903  | 24,903  |

#### Financial reporting standards relating to financial instruments (TAS 32 and TFRS 9)

The Group has adopted the new financial reporting standards relating to financial instruments from 1 April 2020 by applying the modified retrospective approach.

The adoption of the new financial reporting standards on financial instruments mainly affects the Group's accounting treatment as follows;

#### Classification and measurement of investments in equity instruments (previously called general investments)

All equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss, or ii) at fair value through other comprehensive income without subsequent recycling to profit or loss.

Currently, the Group has equity instruments measured at cost of Baht 1,241. These instruments will be remeasured to fair value through other comprehensive income and reclassified with a corresponding adjustment to other components of equity of million Baht 117 million as of 1 April 2020.

## Impairment

The new requirements on the impairment losses will lead to expected credit losses having to be considered and recognised at the initial recognition and subsequent period. As of 1 April 2020, there will be an increase in expected credit losses due to application of the simplified approach for trade receivables which the impact is insignificant.

## TFRS 16, Leases

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

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

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

|  | Consolidated<br>financial<br>information<br>Unaudited<br>Thousand<br>Baht | Separate<br>financial<br>information<br>Unaudited<br>Thousand<br>Baht |
|--|---|---|
| Operating lease commitments disclosed as at 31 March 2020  | 747,702   | 56,142  |
| <u>Less</u> discounted using the lessee's incremental borrowing rate of at the date of initial application | (196,624)   | (2,342)   |
| <u>Add</u> finance lease liabilities recognised as at 31 March 2020  | 40,782  | -   |
| <u>Less</u> short-term leases recognised on a straight-line basis as expense                               | (7,520)   | (3,552)   |
| <u>Less</u> contracts reassessed as service agreements / service portion included in leases                | (11,976)  | (11,710)  |
| <u>Less</u> adjustments as a result of a different treatment of extension and termination options          | (963)   | -   |
| <u>Add</u> adjustments relating to changes in the index or rate affecting variable payments                | 2,860   | 1,874   |
| Lease liability recognised as at 1 April 2020  | 574,261   | 40,412  |
| Current lease liabilities, net   | 39,236  | 15,509  |
| Non-current lease liabilities, net   | 535,025   | 24,903  |



The recognised right-of-use assets relate to the following types of assets:

|                                  | Consolidated<br>financial information |                  | Separate<br>financial information |                  |
|----------------------------------|---------------------------------------|------------------|-----------------------------------|------------------|
|                                  | Unaudited                             |                  | Unaudited                         |                  |
|                                  | 30 September<br>2020                  | 1 April<br>2020  | 30 September<br>2020              | 1 April<br>2020  |
|                                  | Thousand<br>Baht                      | Thousand<br>Baht | Thousand<br>Baht                  | Thousand<br>Baht |
| Land                             | 461,911                               | 473,789          | -                                 | -                |
| Building and structure           | 48,924                                | 53,134           | 11,277                            | 14,410           |
| Vehicles                         | 37,396                                | 46,036           | 20,652                            | 26,758           |
| <b>Total right-of-use assets</b> | <b>548,231</b>                        | <b>572,959</b>   | <b>31,929</b>                     | <b>41,168</b>    |

#### Practical expedients applied

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

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

#### Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases

##### Investments and other financial assets

##### Classification and measurements

From 1 April 2020, the Group classifies its financial assets as follows:

- those to be measured subsequently at fair value through profit or loss (FVPL)
- those to be measured subsequently at fair value through other comprehensive income (FVOCI)
- those to be measured at amortised cost

The Group initially recognises a financial asset on trade date at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset, except financial assets that are measured at FVPL whose transaction costs are expensed in profit or loss.

### **Equity instruments**

All equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss, or ii) at fair value through other comprehensive income without subsequent recycling to profit or loss. The classification of equity instruments is considered on investment-by-investment basis. Dividends from such investment continue to be recognised in profit or loss as other income.

The Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC when measuring unquoted equity investments. The unquoted equity investments at the end of the reporting period was presented at the same amount as their fair values on 1 April 2020. As a result, the equity investments measured at FVOCI as at 30 September 2020 of Baht 146 million was measured at their fair value as of 1 April 2020.

### **Impairment**

From 1 April 2020, the Group assesses expected credit loss on a forward-looking basis for its financial assets carried at FVOCI and at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk, except trade receivables which the Group applies the simplified approach in determining its expected credit loss.

The Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC by excluding forward-looking information in assessing the expected credit loss under the simplified approach of trade receivables. As at 30 September 2020, were assessed based on historical credit loss together with the management's judgement in estimating the expected credit loss.

### **Leases**

The group leases various land, office building, equipment and vehicles. Rental contracts are typically made for fixed periods of 3 years to 20 years but may have extension options before 1 April 2020. The group leases of land, office building, equipment and vehicles were classified as either finance or operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 April 2020, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.



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

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

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

Right-of-use assets are measured the amount of the initial measurement of lease liability including any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office equipment.

## 6 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

## 7 Fair value estimation

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

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



The following table presents the Group's financial assets and liabilities that are measured at fair value, excluding where its fair value is approximating the carrying amount.

|   | Consolidated and Separate financial information |                             |                             |                             |
|---|---|-----------------------------|-----------------------------|-----------------------------|
|   | Unaudited                                       |                             | Audited                     |                             |
|   | As at 30 September 2020                         |                             | As at 31 March 2020         |                             |
|   | Level 2<br>Thousand<br>Baht                     | Level 3<br>Thousand<br>Baht | Level 2<br>Thousand<br>Baht | Level 3<br>Thousand<br>Baht |
| <b>Assets</b>   |   |                             |                             |                             |
| <b>Financial assets at fair value through profit or loss</b>                                    |   |                             |                             |                             |
| Derivatives assets - Foreign exchange contracts<br>(included in other current assets)           | 290   | -                           | 494                         | -                           |
| <b>Financial assets at fair value through other comprehensive income</b>                        |   |                             |                             |                             |
| Unquoted equity investments   | -   | 146,160                     | -                           | -                           |
| <b>Liabilities</b>  |   |                             |                             |                             |
| <b>Financial liabilities at fair value through profit or loss</b>                               |   |                             |                             |                             |
| Derivatives liabilities - Foreign exchange contracts<br>(included in other current liabilities) | -   | -                           | 2,163                       | -                           |

During the period, there were no changes in valuation techniques.

#### Valuation techniques used to measure fair value level 2

Fair value of foreign exchange contracts is determined using forward exchange rate that are quoted in an active market. The effects of discounting are generally insignificant for Level 2 derivatives.

#### Valuation techniques used to measure fair value level 3

Changes in level 3 financial instruments for the six-month period ended 30 September 2020 is as follows:

|  | <u>Consolidated<br/>financial information</u> |
|--|---|
|  | <u>Unquoted equity investments</u>            |
|  | <u>Unaudited</u>                              |
|  | <u>Thousand Baht</u>                          |
| Opening balance as at 1 April 2020                     | 146,160                                       |
| Gains(losses) recognised in other comprehensive income | -   |
| Closing balance as at 30 September 2020                | <u>146,160</u>                                |

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

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

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

Fair value measured in accordance with the temporary measures to relieve the impact from COVID-19 announced by TFAC where the Group has chosen to apply the following guidance:

- measure unquoted equity investments at the end of the reporting period at their fair values as of 1 April 2020



## 8 Cash and cash equivalents

a) Cash and cash equivalents consist of:

|                                      | Consolidated<br>financial information                 |   | Separate<br>financial information                     |   |
|--------------------------------------|---|---|---|---|
|                                      | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht |
| Cash on hand                         | 1   | 1   | -   | -   |
| Deposits at banks - current accounts | 1,152,451   | 511,214   | 959,954   | 419,934   |
| - savings accounts                   | 44,993  | 65,780  | 5,625   | 12,953  |
|                                      | 1,197,445   | 576,995   | 965,579   | 432,887   |
|                                      | Consolidated<br>financial information                 |   | Separate<br>financial information                     |   |
|                                      | Unaudited<br>30 September<br>2020<br>%                | Audited<br>31 March<br>2020<br>%                | Unaudited<br>30 September<br>2020<br>%                | Audited<br>31 March<br>2020<br>%                |
| Interest rate                        |   |   |   |   |
| Deposits at banks - current accounts | 0.30  | 0.55  | 0.30  | 0.55  |
| - savings accounts                   | 0.01 - 0.20   | 0.05 - 0.50                                     | 0.01 - 0.05   | 0.05 - 0.08                                     |

- b) Other adjustments from non-cash items for the six-month periods ended 30 September, consist of:

|   | Consolidated<br>financial information |                                       | Separate<br>financial information     |                                       |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
|   | Unaudited<br>2020<br>Thousand<br>Baht | Unaudited<br>2019<br>Thousand<br>Baht | Unaudited<br>2020<br>Thousand<br>Baht | Unaudited<br>2019<br>Thousand<br>Baht |
| Gain on disposal of plant and equipment             | (17)                                  | (13)                                  | (13)                                  | (13)                                  |
| (Gain) loss from diminution in value of inventories | (5,649)                               | 12,874                                | -                                     | -                                     |
| Gain on lease liabilities adjustment                | (1)                                   | -                                     | (5)                                   | -                                     |
| Gain on sale available-for-sale investments         | -                                     | (130)                                 | -                                     | -                                     |
| Provision from additional surcharge                 | 16,287                                | -                                     | -                                     | -                                     |
|   | 10,620                                | 12,731                                | (18)                                  | (13)                                  |

- c) Other cash received (paid) from operating activities for the six -month periods ended 30 September, consists of:

|  | Consolidated<br>financial information |                                       | Separate<br>financial information     |                                       |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
|  | Unaudited<br>2020<br>Thousand<br>Baht | Unaudited<br>2019<br>Thousand<br>Baht | Unaudited<br>2020<br>Thousand<br>Baht | Unaudited<br>2019<br>Thousand<br>Baht |
| (Increase) decrease in other current assets and other non-current assets           | 19,794                                | 9,685                                 | (262)                                 | (86)                                  |
| Increase (decrease) in other current liabilities and other non-current liabilities | (792)                                 | (2,531)                               | 1,627                                 | 2,121                                 |
|  | 19,002                                | 7,154                                 | 1,365                                 | 2,035                                 |

- d) Adjustment of cash occurred from borrowings for the six-month periods ended 30 September, consists of:

|               | Consolidated<br>financial information |                                       | Separate<br>financial information     |                                       |
|---------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
|               | Unaudited<br>2020<br>Thousand<br>Baht | Unaudited<br>2019<br>Thousand<br>Baht | Unaudited<br>2020<br>Thousand<br>Baht | Unaudited<br>2019<br>Thousand<br>Baht |
| Interest paid | (12,868)                              | (39,351)                              | (17,736)                              | (15,063)                              |



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

For the six-month period ended 30 September 2019, the Group's management has decided to dispose investments in available-for-sale securities based on market quote and recognised gains on disposal investments in available-for-sale securities of Baht 0.13 million.

Non-cash items from purchase and increase of plant and equipment and intangible assets for the six-month periods ended 30 September, are as follows:

|   | Consolidated<br>financial information |                                       | Separate<br>financial information     |                                       |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
|   | Unaudited<br>2020<br>Thousand<br>Baht | Unaudited<br>2019<br>Thousand<br>Baht | Unaudited<br>2020<br>Thousand<br>Baht | Unaudited<br>2019<br>Thousand<br>Baht |
| Payables for plant and equipment and<br>intangible assets brought forward | 12,861                                | 59,133                                | 16                                    | 3,537                                 |
| <u>Add</u> Purchases during the periods                                   | 39,733                                | 95,866                                | 371                                   | 103                                   |
| <u>Less</u> Payments during the periods                                   | (40,892)                              | (151,906)                             | (287)                                 | (1,715)                               |
| Payables for plant and equipment and<br>intangible assets carried forward | 11,702                                | 3,093                                 | 100                                   | 1,925                                 |

## 9 Trade and other receivables, net

|   | Consolidated<br>financial information                 |   | Separate<br>financial information                     |   |
|---|---|---|---|---|
|   | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht |
| Trade receivables - other parties           | 571,974   | 497,726   | -   | -   |
| - related parties (Note 16 b))              | 48,520  | 226,196   | 14,059  | 10,676  |
| <u>Less</u> Allowance for doubtful accounts | (93,171)  | (93,307)  | -   | -   |
| Trade receivables, net                      | 527,323   | 630,615   | 14,059  | 10,676  |
| Other receivables - other parties           | 2,816   | 2,943   | -   | 28  |
| - related parties (Note 16 b))              | 44  | 44  | 25,067  | 13,678  |
| Accrued income                              | 229   | 262   | 229   | 262   |
| Prepayments                                 | 51,823  | 16,414  | 8,450   | 5,834   |
|   | 582,235   | 650,278   | 47,805  | 30,478  |

Outstanding trade receivables can be analysed as follows:

|   | Consolidated<br>financial information                 |   | Separate<br>financial information                     |   |
|---|---|---|---|---|
|   | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht |
| Not yet due                                 | 468,954   | 567,018   | 14,059  | 10,676  |
| Overdue:                                    |   |   |   |   |
| Under 3 months                              | 57,352  | 58,238  | -   | -   |
| 3 - 6 months                                | 1,017   | 5,359   | -   | -   |
| 6 - 12 months                               | -   | -   | -   | -   |
| Over 12 months                              | 93,171  | 93,307  | -   | -   |
|   | 620,494   | 723,922   | 14,059  | 10,676  |
| <u>Less</u> Allowance for doubtful accounts | (93,171)  | (93,307)  | -   | -   |
|   | 527,323   | 630,615   | 14,059  | 10,676  |

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

For the six-month periods ended 30 September 2020 and 2019, the Group had sold receivables to the financial institution amounting to Baht 5,044 million and Baht 4,668 million, respectively.



## 10 Investments in subsidiaries

| Company name                             | Country of incorporation | Separate financial information (Unit : Thousand Baht) |               |                   |                          |               |                          | Net book value |
|--|--------------------------|---|---------------|-------------------|--------------------------|---------------|--------------------------|----------------|
|  |                          | % Ownership interest                                  |               | Cost method       |                          | Cost method   |                          |                |
|  |                          | 30 September 2020                                     | 31 March 2020 | 30 September 2020 | Provision for impairment | 31 March 2020 | Provision for impairment |                |
| The Siam Iron and Steel (2001) Co., Ltd. | Thailand                 | 99.99   | 99.99         | 2,554,386         | -                        | 2,554,386     | -                        | 2,554,386      |
| The Siam Construction Steel Co., Ltd.    | Thailand                 | 99.99   | 99.99         | 3,656,874         | -                        | 3,656,874     | -                        | 3,656,874      |
| Tata Steel Manufacturing (Thailand) Plc. | Thailand                 | 99.76   | 99.76         | 9,181,787         | (3,380,000)              | 9,181,787     | (3,380,000)              | 5,801,787      |
|  |                          |   |               | 15,393,047        | (3,380,000)              | 12,013,047    | (3,380,000)              | 12,013,047     |

**11 Property, plant, equipment, right-for-use assets and intangible assets, net**

The movements of property, plant, equipment, right-for-use assets and intangible assets are as follows:

|  | Consolidated<br>financial information                    |   |  |
|--|--|---|--|
|  | Property,<br>plant, and<br>equipment<br>Thousand<br>Baht | Right-for-use<br>assets<br>Thousand<br>Baht | Intangible<br>assets<br>Thousand<br>Baht |
| <b>For the six-month period ended<br/>30 September 2020</b>                                  |  |   |  |
| Opening net book amount (Audited)  | 2,891,958  | -   | 29,583                                   |
| Adjustment for adoption Thai Financial<br>Reporting Standards 16 as at 1 April 2020 (Note 5) | (39,480)   | 572,959                                     | -  |
| Additions  | 39,733   | -   | -  |
| Write-off, net   | -  | (328)                                       | -  |
| Depreciation and amortisation  | (207,591)  | (24,400)                                    | (2,267)                                  |
| Closing net book amount (Unaudited)  | 2,684,620  | 548,231                                     | 27,316                                   |
|  | Separated<br>financial information                       |   |  |
|  | Property,<br>plant, and<br>equipment<br>Thousand<br>Baht | Right-for-use<br>assets<br>Thousand<br>Baht | Intangible<br>assets<br>Thousand<br>Baht |
| <b>For the six-month period ended<br/>30 September 2020</b>                                  |  |   |  |
| Opening net book amount (Audited)  | 22,947   | -   | 12,445                                   |
| Adjustment for adoption Thai Financial<br>Reporting Standards 16 as at 1 April 2020 (Note 5) | (756)  | 41,168                                      | -  |
| Additions  | 371  | -   | -  |
| Transfer out, net  | -  | (947)                                       | -  |
| Write-off, net   | -  | (328)                                       | -  |
| Depreciation and amortisation  | (5,033)  | (7,964)                                     | (1,045)                                  |
| Closing net book amount (Unaudited)  | 17,529   | 31,929                                      | 11,400                                   |

## 12 Deferred tax assets and income tax expense

### Consolidated financial information

As at 30 September 2020, deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of Baht 1,021 million (31 March 2020 : Baht 1,091 million) in respect of losses amounting to Baht 5,105 million (31 March 2020 : Baht 5,457 million) that can be carried forward against future taxable income. Such losses will be expire in March 2021 to March 2026.

### Separate financial information

As at 30 September 2020, deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Company did not recognise deferred income tax assets of Baht 10 million (31 March 2020 : Baht 17 million) in respect of losses amounting to Baht 51 million (31 March 2020 : Baht 86 million) that can be carried forward against future taxable income. Such losses will be expired in March 2021.

## 13 Short-term borrowings from financial institutions

The movements of short-term borrowings from financial institutions comprise the following:

|   | Consolidated<br>financial<br>information | Separate<br>financial<br>information |
|---|--|--------------------------------------|
|   | Thousand<br>Baht                         | Thousand<br>Baht                     |
| <b>For the six-month period ended 30 September 2020</b> |  |                                      |
| Opening balance for the period (Audited)                | 461,727                                  | -                                    |
| Additions during the period                             | 804,132                                  | -                                    |
| Repayments during the period                            | (878,914)                                | -                                    |
| Closing balance for the period (Unaudited)              | 386,945                                  | -                                    |

### Short-term borrowings from financial institutions - subsidiaries

As at 30 September 2020, short-term borrowings from financial institutions for subsidiaries in the amount of Baht 387 million (31 March 2020 : Baht 462 million) bear interest rate at 4.60% per annum and BIBOR+2.0% per annum (31 March 2020 : interest rate at 3.97% per annum and BIBOR+2.1% per annum) and due from 12 October 2020 to 2 December 2020 (31 March 2020 : from 1 April 2020 to 18 June 2020).



#### 14 Trade and other payables

|                                  | Consolidated<br>financial information                 |   | Separate<br>financial information                     |   |
|----------------------------------|---|---|---|---|
|                                  | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht |
| Trade payables - other companies | 655,335   | 435,793   | -   | -   |
| - related parties (Note 16 b))   | 2,273   | 2,347   | -   | -   |
| Other payables - other companies | 16,527  | 17,046  | 4,925   | 4,199   |
| - related parties (Note 16 b))   | 2,158   | 2,267   | 4,148   | 5,027   |
| Advance received from customers  | 34,915  | 14,968  | -   | -   |
| Accrued expenses                 | 376,574   | 410,713   | 43,199  | 59,178  |
|                                  | 1,087,782   | 883,134   | 52,272  | 68,404  |

#### 15 Lease liabilities

Minimum lease payment record as lease liabilities are as follows;

|  | Consolidated<br>financial information                 |   | Separate<br>financial information                     |   |
|--|---|---|---|---|
|  | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht |
| Not later than one year                              | 60,391  | 3,685   | 16,074  | -   |
| Later than 1 year but not later than 5 years         | 175,412   | 14,484  | 17,014  | -   |
| Later than 5 years                                   | 516,345   | 51,382  | -   | -   |
| <u>Less</u> Future finance charges on finance leases | (214,355)   | (28,769)  | (1,536)   | -   |
| Present value of finance lease liabilities           | 537,793   | 40,782  | 31,552  | -   |
| Representing lease liabilities:                      |   |   |   |   |
| - Current  | 39,365  | 1,129   | 15,107  | -   |
| - Non-current  | 498,428   | 39,653  | 16,445  | -   |
| Present value of finance lease liabilities           | 537,793   | 40,782  | 31,552  | -   |

Present value of finance lease liabilities are as follow;

|  | Consolidated<br>financial information                 |   | Separate<br>financial information                     |   |
|--|---|---|---|---|
|  | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht |
| Not later than one year                      | 39,365  | 1,129   | 15,107  | -   |
| Later than 1 year but not later than 5 years | 103,765   | 5,024   | 16,445  | -   |
| Later than 5 years                           | 394,663   | 34,629  | -   | -   |
|  | 537,793   | 40,782  | 31,552  | -   |

## 16 Related party transactions

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

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

Relationship between company and related parties:

| Name  | Type of Business   | Relationship                        |
|---|--|-------------------------------------|
| Tata Steel Limited  | Manufacture steel  | Ultimate parent company             |
| T S Global Holdings Pte. Ltd.                               | Investing  | Major shareholder                   |
| The Siam Iron and Steel (2001) Co., Ltd.                    | Manufacture wire rods and small section products   | Common shareholders and management  |
| The Siam Construction Steel Co., Ltd.                       | Manufacture steel bars   | Common shareholders and managements |
| Tata Steel Manufacturing (Thailand) Public Company Limited. | Manufacture, render a manufacturing service, distributions and trading of steel bars, wire rods and small section products | Common shareholder and management   |
| The Siam Industrial Wire Co., Ltd.                          | Manufacture steel wire   | Same group of shareholders          |
| NatSteel Trade International Pte. Ltd.                      | Trading  | Same group of shareholders          |
| NatSteel Recycling Pte. Ltd.                                | Trading  | Same group of shareholders          |
| Tata International Metals Asia Ltd.                         | Trading  | Same group of shareholders          |
| T S Asia (Hong Kong) Ltd.                                   | Trading  | Same group of shareholders          |



| <b>Name</b>                                    | <b>Type of Business</b>                       | <b>Relationship</b>        |
|--|---|----------------------------|
| Tata Refractories Ltd.                         | Manufacture refractory                        | Same group of shareholders |
| NatSteel Holdings Pte. Ltd.                    | Manufacture steel                             | Same group of shareholders |
| Tata Steel UK Ltd.                             | Manufacture steel                             | Same group of shareholders |
| Tata International Singapore Pte. Ltd.         | Trading                                       | Same group of shareholders |
| Tata Steel IJmuiden BV                         | Manufacture steel                             | Same group of shareholders |
| Tata Consultancy Services (Thailand) Ltd.      | Software services                             | Same group of shareholders |
| Tata Consultancy Services Ltd.                 | Software services                             | Same group of shareholders |
| Tata Services Limited                          | Training services                             | Same group of shareholders |
| Tata Sons Private Limited                      | Investment holdings and consultancy services  | Same group of shareholders |
| Tata Steel Resources Australia Pte. Ltd.       | Procurement                                   | Same group of shareholders |
| Tata NYK Shipping Pte. Ltd.                    | Shipping                                      | Same group of shareholders |
| Mjunction Services Limited                     | Trading and procurement                       | Same group of shareholders |
| T S Global Procurement Co. Pte. Ltd.           | Trading                                       | Same group of shareholders |
| Tata Steel International (UK) Ltd.             | Shipping                                      | Same group of shareholders |
| Tata Steel Nederland Services B.V.             | Manufacture steel                             | Same group of shareholders |
| Tata South East Asia Limited                   | Manufacture steel                             | Same group of shareholders |
| TSN Wires Co., Ltd.                            | Manufacture galvanized steel wire             | Same group of shareholders |
| Tata International Limited                     | Trading                                       | Same group of shareholders |
| Tata Steel Processing and Distribution Limited | Processing and distribution steel             | Same group of shareholders |
| Tata Projects Limited                          | Infrastructure projects                       | Same group of shareholders |
| Tata South East Asia (Cambodia) Ltd.           | Trading                                       | Same group of shareholders |
| Natsteel (Xiamen) Ltd.                         | Manufacture steel                             | Same group of shareholders |
| Tata Technologies (Thailand) Co., Ltd.         | IT Services                                   | Same group of shareholders |
| Tata Technologies Pte. Ltd.                    | IT Services                                   | Same group of shareholders |
| Tata Motors (Thailand) Co., Ltd.               | Manufacture automobile                        | Same group of shareholders |
| Tata Communications (Thailand) Co., Ltd.       | IT and Telecommunication Services             | Same group of shareholders |
| Tata International West Asia DMCC              | Trading                                       | Same group of shareholders |
| Tata AIG General Insurance Co., Ltd.           | Insurance                                     | Same group of shareholders |
| Tata Power Co., Ltd.                           | Generate, transmit and distribute electricity | Same group of shareholders |



The following transactions were carried out with related parties:

- a) Related party transactions for the three-month periods ended 30 September 2020 and 2019

| For the three-month periods ended<br>30 September | Consolidated<br>financial information |                   | Separate<br>financial information |                   |
|---|---------------------------------------|-------------------|-----------------------------------|-------------------|
|   | Unaudited<br>2020                     | Unaudited<br>2019 | Unaudited<br>2020                 | Unaudited<br>2019 |
|   | Thousand<br>Baht                      | Thousand<br>Baht  | Thousand<br>Baht                  | Thousand<br>Baht  |
| <b>Revenues</b>                                   |                                       |                   |                                   |                   |
| Sales   |                                       |                   |                                   |                   |
| Tata Steel Limited                                | -                                     | 173,559           | -                                 | -                 |
| The Siam Industrial Wire Co., Ltd.                | 119,658                               | 84,219            | -                                 | -                 |
| TSN Wires Co., Ltd.                               | 64,858                                | 79,280            | -                                 | -                 |
| Total   | 184,516                               | 337,058           | -                                 | -                 |
| Interest income                                   |                                       |                   |                                   |                   |
| Tata Steel Manufacturing (Thailand) Plc.          | -                                     | -                 | 19,952                            | 21,494            |
| Management fees income                            |                                       |                   |                                   |                   |
| The Siam Iron and Steel (2001) Co., Ltd.          | -                                     | -                 | 17,862                            | 23,295            |
| The Siam Construction Steel Co., Ltd.             | -                                     | -                 | 32,664                            | 42,639            |
| Tata Steel Manufacturing (Thailand) Plc.          | -                                     | -                 | 34,259                            | 42,000            |
| Total   | -                                     | -                 | 84,785                            | 107,934           |

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

| For the three-month periods ended<br>30 September | Consolidated<br>financial information |                   | Separate<br>financial information |                   |
|---|---------------------------------------|-------------------|-----------------------------------|-------------------|
|   | Unaudited<br>2020                     | Unaudited<br>2019 | Unaudited<br>2020                 | Unaudited<br>2019 |
|   | Thousand<br>Baht                      | Thousand<br>Baht  | Thousand<br>Baht                  | Thousand<br>Baht  |
| <b>Expenses</b>                                   |                                       |                   |                                   |                   |
| Purchases   |                                       |                   |                                   |                   |
| Tata Steel Limited                                | 812,384                               | -                 | -                                 | -                 |
| Tata International Metals Asia Ltd.               | -                                     | 268,273           | -                                 | -                 |
| Tata International West Asia DMCC                 | 9,433                                 | 5,160             | -                                 | -                 |
| Tata International Limited                        | -                                     | 5,593             | -                                 | -                 |
| Total   | 821,817                               | 279,026           | -                                 | -                 |
| Interest expenses                                 |                                       |                   |                                   |                   |
| The Siam Iron and Steel (2001) Co., Ltd.          | -                                     | -                 | 821                               | 1,306             |
| The Siam Construction Steel Co., Ltd.             | -                                     | -                 | 5,067                             | 6,573             |
| Tata Steel Manufacturing (Thailand) Plc.          | -                                     | -                 | -                                 | 449               |
| Total   | -                                     | -                 | 5,888                             | 8,328             |
| Other expenses                                    |                                       |                   |                                   |                   |
| Tata Technologies (Thailand) Co., Ltd.            | 107                                   | -                 | 107                               | -                 |
| Key management compensation                       |                                       |                   |                                   |                   |
| Short-term employee benefits                      | 15,467                                | 12,776            | 15,467                            | 12,776            |
| Post-employment benefits                          | 657                                   | 759               | 657                               | 759               |
| Total   | 16,124                                | 13,535            | 16,124                            | 13,535            |

**Tata Steel (Thailand) Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the six-month period ended 30 September 2020**

| For the six-month periods ended<br>30 September | Consolidated<br>financial information |                                       | Separate<br>financial information     |                                       |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
|   | Unaudited<br>2020<br>Thousand<br>Baht | Unaudited<br>2019<br>Thousand<br>Baht | Unaudited<br>2020<br>Thousand<br>Baht | Unaudited<br>2019<br>Thousand<br>Baht |
| <b>Revenues</b>                                 |                                       |                                       |                                       |                                       |
| Sales   |                                       |                                       |                                       |                                       |
| Tata Steel Limited                              | -                                     | 593,386                               | -                                     | -                                     |
| The Siam Industrial Wire Co., Ltd.              | 224,445                               | 304,478                               | -                                     | -                                     |
| NatSteel Holdings Pte. Ltd.                     | 1,832                                 | 1,998                                 | -                                     | -                                     |
| TSN Wires Co., Ltd.                             | 159,690                               | 156,430                               | -                                     | -                                     |
| Total   | 385,967                               | 1,056,292                             | -                                     | -                                     |
| Interest income                                 |                                       |                                       |                                       |                                       |
| Tata Steel Manufacturing (Thailand) Plc.        | -                                     | -                                     | 39,548                                | 40,564                                |
| Management fees income                          |                                       |                                       |                                       |                                       |
| The Siam Iron and Steel (2001) Co., Ltd.        | -                                     | -                                     | 40,488                                | 46,590                                |
| The Siam Construction Steel Co., Ltd.           | -                                     | -                                     | 74,175                                | 85,278                                |
| Tata Steel Manufacturing (Thailand) Plc.        | -                                     | -                                     | 77,591                                | 84,000                                |
| Total   | -                                     | -                                     | 192,254                               | 215,868                               |

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



Tata Steel (Thailand) Public Company Limited  
Condensed Notes to Interim Financial Information (Unaudited)  
For the six-month period ended 30 September 2020

| For the six-month periods ended<br>30 September | Consolidated<br>financial information |                                       | Separate<br>financial information     |                                       |
|---|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
|   | Unaudited<br>2020<br>Thousand<br>Baht | Unaudited<br>2019<br>Thousand<br>Baht | Unaudited<br>2020<br>Thousand<br>Baht | Unaudited<br>2019<br>Thousand<br>Baht |
| <b>Expenses</b>                                 |                                       |                                       |                                       |                                       |
| Purchases                                       |                                       |                                       |                                       |                                       |
| Tata Steel Limited                              | 2,252,154                             | -                                     | -                                     | -                                     |
| Tata International Metals Asia Ltd.             | -                                     | 483,443                               | -                                     | -                                     |
| Tata International West Asia DMCC               | 9,433                                 | 11,537                                | -                                     | -                                     |
| Tata International Limited                      | -                                     | 5,593                                 | -                                     | -                                     |
| Total   | 2,261,587                             | 500,573                               | -                                     | -                                     |
| Interest expenses                               |                                       |                                       |                                       |                                       |
| The Siam Iron and Steel (2001) Co., Ltd.        | -                                     | -                                     | 1,874                                 | 2,565                                 |
| The Siam Construction Steel Co., Ltd.           | -                                     | -                                     | 12,685                                | 12,569                                |
| Tata Steel Manufacturing (Thailand) Plc.        | -                                     | -                                     | -                                     | 450                                   |
| Total   | -                                     | -                                     | 14,559                                | 15,584                                |
| Other expenses                                  |                                       |                                       |                                       |                                       |
| Tata Sons Private Limited                       | -                                     | 16                                    | -                                     | 16                                    |
| Tata Technologies (Thailand) Co., Ltd.          | -                                     | 54                                    | -                                     | 54                                    |
| Tata Steel Limited                              | 107                                   | -                                     | 107                                   | -                                     |
| Total   | 107                                   | 70                                    | 107                                   | 70                                    |
| Key management compensation                     |                                       |                                       |                                       |                                       |
| Short-term employee benefits                    | 30,923                                | 35,936                                | 30,923                                | 35,936                                |
| Post-employment benefits                        | 30,802                                | 27,249                                | 30,802                                | 27,249                                |
| Total   | 61,725                                | 63,185                                | 61,725                                | 63,185                                |

**Tata Steel (Thailand) Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the six-month period ended 30 September 2020**

- b) Outstanding balance arising from sales/purchases of goods, services and others as at 30 September 2020 and 31 March 2020 are as follows:

|  | Consolidated<br>financial information                 |   | Separate<br>financial information                     |   |
|--|---|---|---|---|
|  | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht |
| <b>Trade receivable - related parties</b>  |   |   |   |   |
| The Siam Iron and Steel (2001) Co., Ltd.   | -   | -   | 2,973   | 2,316   |
| The Siam Construction Steel Co., Ltd.      | -   | -   | 5,339   | 4,187   |
| Tata Steel Manufacturing (Thailand) Plc.   | -   | -   | 5,747   | 4,173   |
| Tata Steel Limited                         | -   | 171,989   | -   | -   |
| The Siam Industrial Wire Co., Ltd.         | 12,799  | 543   | -   | -   |
| TSN Wires Co., Ltd.                        | 35,721  | 53,664  | -   | -   |
| <b>Total</b>                               | <b>48,520</b>   | <b>226,196</b>                                  | <b>14,059</b>   | <b>10,676</b>                                   |
| <b>Other receivables - related parties</b> |   |   |   |   |
| Tata Steel Limited                         | 23  | 23  | 23  | 23  |
| The Siam Iron and Steel (2001) Co., Ltd.   | -   | -   | 4,252   | 1,235   |
| The Siam Construction Steel Co., Ltd.      | -   | -   | 6,905   | 2,137   |
| Tata Steel Manufacturing (Thailand) Plc.   | -   | -   | 13,866  | 10,262  |
| Tata Communications (Thailand) Co., Ltd.   | 21  | 21  | 21  | 21  |
| <b>Total</b>                               | <b>44</b>   | <b>44</b>                                       | <b>25,067</b>   | <b>13,678</b>                                   |
| <b>Trade payable - related parties</b>     |   |   |   |   |
| Tata Steel Limited                         | 2,273   | 2,347   | -   | -   |
| <b>Other payables - related parties</b>    |   |   |   |   |
| Tata Steel Limited                         | 2,158   | 2,267   | 2,158   | 2,267   |
| The Siam Iron and Steel (2001) Co., Ltd.   | -   | -   | 338   | 270   |
| The Siam Construction Steel Co., Ltd.      | -   | -   | 1,642   | 2,470   |
| Tata Steel Manufacturing (Thailand) Plc.   | -   | -   | 10  | 20  |
| <b>Total</b>                               | <b>2,158</b>  | <b>2,267</b>                                    | <b>4,148</b>  | <b>5,027</b>                                    |

c) Short-term loans to a subsidiary

The movements of short-term loans to a subsidiary comprise the following:

|   | <b>Separate<br/>financial<br/>information</b> |
|---|---|
|   | <b>Thousand<br/>Baht</b>                      |
| <b>For the six-month period ended 30 September 2020</b> |   |
| Opening balance for the period (Audited)                | 3,092,084                                     |
| Net deductions of loans during the period               | (320,029)                                     |
| Closing balance for the period (Unaudited)              | 2,772,055                                     |

As at 30 September 2020, short-term loans to a subsidiary in amount of Baht 2,772 million (31 March 2020 : Baht 3,092 million) bear interest rate at 3.0% per annum (31 March 2020 : 3.0% per annum). Short-term loans to a subsidiary are non-collateralised loans and not specified maturity date.

d) Short-term borrowings from subsidiaries

The movements of short-term borrowings from subsidiaries comprise the following:

|   | <b>Separate<br/>financial<br/>information</b> |
|---|---|
|   | <b>Thousand<br/>Baht</b>                      |
| <b>For the six-month period ended 30 September 2020</b> |   |
| Opening balance for the period (Audited)                | 2,118,355                                     |
| Net additions of borrowings during the period           | 206,496                                       |
| Closing balance for the period (Unaudited)              | 2,324,851                                     |

As at 30 September 2020, short-term borrowings from subsidiaries for the Company in the amount of Baht 2,325 million (31 March 2020 : Baht 2,118 million) bear interest rate at 1.0% per annum (31 March 2020 : at 1.5% per annum) and are non-collateralised loans and not specified maturity date.



## 17 Commitments

### 17.1 Capital commitments

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

|                         | Consolidated<br>financial information                 |   | Separate<br>financial information                     |   |
|-------------------------|---|---|---|---|
|                         | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht | Unaudited<br>30 September<br>2020<br>Thousand<br>Baht | Audited<br>31 March<br>2020<br>Thousand<br>Baht |
| Buildings and equipment | 30,696  | 23,562  | -   | -   |

### 17.2 Commitments from letter of credit

Letters of credit opened but are not qualified as liabilities as at 30 September 2020 and 31 March 2020 are as follows:

|          | Consolidated<br>financial information         |   | Separate<br>financial information             |   |
|----------|---|---|---|---|
|          | Unaudited<br>30 September<br>2020<br>Thousand | Audited<br>31 March<br>2020<br>Thousand | Unaudited<br>30 September<br>2020<br>Thousand | Audited<br>31 March<br>2020<br>Thousand |
| Currency |   |   |   |   |
| USD      | 5,175   | 1,266                                   | -   | -                                       |
| EUR      | 266   | 275                                     | -   | -                                       |

## 18 Segment financial information

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

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

Revenue from sales and related services for the six-month period ended 30 September 2020 has timing of revenue recognition as a point in time amounting to Baht 9,470 million (2019 : Baht 10,445 million) and over time amounting to Baht 8 million (2019 : Baht 51 million).

## 19 Contingent liabilities

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

On 5 August 2019, the Central Tax Court judged in favour of the subsidiary. On 11 November 2019, the Revenue Department, therefore, also appealed to the Court of Appeal for Specialized Cases.

On 14 September 2020, the Court of Appeal for Specialized Cases has reversed the judgement of the Central Tax Court. As at 30 September 2020, the subsidiary is in the process of appeal to the Supreme Court. However, the subsidiary has already accrued for the provision for surcharge amount of Baht 16 million in the interim financial information for the quarter ended 30 September 2020. Hereinafter, the matter will be dropped from the list of contingent liability.

## 20 Letter of guarantee

As at 30 September 2020, letters of guarantee issued by the financial institutions to the Revenue Department, Electricity Generating Authority of Thailand, Provincial Electricity Authority, Industrial Estate Authority of Thailand and Bureau of Indian Standards amounting to Baht 318 million (31 March 2020 : Baht 283 million) in the normal courses of business.