

1 General information

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

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

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

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

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

As at 30 June 2018 and 31 March 2018, N.T.S. Steel Group Public Company Limited (“N.T.S.”) which is a subsidiary has total current liabilities exceeding total current assets by Baht 1,807 million and Baht 1,841 million, respectively. However, the amount of current liabilities included the short-term borrowings from the parent company of Baht 2,811 million and Baht 2,781 million, respectively. The parent company will continue its financial support to N.T.S. to enable N.T.S. 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 N.T.S. 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 25 July 2018.

This interim consolidated and separate financial information has been reviewed, not audited.

2 Accounting policies

2.1 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in shareholders’ equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. The notes to the financial information are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission 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 2018.

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.

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 2018.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

2.2.1 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant change and are relevant to the Group:

TAS 7 (revised 2017) Statement of cash flows

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

2.2.2 New financial reporting standard is effective for annual periods beginning on or after 1 January 2019 which is relevant to the Group. The Group has not yet adopted this standard.

TFRS 15 Revenue from contracts with customers

TFRS 15 provide the requirements for the recognition of revenue. This standard will supersede the following standards:

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TFRIC 13 (revised 2017)	Customer loyalty programmes
TFRIC 15 (revised 2017)	Agreements for the construction of real estate
TFRIC 18 (revised 2017)	Transfers of assets from customers
TSIC 31 (revised 2017)	Revenue - barter transactions involving advertising services

The new standard is based on the principle that

- revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards
- an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Entities will have a choice to apply this standard retrospectively in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, subject to the expedients or retrospectively with the cumulative effect recognised as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application with additional disclosures. The Group will first apply this standard for annual reporting periods beginning on or after 1 January 2019. Management is currently assessing the impact from initial application of this standard in detail.

3 Estimates

The preparation of interim consolidated and separate 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.

In preparing this interim consolidated and separate financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated and separate financial statements for the year ended 31 March 2018.

4 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)

Financial assets carried on the statement of financial position include cash and cash equivalents, trade and other receivables, short-term loans to a subsidiary, and investments in subsidiaries. Financial liabilities carried on the statement of financial position include short-term loans from financial institutions, trade and other payables, short-term loans from subsidiaries, and long-term loan from financial institutions.

Financial assets include cash and cash equivalents, trade and other receivables and financial liabilities include short-term loans from financial institutions, trade and other payables. Such financial assets and liabilities are approximately to the carrying amounts due to their short maturities.

There were no transfers between level 1 and 2 during the period.

There were no changes in valuation techniques during the period.

5 Cash and cash equivalents

- a) Cash and cash equivalents consist of:

	Consolidated financial information		Separate financial information	
	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht
Cash on hand	1	1	-	-
Deposits at banks - current accounts	53,235	35,521	1,182	704
- savings accounts	606,507	484,067	449,462	377,434
	659,743	519,589	450,644	378,138

	Consolidated financial information		Separate financial information	
	Unaudited 30 June 2018 %	Audited 31 March 2018 %	Unaudited 30 June 2018 %	Audited 31 March 2018 %
<u>Interest rate</u>				
Deposits at banks - savings accounts	0.05 - 0.50	0.05 - 0.50	0.10 - 0.50	0.10 - 0.50

- b) Other non-cash adjustment items for the three-month periods ended 30 June, consist of:

	Consolidated financial information		Separate financial information	
	Unaudited 2018 Thousand Baht	Unaudited 2017 Thousand Baht	Unaudited 2018 Thousand Baht	Unaudited 2017 Thousand Baht
Gain on disposal of plant and equipment	(319)	(149)	-	(127)
Loss from writing-off of plant and equipment	480	538	480	-
	161	389	480	(127)

5 Cash and cash equivalents (Cont'd)

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

	Consolidated financial information		Separate financial information	
	Unaudited 2018 Thousand Baht	Unaudited 2017 Thousand Baht	Unaudited 2018 Thousand Baht	Unaudited 2017 Thousand Baht
Increase in other current assets and other non-current assets	(41,113)	(1,792)	(1,579)	(928)
Increase (decrease) in other current liabilities and other non-current liabilities	14,676	(19,226)	7,598	(1,413)
	<u>(26,437)</u>	<u>(21,018)</u>	<u>6,019</u>	<u>(2,341)</u>

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

	Consolidated financial information		Separate financial information	
	Unaudited 2018 Thousand Baht	Unaudited 2017 Thousand Baht	Unaudited 2018 Thousand Baht	Unaudited 2017 Thousand Baht
Interest paid	(18,335)	(26,327)	(10,422)	(20,088)

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

The recording of investments in available-for-sale securities in the consolidated financial information at fair value. For the three-month period ended 30 June 2018, the Group recorded unrealised gain(loss) on such investments of Baht (0.4) million (2017 : Baht 1.9 million).

On 25 April 2017, the Board of Directors of T S Global Holdings Pte. Ltd. ("TSGH") approved for offsetting the other receivable from TSGH of Baht 71 million which was presented as non-current assets in prior period and current portion of long-term borrowings.

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

	Consolidated financial information		Separate financial information	
	Unaudited 2018 Thousand Baht	Unaudited 2017 Thousand Baht	Unaudited 2018 Thousand Baht	Unaudited 2017 Thousand Baht
Payables for plant and equipment and intangible assets brought forward	13,485	37,314	254	11,362
<u>Add</u> Purchases during the periods	60,626	36,459	6,555	1,337
<u>Less</u> Payments during the periods	(29,976)	(70,806)	(6,678)	(12,675)
Payables for plant and equipment and intangible assets carried forward	<u>44,135</u>	<u>2,967</u>	<u>131</u>	<u>24</u>
Purchase of plant and equipment under finance lease liabilities	<u>42,975</u>	<u>-</u>	<u>-</u>	<u>-</u>

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6 Trade and other receivables, net

	Consolidated financial information		Separate financial information	
	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht
Trade receivables - other parties	666,337	814,220	-	-
- related parties (Note 14 b))	389,314	464,272	43,366	42,244
<u>Less</u> Allowance for doubtful accounts	(58,195)	(58,212)	-	-
Trade receivables, net	997,456	1,220,280	43,366	42,244
Other receivables - other parties	1,210	1,206	6	32
- related parties (Note 14 b))	189	199	40,186	37,940
Prepayments	107,881	37,165	5,518	7,052
	<u>1,106,736</u>	<u>1,258,850</u>	<u>89,076</u>	<u>87,268</u>

Outstanding trade receivables can be analysed as follows:

	Consolidated financial information		Separate financial information	
	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht
Not yet due	875,742	1,134,674	43,366	42,244
Overdue:				
Under 3 months	86,510	49,956	-	-
3 - 6 months	75,114	75,528	-	-
6 - 12 months	-	-	-	-
Over 12 months	18,285	18,334	-	-
	1,055,651	1,278,492	43,366	42,244
<u>Less</u> Allowance for doubtful accounts	(58,195)	(58,212)	-	-
	<u>997,456</u>	<u>1,220,280</u>	<u>43,366</u>	<u>42,244</u>

In 2008, the Group has entered into a "Receivable Purchase Agreement" to do account receivables factoring with a financial institution which all risks and rewards only for the amount accepted by the buyer have been transferred to the buyer.

For the three-month periods ended 30 June 2018 and 2017, the Group had sold receivables to the financial institution amounting to Baht 2,105 million and Baht 2,005 million, respectively.

7 Non-current assets classified as held-for-sale

In August 2011, the Group's management had decided to cease production of the Mini Blast Furnace ("MBF") at N.T.S., the Company's subsidiary in view of the high volatility of MBF raw material prices and the prices being relatively higher than scrap prices, which adversely impacting the viability of costs of steel produced through the MBF route.

As at 31 March 2017, the Group's management plans to dispose MBF machinery, equipment and its spare parts and store supplies. The Group had active programme to locate buyers, which expected to dispose such assets within 1 year. Therefore, MBF machinery, equipment and its spare part and store supplies are presented as non-current assets held for sale. The net realisable value as at 31 March 2017 was Baht 521 million.

On 15 November 2017, the Group entered into an asset purchase agreement with a buyer for the disposal of MBF machinery, equipment, its spare parts and store supplies.

During the year ended 31 March 2018, the Group's management has made an additional provision for impairment of non-current asset classified as held-for-sale amounting to Baht 61 million. Consequently, the net realisable value as at 31 March 2018 was Baht 460 million.

As at 30 June 2018, while the Group's management remains committed to the plan of disposal, it is expected that the dismantling and despatch will take 12-18 months. Accordingly, the MBF assets continue to be classified as non-current assets classified as held-for-sale as at 30 June 2018.

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8 Investments in subsidiaries

The investments in subsidiaries are as follows:

Company name	Country of incorporation	% Ownership interest		Separate financial information (Unit : Thousand Baht)					
		30 June 2018	31 March 2018	Cost method 30 June 2018			Cost method 31 March 2018		
		%	%	Cost	Provision for impairment	Net book value	Cost	Provision for impairment	Net book value
The Siam Iron and Steel (2001) Co., Ltd.	Thailand	99.99	99.99	2,554,386	-	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	-	3,656,874
N.T.S. Steel Group Public Company Limited	Thailand	99.76	99.76	9,181,787	(3,380,000)	5,801,787	9,181,787	(3,380,000)	5,801,787
				<u>15,393,047</u>	<u>(3,380,000)</u>	<u>12,013,047</u>	<u>15,393,047</u>	<u>(3,380,000)</u>	<u>12,013,047</u>

9 Property, plant, equipment and intangible assets, net

The movements of property, plant, equipment and intangible assets are as follows:

	Consolidated financial information		Separate financial information	
	Property, plant, and equipment Thousand Baht	Intangible assets Thousand Baht	Property, plant, and equipment Thousand Baht	Intangible Assets Thousand Baht
For the three-month period ended 30 June 2018				
Opening net book amount (Audited)	3,291,485	25,592	32,939	24,213
Additions	103,601	-	6,555	-
Additions from provision for decommissioning costs	1,068	-	1,068	-
Write-off, net	(480)	-	(480)	-
Depreciation and amortisation	(114,413)	(6,133)	(2,489)	(6,034)
Closing net book amount (Unaudited)	<u>3,281,261</u>	<u>19,459</u>	<u>37,593</u>	<u>18,179</u>

On 14 June 2017, there was a fire occurred at the power sub-station of The Siam Iron and Steel (2001) Co., Ltd. From this incident, building, machinery and equipment, which are fully depreciated were partially damaged. In the third quarter ended 31 December 2017 and in the first quarter ended 30 June 2018, the subsidiary received full amount of damage claim payment amounting to Baht 25 million and in Baht 24 million, respectively, which were recorded as other income in the consolidated statement of comprehensive income.

10 Goodwill, net

	Consolidated financial information		Separate financial information	
	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht
At the beginning of the period	3,456,014	3,456,014	-	-
Impairment	-	-	-	-
At the end of the period	<u>3,456,014</u>	<u>3,456,014</u>	<u>-</u>	<u>-</u>

11 Deferred tax assets and income tax expense

Consolidated financial information

As at 30 June 2018, 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 963 million (31 March 2018 : Baht 1,115 million) in respect of losses amounting to Baht 4,817 million (31 March 2018 : Baht 5,576 million) that can be carried forward against future taxable income. Such losses will be expired in March 2019 to March 2023.

Separate financial information

As at 30 June 2018, 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 45 million (31 March 2018 : Baht 50 million) in respect of losses amounting to Baht 225 million (31 March 2018 : Baht 250 million) that can be carried forward against future taxable income. Such losses will be expired in March 2020 to March 2021.

12 Short-term borrowings from financial institutions

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

	Consolidated financial information Thousand Baht	Separate financial information Thousand Baht
For the three-month period ended 30 June 2018		
At the beginning of the period (Audited)	1,774,341	-
<u>Cash in (out)</u>		
Additions during the period	200,000	200,000
Repayments during the period	(630,902)	(200,000)
At the end of the period (Unaudited)	<u>1,343,439</u>	<u>-</u>

Short-term borrowings from financial institutions - subsidiaries

As at 30 June 2018, short-term borrowings from financial institutions for subsidiaries in amount of Baht 1,343 million (31 March 2018 : Baht 1,774 million) bear interest rate at BIBOR+2% per annum (31 March 2018 : interest rate at BIBOR+2% per annum) and due from 2 July 2018 to 18 September 2018 (31 March 2018 : 2 April 2018 to 18 June 2018).

13 Trade and other payables

	Consolidated financial information		Separate financial information	
	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht
Trade payables - other companies	897,665	778,632	-	-
- related parties (Note 14 b))	2,383	2,943	-	-
Other payables - other companies	49,239	18,191	5,234	4,960
- related parties (Note 14 b))	1,974	32,536	4,015	35,228
Advance received from customers	3,870	68,203	-	-
Accrued expenses - other companies	330,594	471,882	17,894	63,330
	<u>1,285,725</u>	<u>1,372,387</u>	<u>27,143</u>	<u>103,518</u>

14 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
N.T.S. Steel Group Public Company Limited	Manufacture, render a manufacturing service, distributions and trading of steel bars, wire rods and small section products	Common shareholder and management
The Siam Industrial Wire Co., Ltd.	Manufacture steel wire	Same group of shareholders
NatSteel Trade International Pte. Ltd.	Trading	Same group of shareholders
NatSteel Recycling Pte. Ltd.	Trading	Same group of shareholders
Tata International Metals Asia Ltd.	Trading	Same group of shareholders
T S Asia (Hong Kong) Ltd.	Trading	Same group of shareholders
Tata Refractories Ltd.	Manufacture refractory	Same group of shareholders
NatSteel Holdings Pte. Ltd.	Manufacture steel	Same group of shareholders
Tata Steel UK Ltd.	Manufacture steel	Same group of shareholders
Tata International Singapore Pte. Ltd.	Trading	Same group of shareholders
Tata Steel IJmuiden BV	Manufacture steel	Same group of shareholders
Tata Consultancy Services (Thailand) Ltd.	Software services	Same group of shareholders
Tata Consultancy Services Ltd.	Software services	Same group of shareholders
Tata Services Limited	Training services	Same group of shareholders
Tata Sons 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
YORK Sales (Thailand) Co., Ltd.	Trading	Same group of shareholders

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14 Related party transactions (Cont'd)

The following transactions were carried out with related parties:

- a) Related party transactions for the three-month periods ended 30 June 2018 and 2017

For the three-month periods ended 30 June	Consolidated financial information		Separate financial information	
	Unaudited 2018 Thousand Baht	Unaudited 2017 Thousand Baht	Unaudited 2018 Thousand Baht	Unaudited 2017 Thousand Baht
Revenues				
Sales				
Tata Steel Limited	725,363	208,463	-	-
The Siam Industrial Wire Co., Ltd.	143,150	132,693	-	-
TSN Wires Co., Ltd.	88,140	42,497	-	-
Tata Projects Limited	9,655	-	-	-
Total	966,308	383,653	-	-
Interest income				
N.T.S. Steel Group Public Company Limited	-	-	21,489	21,065
Management fees income				
The Siam Iron and Steel (2001) Co., Ltd.	-	-	24,201	23,160
The Siam Construction Steel Co., Ltd.	-	-	44,934	43,830
N.T.S. Steel Group Public Company Limited	-	-	52,452	51,450
Total	-	-	121,587	118,440

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 30 June	Consolidated financial information		Separate financial information	
	Unaudited 2018 Thousand Baht	Unaudited 2017 Thousand Baht	Unaudited 2018 Thousand Baht	Unaudited 2017 Thousand Baht
Expenses				
Purchases				
NatSteel Recycling Pte. Ltd.	-	117,577	-	-
Tata International Singapore Pte. Ltd.	-	7,846	-	-
Total	-	125,423	-	-
Interest expenses				
The Siam Iron and Steel (2001) Co., Ltd.	-	-	709	1,412
The Siam Construction Steel Co., Ltd.	-	-	6,956	5,087
Total	-	-	7,665	6,499
Other expenses				
The Siam Industrial Wire Co., Ltd.	85	20	-	20
Tata Sons Limited	61	-	61	-
Mjunction Services Limited	55	-	55	-
Tata South East Asia (Cambodia) Ltd.	392	693	392	693
Total	593	713	508	713
Key management compensation				
Short-term employee benefits	22,993	22,043	22,993	22,043
Post-employment benefits	19,245	16,321	19,245	16,321
Total	42,238	38,364	42,238	38,364

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14 Related party transactions (Cont'd)

The following transactions were carried out with related parties: (Cont'd)

- b) Outstanding balance arising from sales/purchases of goods, services and others as at 30 June 2018 and 31 March 2018 are as follows:

	Consolidated financial information		Separate financial information	
	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht
Trade receivable - related parties				
Tata Steel Limited	353,325	447,482	-	-
The Siam Iron and Steel (2001) Co., Ltd.	-	-	8,632	8,260
The Siam Construction Steel Co., Ltd.	-	-	16,026	15,633
N.T.S. Steel Group Public Company Limited	-	-	18,708	18,351
The Siam Industrial Wire Co., Ltd.	16,088	3,565	-	-
Natsteel Holdings Pte. Ltd.	-	1,943	-	-
TSN Wires Co., Ltd.	17,631	9,883	-	-
Tata Projects Limited	2,270	1,399	-	-
Total	389,314	464,272	43,366	42,244
Other receivables - related parties				
Tata Steel Limited	24	24	24	24
The Siam Iron and Steel (2001) Co., Ltd.	-	-	6,205	5,795
The Siam Construction Steel Co., Ltd.	-	-	13,993	13,085
N.T.S. Steel Group Public Company Limited	-	-	19,799	18,861
Tata Sons Limited	144	136	144	136
Tata Communications (Thailand) Co., Ltd.	21	21	21	21
Tata Power Co., Ltd.	-	18	-	18
Total	189	199	40,186	37,940
Trade payable - related parties				
Tata Steel Limited	2,383	2,242	-	-
Tata International Singapore Pte. Ltd.	-	701	-	-
Total	2,383	2,943	-	-
Other payables - related parties				
The Siam Iron and Steel (2001) Co., Ltd.	-	-	257	278
The Siam Construction Steel Co., Ltd.	-	-	2,359	2,337
N.T.S. Steel Group Public Company Limited	-	-	57	77
The Siam Industrial Wire Co., Ltd.	632	-	-	-
Tata Sons Limited	-	30,836	-	30,836
Mjunction Services Limited	55	-	55	-
Tata South East Asia (Cambodia) Ltd.	199	612	199	612
Tata Technologies Pte. Ltd.	1,088	1,088	1,088	1,088
Total	1,974	32,536	4,015	35,228

14 Related party transactions (Cont'd)

c) Short-term loans to a subsidiary

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

	Consolidated financial information Thousand Baht	Separate financial information Thousand Baht
For the three-month period ended 30 June 2018		
At the beginning of the period (Audited)	-	2,780,640
<u>Cash out</u>		
Additions of loans during the period	-	30,045
At the end of the period (Unaudited)	-	2,810,685

As at 30 June 2018, short-term loans to a subsidiary in amount of Baht 2,811 million (31 March 2018 : Baht 2,781 million) bear interest rate at 3.0% per annum (31 March 2018 : interest rate 3% per annum), 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:

	Consolidated financial information Thousand Baht	Separate financial information Thousand Baht
For the three-month period ended 30 June 2018		
At the beginning of the period (Audited)	-	1,913,950
<u>Cash in</u>		
Additions of borrowings during the period	-	148,190
At the end of the period (Unaudited)	-	2,062,140

As at 30 June 2018, short-term borrowings from subsidiaries for the Company in the amount of Baht 2,062 million (31 March 2018 : Baht 1,914 million) bear interest rate at 1.50% per annum (31 March 2018 : interest rate at 1.50% per annum) and are non-collateralised loans and not specified maturity date.

15 Commitments

15.1 Capital commitments

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

	Consolidated financial information		Separate financial information	
	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht
Buildings and equipment	28,256	34,471	-	-
Computer software	2,237	2,237	2,237	2,237

15 Commitments (Cont'd)

15.2 Operating lease commitments - where the Group is the lessee

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

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

	Consolidated financial information		Separate financial information	
	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht	Unaudited 30 June 2018 Thousand Baht	Audited 31 March 2018 Thousand Baht
Not later than 1 year	43,205	45,142	27,273	28,776
Later than 1 year but not later than 5 years	47,629	58,051	30,616	33,764
	90,834	103,193	57,889	62,540

15.3 Commitments from letter of credit

Letters of credit opened but are not qualified as liabilities as at 30 June 2018 and 31 March 2018 are as follows:

	Consolidated financial information		Separate financial information	
	Unaudited 30 June 2018 Thousand	Audited 31 March 2018 Thousand	Unaudited 30 June 2018 Thousand	Audited 31 March 2018 Thousand
Currency				
USD	6,150	366	-	-
EUR	594	523	-	-

16 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 statements.

17 Contingent liabilities

For fiscal year ended 31 March 2014, The Siam Construction Steel Company Limited, a subsidiary, received the notifications from the Revenue Department informing the 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 considered that there was a reasonable event occurred in the second half of that year that caused the net-profit under-estimated. The subsidiary has made the appeal to the Revenue Department.

As at 30 June 2018, the result of this assessment has not been finalised. However, the subsidiary expected that there would not be additional surcharge to be paid and has not recorded the provisions in the financial information.

Tata Steel (Thailand) Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the three-month period ended 30 June 2018

18 Letter of guarantee

As at 30 June 2018, 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 325 million (31 March 2018 : Baht 325 million) in the normal courses of business.

19 Fair value measurement

Certain financial assets and financial liabilities of the Group are measured at fair value at the end of reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined.

Financial assets and financial liabilities	Consolidated financial information		Separate financial information		Fair value hierarchy	Valuation techniques and key inputs for fair value measurement
	fair value as at		Fair value as at			
	Unaudited 30 June 2018	Audited 31 March 2018	Unaudited 30 June 2018	Audited 31 March 2018		
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht		
<u>Financial assets</u>						
1. Foreign currency forward contracts (including in other current assets)	18,839	1,047	-	-	Level 2	Discounted cash flows The estimated future cash flows is from foreign currency exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
2. Available-for-sale investment	3,100	3,500	-	-	Level 1	Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
<u>Financial liabilities</u>						
1. Foreign currency forward contracts (including in other current liabilities)	6,926	116	-	-	Level 2	Discounted cash flows The estimated future cash flows is from foreign currency exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.